



2020/0036(COD)

29.4.2020

*****I**

DRAFT REPORT

on the proposal for a regulation of the European Parliament and of the Council establishing the framework for achieving climate neutrality and amending Regulation (EU) 2018/1999 (European Climate Law)
(COM(2020)0080 – C9-0077/2020 – 2020/0036(COD))

Committee on the Environment, Public Health and Food Safety

Rapporteur: Jytte Guteland

Symbols for procedures

- * Consultation procedure
- *** Consent procedure
- ***I Ordinary legislative procedure (first reading)
- ***II Ordinary legislative procedure (second reading)
- ***III Ordinary legislative procedure (third reading)

(The type of procedure depends on the legal basis proposed by the draft act.)

Amendments to a draft act

Amendments by Parliament set out in two columns

Deletions are indicated in ***bold italics*** in the left-hand column. Replacements are indicated in ***bold italics*** in both columns. New text is indicated in ***bold italics*** in the right-hand column.

The first and second lines of the header of each amendment identify the relevant part of the draft act under consideration. If an amendment pertains to an existing act that the draft act is seeking to amend, the amendment heading includes a third line identifying the existing act and a fourth line identifying the provision in that act that Parliament wishes to amend.

Amendments by Parliament in the form of a consolidated text

New text is highlighted in ***bold italics***. Deletions are indicated using either the **■** symbol or ~~strikeout~~. Replacements are indicated by highlighting the new text in ***bold italics*** and by deleting or striking out the text that has been replaced.

By way of exception, purely technical changes made by the drafting departments in preparing the final text are not highlighted.

CONTENTS

	Page
DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION	5
EXPLANATORY STATEMENT	37

DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

on the proposal for a regulation of the European Parliament and of the Council establishing the framework for achieving climate neutrality and amending Regulation (EU) 2018/1999 (European Climate Law) (COM(2020)0080 – C9-0077/2020 – 2020/0036(COD))

(Ordinary legislative procedure: first reading)

The European Parliament,

- having regard to the Commission proposal to Parliament and the Council (COM(2020)0080),
 - having regard to Article 294(2) and Article 192(1) of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C9-0077/2020),
 - having regard to Article 294(3) of the Treaty on the Functioning of the European Union,
 - having regard to the opinion of the European Economic and Social Committee of ...¹,
 - having regard to the opinion of the Committee of the Regions of ...²,
 - having regard to Rule 59 of its Rules of Procedure,
 - having regard to the opinions of the Committee on Economic and Monetary Affairs, the Committee on Employment and Social Affairs, the Committee on Industry, Research and Energy, the Committee on Transport and Tourism, the Committee on Regional Development and the Committee on Agriculture and Rural Development,
 - having regard to the report of the Committee on the Environment, Public Health and Food Safety (A9-0000/2020),
1. Adopts its position at first reading hereinafter set out;
 2. Calls on the Commission to refer the matter to Parliament again if it replaces, substantially amends or intends to substantially amend its proposal;
 3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

¹ Not yet published in the Official Journal.

² Not yet published in the Official Journal.

Amendment 1

Proposal for a regulation Recital 3

Text proposed by the Commission

(3) A fixed long-term objective is crucial to contribute to economic and societal transformation, jobs, growth, and the achievement of the United Nations Sustainable Development Goals, as well as to **move** in a fair and cost-effective manner **towards** the temperature goal of the 2015 Paris Agreement on climate change following the 21st Conference of the Parties to the United Nations Framework Convention on Climate Change (the ‘Paris Agreement’).

Amendment

(3) A fixed long-term objective is crucial to contribute to economic and societal transformation, jobs, growth, and the achievement of the United Nations Sustainable Development Goals, as well as to **reach** in a fair and cost-effective manner the temperature goal of **limiting global warming to well below 2°C above pre-industrial levels and pursuing efforts to limit it to 1,5°C above pre-industrial levels, as set out in** the 2015 Paris Agreement on climate change following the 21st Conference of the Parties to the United Nations Framework Convention on Climate Change^{1a} (the ‘Paris Agreement’).

^{1a} OJ L 282, 19.10.2016, p. 4

Or. en

Amendment 2

Proposal for a regulation Recital 6

Text proposed by the Commission

(6) Achieving climate neutrality **should require a contribution from** all economic sectors. In light of the importance of energy production and consumption on greenhouse gas emissions, the transition to a sustainable, affordable and secure energy system relying on a well-functioning internal energy market is essential. The digital transformation, technological innovation, and research and development are also important drivers for achieving the climate-neutrality objective.

Amendment

(6) Achieving climate neutrality **requires** all economic sectors, **including aviation and maritime transport, to reduce their emissions to close to zero. The polluter pays principle should be a key factor in that regard.** In light of the importance of energy production and consumption on greenhouse gas emissions, the transition to a sustainable, affordable and secure energy system relying on a well-functioning internal energy market is essential. The digital transformation,

technological innovation, and research and development are also important drivers for achieving the climate-neutrality objective.

Or. en

Amendment 3

Proposal for a regulation Recital 6 a (new)

Text proposed by the Commission

Amendment

(6a) With a view to facilitating the transition towards climate neutrality in all sectors of the economy, each sector should have the possibility of establishing a roadmap describing how it can reduce emissions to close to zero and by when, with 2050 being the latest date. To facilitate the comparability of these roadmaps, the Commission should establish a harmonised format and a set of criteria that would constitute the basis for these roadmaps. Such roadmaps should be made in close cooperation between industry associations, companies, trade unions and academia and should assess opportunities, needs and challenges to reach climate neutrality and be communicated to the Commission.

Or. en

Amendment 4

Proposal for a regulation Recital 7

Text proposed by the Commission

Amendment

(7) The Union ***has been pursuing an ambitious policy on climate action and*** has put in place a regulatory framework to achieve its 2030 greenhouse gas emission

(7) The Union has put in place a regulatory framework to achieve its 2030 greenhouse gas emission reduction target. The legislation implementing this target

reduction target. The legislation implementing this target consists, inter alia, of Directive 2003/87/EC of the European Parliament and of the Council²⁶, which establishes a system for greenhouse gas emission allowance trading within the Union, Regulation (EU) 2018/842 of the European Parliament and of the Council²⁷, which introduced national targets for reduction of greenhouse gas emissions by 2030, and Regulation (EU) 2018/841 of the European Parliament and of the Council²⁸, which requires Member States to balance greenhouse gas emissions and removals from land use, land use change and forestry.

²⁶ Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a system for greenhouse gas emission allowance trading within the Union and amending Council Directive 96/61/EC (OJ L 275 of 25 October 2003, p. 32).

²⁷ Regulation (EU) 2018/842 of the European Parliament and of the Council of 30 May 2018 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement and amending Regulation (EU) No 525/2013 (OJ L 156, 19.6.2018, p. 26).

²⁸ Regulation (EU) 2018/841 of the European Parliament and of the Council of 30 May 2018 on the inclusion of greenhouse gas emissions and removals from land use, land use change and forestry in the 2030 climate and energy framework, and amending Regulation (EU) No 525/2013 and Decision No 529/2013/EU (OJ L 156, 19.6.2018, p. 1).

consists, inter alia, of Directive 2003/87/EC of the European Parliament and of the Council²⁶, which establishes a system for greenhouse gas emission allowance trading within the Union, Regulation (EU) 2018/842 of the European Parliament and of the Council²⁷, which introduced national targets for reduction of greenhouse gas emissions by 2030, and Regulation (EU) 2018/841 of the European Parliament and of the Council²⁸, which requires Member States to balance greenhouse gas emissions and removals from land use, land use change and forestry.

²⁶ Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a system for greenhouse gas emission allowance trading within the Union and amending Council Directive 96/61/EC (OJ L 275 of 25 October 2003, p. 32).

²⁷ Regulation (EU) 2018/842 of the European Parliament and of the Council of 30 May 2018 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement and amending Regulation (EU) No 525/2013 (OJ L 156, 19.6.2018, p. 26).

²⁸ Regulation (EU) 2018/841 of the European Parliament and of the Council of 30 May 2018 on the inclusion of greenhouse gas emissions and removals from land use, land use change and forestry in the 2030 climate and energy framework, and amending Regulation (EU) No 525/2013 and Decision No 529/2013/EU (OJ L 156, 19.6.2018, p. 1).

Or. en

Amendment 5

Proposal for a regulation Recital 9

Text proposed by the Commission

(9) The Union has, through the ‘Clean Energy for All Europeans’ package²⁹ been pursuing **an ambitious** decarbonisation agenda notably by constructing a robust Energy Union, which includes 2030 goals for energy efficiency and deployment of renewable energy in Directives 2012/27/EU³⁰ and (EU) 2018/2001³¹ of the European Parliament and of the Council, and by reinforcing relevant legislation, including Directive 2010/31/EU of the European Parliament and of the Council³².

²⁹ COM(2016) 860 final of 30 November 2016.

³⁰ Directive 2012/27/EU of the European Parliament and of the Council of 25 October 2012 on energy efficiency, amending Directives 2009/125/EC and 2010/30/EU and repealing Directives 2004/8/EC and 2006/32/EC (OJ L 315, 14.11.2012, p. 1)

³¹ Directive (EU) 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources (OJ L 328, 21.12.2018, p. 82).

³² Directive 2010/31/EU of the European Parliament and of the Council of 19 May 2010 on the energy performance of buildings (OJ L 153, 18.6.2010, p. 13).

Amendment

(9) The Union has, through the ‘Clean Energy for All Europeans’ package²⁹ been pursuing **a** decarbonisation agenda notably by constructing a robust Energy Union, which includes 2030 goals for energy efficiency and deployment of renewable energy in Directives 2012/27/EU³⁰ and (EU) 2018/2001³¹ of the European Parliament and of the Council, and by reinforcing relevant legislation, including Directive 2010/31/EU of the European Parliament and of the Council³².

²⁹ COM(2016) 860 final of 30 November 2016.

³⁰ Directive 2012/27/EU of the European Parliament and of the Council of 25 October 2012 on energy efficiency, amending Directives 2009/125/EC and 2010/30/EU and repealing Directives 2004/8/EC and 2006/32/EC (OJ L 315, 14.11.2012, p. 1)

³¹ Directive (EU) 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources (OJ L 328, 21.12.2018, p. 82).

³² Directive 2010/31/EU of the European Parliament and of the Council of 19 May 2010 on the energy performance of buildings (OJ L 153, 18.6.2010, p. 13).

Or. en

Amendment 6

Proposal for a regulation Recital 10

Text proposed by the Commission

(10) The Union *is* a global leader in the transition towards climate neutrality, and is determined to help raise global ambition and to strengthen the global response to climate change, using all tools at its disposal, including climate diplomacy.

Amendment

(10) The Union *has both the responsibility and the means to continue being* a global leader in the transition towards climate neutrality, and is determined to help raise global ambition and to strengthen the global response to climate change, using all tools at its disposal, including climate diplomacy.

Or. en

Amendment 7

Proposal for a regulation

Recital 11

Text proposed by the Commission

(11) The European Parliament called *for* the necessary transition to a climate-neutral society by 2050 at the latest and for this to be made into a European success story³³ *and has declared a climate and environment emergency*³⁴. The European Council, in its Conclusions of 12 December 2019³⁵, has agreed on the objective of achieving a climate-neutral Union by 2050, in line with the objectives of the Paris Agreement, while also recognising that it is necessary to put in place an enabling framework and that the transition will require significant public and private investment. The European Council also invited the Commission to prepare a proposal for the Union's long-term strategy as early as possible in 2020 with a view to its adoption by the Council and its submission to the United Nations Framework Convention on Climate Change.

Amendment

(11) The European Parliament *has declared a climate and environment emergency*³⁴ *and repeatedly called on the Commission and Member States to increase climate action to facilitate* the necessary transition to a climate-neutral society by 2050 at the latest and for this to be made into a European success story³³. The European Council, in its Conclusions of 12 December 2019³⁵, has agreed on the objective of achieving a climate-neutral Union by 2050, in line with the objectives of the Paris Agreement, while also recognising that it is necessary to put in place an enabling framework and that the transition will require significant public and private investment. The European Council also invited the Commission to prepare a proposal for the Union's long-term strategy as early as possible in 2020 with a view to its adoption by the Council and its submission to the United Nations Framework Convention on Climate Change.

³³ European Parliament resolution of 15 January 2020 on the European Green Deal (2019/2956(RSP)).

³⁴ European Parliament resolution of 28 November 2019 on the climate and environment emergency (2019/2930(RSP)).

³⁵ Conclusions adopted by the European Council at its meeting on 12 December 2019, EUCO 29/19, CO EUR 31, CONCL 9.

³³ European Parliament resolution of 15 January 2020 on the European Green Deal (2019/2956(RSP)).

³⁴ European Parliament resolution of 28 November 2019 on the climate and environment emergency (2019/2930(RSP)).

³⁵ Conclusions adopted by the European Council at its meeting on 12 December 2019, EUCO 29/19, CO EUR 31, CONCL 9.

Or. en

Amendment 8

Proposal for a regulation

Recital 12

Text proposed by the Commission

(12) The Union should aim to achieve a balance between anthropogenic economy-wide emissions and removals, through natural and technological solutions, of greenhouse gases domestically within the Union by 2050. The Union-wide 2050 climate-neutrality objective should be pursued by all Member States ***collectively, and the Member States***, the European Parliament, the Council and the Commission ***should*** take the necessary measures to enable its achievement. Measures at Union level will constitute an important part of the measures needed to achieve the objective.

Amendment

(12) The Union should aim to achieve a balance between anthropogenic economy-wide emissions and removals, through natural and technological solutions, of greenhouse gases domestically within the Union ***and at Member State level*** by 2050 ***at the latest***. The Union-wide 2050 climate-neutrality objective should be pursued by all Member States ***and they should, together with*** the European Parliament, the Council and the Commission, take the necessary measures to enable its achievement. Measures at Union level will constitute an important part of the measures needed to achieve the objective ***also at Member State level. After 2050, the Union and all Member States should continue to reduce emissions so as to ensure that removals of greenhouse gases exceed emissions.***

Or. en

Amendment 9

Proposal for a regulation Recital 12 a (new)

Text proposed by the Commission

Amendment

(12a) All Member States have a responsibility to achieve national climate neutrality by 2050 at the latest. As a matter of justice and solidarity, the application of Union support mechanisms and funding such as the Just Transition Fund provided for in Regulation (EU) .../... of the European Parliament and of the Council^{1a}, should take into account Member States' different starting points to reach climate neutrality.

^{1a} Regulation (EU) .../... of the European Parliament and of the Council of ... establishing the Just Transition Fund (OJ L ...).

Or. en

Amendment 10

Proposal for a regulation Recital 13 a (new)

Text proposed by the Commission

Amendment

(13a) The Union should continue its efforts to strengthen the circular economy and further support renewable alternatives that can substitute fossil-fuel based products and materials.

Or. en

Amendment 11

Proposal for a regulation Recital 15

Text proposed by the Commission

(15) In taking the relevant measures at Union and national level to achieve the climate-neutrality objective, Member States and the European Parliament, the Council and the Commission should take into account the contribution of the transition to climate neutrality to the well-being of citizens, the prosperity of society and the competitiveness of the economy; energy and food security and affordability; fairness and solidarity across and within Member States considering their economic capability, national circumstances and the need for convergence over time; the need to make the transition just and socially fair; best available scientific evidence, in particular the findings reported by the IPCC; the need to integrate climate change related risks into investment and planning decisions; cost-effectiveness and technological neutrality in achieving greenhouse gas emissions reductions and removals and increasing resilience; progression over time in environmental integrity and level of ambition.

Amendment

(15) In taking the relevant measures at Union and national level to achieve the climate-neutrality objective, Member States and the European Parliament, the Council and the Commission should take into account the contribution of the transition to climate neutrality to the well-being of citizens, the prosperity of society and the competitiveness of the economy; ***the social, economic and environmental costs of inaction or insufficient action;*** energy and food security and affordability ***whilst particularly taking into account the need to combat energy poverty;*** fairness and solidarity across and within Member States considering their economic capability, national circumstances and the need for convergence over time; the need to make the transition just and socially fair ***in accordance with 2015 International Labour Organization's guidelines for a just transition towards environmentally sustainable economies and societies for all;*** best available scientific evidence, in particular the findings reported by the IPCC; the need to integrate climate change related risks into investment and planning decisions; cost-effectiveness and technological neutrality in achieving greenhouse gas emissions reductions and removals and increasing resilience; progression over time in environmental integrity and level of ambition.

Or. en

Amendment 12

Proposal for a regulation Recital 17

(17) The Commission, in its Communication ‘The European Green Deal’, announced its intention to assess and make proposals for increasing the Union’s greenhouse gas emission reduction target for 2030 to ensure its consistency with the climate-neutrality objective for 2050. In that Communication, the Commission underlined that all Union policies should contribute to the climate-neutrality objective and that all sectors should play their part. ***By September 2020, the Commission should, based on a comprehensive impact assessment and taking into account its analysis of the integrated national energy and climate plans submitted to the Commission in accordance with Regulation (EU) 2018/1999 of the European Parliament and of the Council³⁶, review the Union’s 2030 target for climate and explore options for a new 2030 target of 50 to 55 % emission reductions compared with 1990 levels. Where it considers necessary to amend the Union’s 2030 target, it should make proposals to the European Parliament and to the Council to amend this Regulation as appropriate. In addition, the Commission should, by 30 June 2021, assess how the Union legislation implementing that target would need to be amended in order to achieve emission reductions of 50 to 55 % compared to 1990.***

³⁶ ***Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action, amending Regulations (EC) No 663/2009 and (EC) No 715/2009 of the European Parliament and of the Council, Directives 94/22/EC, 98/70/EC, 2009/31/EC, 2009/73/EC, 2010/31/EU, 2012/27/EU and 2013/30/EU of the European***

(17) The Commission, in its Communication ‘The European Green Deal’, announced its intention to assess and make proposals for increasing the Union’s greenhouse gas emission reduction target for 2030 to ensure its consistency with the climate-neutrality objective for 2050. In that Communication, the Commission underlined that all Union policies should contribute to the climate-neutrality objective and that all sectors should play their part. ***Given the Union goal of reaching climate neutrality by 2050 at the latest, it is essential that climate action is further strengthened and particularly that the Union 2030 climate target is raised to a reduction in emissions of 65 % compared with 1990 levels. Consequently, the Commission should, by 30 June 2021, assess how the Union legislation implementing that higher target would need to be amended accordingly.***

Parliament and of the Council, Council Directives 2009/119/EC and (EU) 2015/652 and repealing Regulation (EU) No 525/2013 of the European Parliament and of the Council (OJ L 328, 21.12.2018, p. 1).

Or. en

Amendment 13

Proposal for a regulation Recital 17 a (new)

Text proposed by the Commission

Amendment

(17a) To ensure that the Union and all Member States remain on track to reach the climate-neutrality objective, and to ensure the predictability and confidence for all economic actors, including businesses, workers and trade unions, investors and consumers, the Commission should explore options for setting a Union 2040 climate target and make legislative proposals to the European Parliament and the Council as appropriate.

Or. en

Amendment 14

Proposal for a regulation Recital 18

Text proposed by the Commission

Amendment

(18) To ensure the Union and ***the*** Member States remain on track to achieve the climate-neutrality objective and progress on adaptation, the Commission should regularly assess progress. Should the ***collective*** progress made by Member States towards the achievement of the climate-neutrality objective or on

(18) To ensure the Union and ***all*** Member States remain on track to achieve the climate-neutrality objective and progress on adaptation, the Commission should regularly assess progress. Should the progress made by Member States towards the achievement of the climate-neutrality objective or on adaptation be

adaptation be insufficient or Union measures inconsistent with the climate-neutrality objective or inadequate to enhance adaptive capacity, strengthen resilience or reduce vulnerability, the Commission should take the necessary measures in accordance with the Treaties. The Commission should also **regularly assess relevant national measures, and issue recommendations** where it finds that a Member State's measures are inconsistent with the climate-neutrality objective or inadequate to enhance adaptive capacity, strengthen resilience and reduce vulnerability to climate change.

insufficient or Union measures inconsistent with the climate-neutrality objective or inadequate to enhance adaptive capacity, strengthen resilience or reduce vulnerability, the Commission should take the necessary measures in accordance with the Treaties. The Commission should also regularly assess relevant national measures, and issue recommendations where it finds that a Member State's measures are inconsistent with the climate-neutrality objective or inadequate to enhance adaptive capacity, strengthen resilience and reduce vulnerability to climate change. ***Where a Member State fails to implement the measures in response to the Commission's recommendations, the Commission should take the necessary measures in accordance with the Treaties and should make these measures publicly available.***

Or. en

Amendment 15

Proposal for a regulation Recital 18 a (new)

Text proposed by the Commission

Amendment

(18a) Scientific expertise and the best available, up-to-date evidence, together with information on climate change that is both factual and transparent is imperative and needs to underpin the Union's climate action and efforts to reach climate neutrality by 2050 at the latest. Therefore, the Commission should establish an independent European Panel on Climate Change (EPCC), consisting of scientists selected on the basis of their expertise in the climate change field, with the purpose of monitoring on an annual basis the greenhouse gas emission reductions in the Union and all Member States in order to ensure a gradual

reduction over time, and the respect of the Union carbon budget. The expert panel should also assist the Commission in the assessment of the consistency of Union and national measures and progress made to reach the goal of achieving climate neutrality by 2050 at the latest and to honour the Union's commitments under the Paris Agreement.

Or. en

Amendment 16

Proposal for a regulation Recital 19 a (new)

Text proposed by the Commission

Amendment

(19a) It is essential to increase the transparency and efficiency of the functioning of the Union's measures to reduce greenhouse gas emissions, and to ensure that these measures are in line with the most up-to-date scientific evidence and the Union's objectives under the Paris Agreement. To that end, the Commission should present a legislative proposal to the European Parliament and the Council to establish a Union carbon budget, which sets out the remaining quantity of greenhouse gas emissions in total for the Union economy and broken down by each economic sector, that could be emitted without putting at risk the Union's commitments under the Paris Agreement. The Commission should take that Union carbon budget into account when proposing the trajectory for emissions reductions.

Or. en

Amendment 17

Proposal for a regulation Recital 20

Text proposed by the Commission

(20) As citizens and communities have a powerful role to play in driving the transformation towards climate neutrality forward, strong public and social engagement on climate action should be facilitated. The Commission should therefore engage with all parts of society to enable and empower them to take action towards a climate-neutral and climate-resilient society, including through launching a European Climate Pact.

Amendment

(20) As citizens and communities have a powerful role to play in driving the transformation towards climate neutrality forward, strong public and social engagement on climate action should be ***both encouraged and facilitated at local, regional and national level***. The Commission should therefore engage with all parts of society to enable and empower them to take action towards a ***socially just***, climate-neutral and climate-resilient society, including through launching a European Climate Pact.

Or. en

Amendment 18

Proposal for a regulation Recital 21

Text proposed by the Commission

(21) In order to provide predictability and confidence for all economic actors, including businesses, workers, investors and consumers, to ensure that the transition towards climate neutrality is irreversible, to ensure gradual reduction over time and to assist in the assessment of the consistency of measures and progress with the climate-neutrality objective, the ***power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission to set out*** a trajectory for achieving net zero greenhouse gas emissions in the Union by 2050. ***It is of particular importance that the Commission carries out appropriate***

Amendment

(21) In order to provide predictability and confidence for all economic actors, including businesses, workers ***and trade unions***, investors and consumers, to ensure that the transition towards climate neutrality is irreversible, to ensure gradual reduction over time and to assist in the assessment of the consistency of measures and progress with the climate-neutrality objective, the ***Commission should assess the options for the structure and design of*** a trajectory for achieving net zero greenhouse gas emissions in the Union by 2050 ***and should make legislative proposals to*** the European Parliament and to the Council ***as appropriate***.

consultations during its preparatory work, including at expert level, and that those consultations be conducted in accordance with the principles laid down in the Interinstitutional Agreement of 13 April 2016 on Better Law-Making³⁷. In particular, to ensure equal participation in the preparation of delegated acts, the European Parliament and the Council receive all documents at the same time as Member States' experts, and their experts systematically have access to meetings of Commission expert groups dealing with the preparation of delegated acts.

³⁷ OJ L 123, 12.5.2016, p. 1.

Or. en

Amendment 19

Proposal for a regulation Recital 21 a (new)

Text proposed by the Commission

Amendment

(21a) The Commission should, when assessing the options for the structure and design of a trajectory for achieving net zero greenhouse gas emissions in the Union by 2050, take into account the reports by the EPCC, the effects on the Union carbon budget and the sectoral roadmaps to climate neutrality.

Or. en

Amendment 20

Proposal for a regulation Article 1 – paragraph 2

Text proposed by the Commission

This Regulation sets out a binding objective of climate neutrality in the Union by 2050 in pursuit of the long-term temperature **goal** set out in Article 2 of the Paris Agreement, and provides a framework for achieving progress in pursuit of the global adaptation goal established in Article 7 of the Paris Agreement.

Amendment

This Regulation sets out a binding objective of climate neutrality in the Union by 2050 in pursuit of the long-term temperature **goals** set out in Article 2 of the Paris Agreement, and provides a framework for achieving progress in pursuit of the global adaptation goal established in Article 7 of the Paris Agreement.

Or. en

Amendment 21

Proposal for a regulation
Article 2 – title

Text proposed by the Commission

Climate-neutrality objective

Amendment

Climate-neutrality objective **and intermediate targets**

Or. en

Amendment 22

Proposal for a regulation
Article 2 – paragraph 1

Text proposed by the Commission

1. Union-wide emissions and removals of greenhouse gases regulated in Union law shall be balanced at the latest by 2050, thus reducing emissions to net zero by that date.

Amendment

1. Union-wide emissions and removals of greenhouse gases regulated in Union law shall be balanced **in the Union** at the latest by 2050, thus reducing emissions to net zero by that date. **Each Member State shall reach net zero emissions within its territory by 2050 at the latest.**

Or. en

Amendment 23

Proposal for a regulation Article 2 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. As from 1 January 2051, removals of greenhouse gases shall exceed emissions in the Union and all Member States.

Or. en

Amendment 24

Proposal for a regulation Article 2 – paragraph 2

Text proposed by the Commission

Amendment

2. The relevant Union institutions and the Member States shall take the necessary measures at Union and national level respectively, to enable the collective achievement of the climate-neutrality objective set out in paragraph 1, taking into account the importance of promoting fairness and solidarity among Member States.

2. The relevant Union institutions and the Member States shall take the necessary measures at Union and national level respectively, to enable ***the individual and, as a result,*** the collective achievement of the climate-neutrality objective set out in paragraph 1, taking into account the importance of promoting fairness and solidarity among Member States, ***social and economic cohesion and the protection of vulnerable Union citizens.***

Or. en

Amendment 25

Proposal for a regulation Article 2 – paragraph 3

Text proposed by the Commission

Amendment

3. ***By September 2020, the Commission shall review*** the Union's 2030

3. ***In light of the climate-neutrality objective set out in Article 2(1), the***

target for climate referred to in Article 2(11) of Regulation (EU) 2018/1999 **in light of the climate-neutrality objective set out in Article 2(1), and explore options for a new 2030 target of 50 to 55% emission reductions compared to 1990. Where the Commission considers that it is necessary to amend that target, it shall make proposals to the European Parliament and to the Council as appropriate.**

Union's 2030 target for climate referred to in Article 2(11) of Regulation (EU) 2018/1999 **shall be set to be** emission reductions of **65%** compared to 1990.

Or. en

Amendment 26

Proposal for a regulation Article 2 – paragraph 4

Text proposed by the Commission

4. By 30 June 2021, the Commission shall assess how the Union legislation **implementing** the Union's 2030 target would need to be amended in order to enable the achievement of **50 to 55 %** emission reductions compared to 1990 and to achieve the climate-neutrality-objective set out in Article 2(1), and **consider taking** the necessary measures, including the adoption of legislative proposals, in accordance with the Treaties.

Amendment

4. By 30 June 2021, the Commission shall assess how **all of** the Union legislation **relevant for the fulfilment of** the Union's 2030 **climate** target would need to be amended in order to enable the achievement of **65 %** emission reductions compared to 1990 and to achieve the climate-neutrality-objective set out in Article 2(1), and **take** the necessary measures, including the adoption of legislative proposals, in accordance with the Treaties. **The Commission shall in particular evaluate the options for aligning emissions from aviation and maritime transport with the 2030 target and the 2050 climate-neutrality objective in order to reduce these emissions to net zero by 2050 at the latest and shall present legislative proposals as appropriate.**

Or. en

Amendment 27

Proposal for a regulation

Article 2 – paragraph 4 a (new)

Text proposed by the Commission

Amendment

4a. By 30 September 2025, the Commission shall, in light of the climate-neutrality objective set out in Article 2(1) and following a detailed impact assessment, explore options for setting a Union 2040 target for climate in the range of 80 to 85 % emissions reductions compared to 1990 and shall make proposals to the European Parliament and to the Council as appropriate.

When exploring options for the 2040 climate target, the Commission shall consult with the EPCC and take into account the criteria set out in Article 3(3).

Or. en

Amendment 28

Proposal for a regulation

Article 2 – paragraph 4 b (new)

Text proposed by the Commission

Amendment

4b. No later than 18 months after the adoption of the 2040 climate target, the Commission shall assess how all of the Union legislation relevant for the fulfilment of that target would need to be amended and shall consider taking the necessary measures, including the adoption of legislative proposals, in accordance with the Treaties.

Or. en

Amendment 29

Proposal for a regulation Article 2 a (new)

Text proposed by the Commission

Amendment

Article 2a

Sectoral climate-neutrality roadmaps

- 1. By 30 June 2021, the Commission shall establish a harmonised format and a set of criteria that shall constitute the basis for sectoral roadmaps to climate neutrality.*
- 2. Each sector may submit one such roadmap to the Commission, no later than 12 months after the publication by the Commission of the harmonised format and criteria, setting out how and by which date the sector can reduce its emissions to close to zero, and identifying obstacles and opportunities as well as the technological solutions that would need to be developed and investments that would need to be made within the sector.*
- 3. The Commission shall provide guidance and coordinating support to the sectors during the elaboration of their roadmaps.*

Or. en

Amendment 30

Proposal for a regulation Article 2 b (new)

Text proposed by the Commission

Amendment

Article 2b

European Panel on Climate Change

- 1. By 30 June 2021, the Commission shall set up the European Panel on Climate Change (EPCC), an independent scientific advisory panel on climate*

change, consisting of scientists selected on the basis of their expertise in the climate change field.

2. The Commission shall ensure that the governance structure of the EPCC ensures its full scientific independence and autonomy, including of Union and Member States institutions, bodies, offices and agencies.

3. The EPCC shall monitor the greenhouse gas emission reductions in the Union and Member States, taking into account the Union's carbon budget provided for in Article 3a, and shall assess the consistency of measures and progress made to achieve climate neutrality by 2050 at the latest and to honour the Union's commitments under the Paris Agreement, and where necessary shall make recommendations.

4. The EPCC shall, on an annual basis, report its findings under paragraph 3 to the Commission, the European Parliament and the Council. The EPCC shall ensure that it follows a fully transparent process and that its reports are made available to the public.

Or. en

Amendment 31

Proposal for a regulation Article 3 – paragraph 1

Text proposed by the Commission

1. The Commission *is empowered to adopt delegated acts in accordance with Article 9 to supplement this Regulation by setting out* a trajectory at Union level *to achieve the climate-neutrality* objective set out in Article 2(1) *until 2050*. At the latest within six months after each global stocktake referred to in Article 14 of the Paris Agreement, *the Commission shall*

Amendment

1. *By 30 September 2025*, the Commission *shall assess, on the basis of the criteria set out in paragraph 3, the options for the structure and design of* a trajectory at Union level *for achieving the* objective set out in Article 2(1) *and make an appropriate legislative proposal to that effect. Once the trajectory is established, the Commission shall review it no later*

review the trajectory.

than six months after each global stocktake referred to in Article 14 of the Paris Agreement. **The Commission shall make a legislative proposal to adjust the trajectory where it considers this appropriate as a result of the review.**

Or. en

Amendment 32

Proposal for a regulation

Article 3 – paragraph 3 – introductory part

Text proposed by the Commission

3. When **setting** a trajectory in accordance with paragraph 1, the Commission shall **consider** the following:

Amendment

3. When **assessing the options for** a trajectory in accordance with paragraph 1, the Commission shall **take into account** the following **criteria**:

Or. en

Amendment 33

Proposal for a regulation

Article 3 – paragraph 3 – point -a (new)

Text proposed by the Commission

Amendment

(-a) the Union carbon budget provided for in Article 3a;

Or. en

Amendment 34

Proposal for a regulation

Article 3 – paragraph 3 – point -a a (new)

Text proposed by the Commission

Amendment

(-aa) the social, economic and

environmental costs of inaction or insufficient action;

Or. en

Amendment 35

Proposal for a regulation

Article 3 – paragraph 3 – point d

Text proposed by the Commission

(d) energy efficiency, energy affordability and security of supply;

Amendment

(d) energy efficiency, energy affordability, ***reduction of energy poverty***, and security of supply;

Or. en

Amendment 36

Proposal for a regulation

Article 3 – paragraph 3 – point j

Text proposed by the Commission

(j) the best available and most recent scientific evidence, including the latest reports of the IPCC

Amendment

(-ab) the best available and most recent scientific evidence, including the latest reports of the IPCC, ***EPCC and IPBES***;

Or. en

Amendment 37

Proposal for a regulation

Article 3 – paragraph 3 – point j a (new)

Text proposed by the Commission

Amendment

(ja) ***the sectoral climate-neutrality roadmaps referred to in Article 2a;***

Or. en

Amendment 38

Proposal for a regulation Article 3 a (new)

Text proposed by the Commission

Amendment

Article 3a

Union carbon budget

1. By 30 June 2021, the Commission shall establish a Union carbon budget and make legislative proposals to the European Parliament and the Council as appropriate.

2. The Union carbon budget shall set out the remaining quantity of greenhouse gas emissions in total for the Union economy, broken down for each economic sector, that could be emitted without putting at risk the Union's commitments under the Paris Agreement.

3. The Commission shall take the Union carbon budget into account when assessing the options for a trajectory for emissions reductions in accordance with Article 3(1) and when making the assessments referred to in Articles 5 and 6.

Or. en

Amendment 39

Proposal for a regulation Article 5 – paragraph 1 – subparagraph 1 – point a

Text proposed by the Commission

Amendment

(a) the collective progress made by all Member States towards the achievement of the climate-neutrality objective set out in Article 2(1) as expressed by the trajectory referred to in Article 3(1);

(a) the collective **and individual** progress made by all Member States towards the achievement of the climate-neutrality objective set out in Article 2(1) as expressed by the trajectory **to be established as** referred to in Article 3(1); **where the trajectory is not available, the**

assessment shall be made on the basis of the criteria set out in Article 3(3) and the 2030 climate target;

Or. en

Amendment 40

Proposal for a regulation

Article 5 – paragraph 1 – subparagraph 2

Text proposed by the Commission

The Commission shall submit *the* conclusions *of that assessment*, together with the State of the Energy Union Report prepared in the respective calendar year in accordance with Article 35 of Regulation (EU) 2018/1999, to the European Parliament and to the Council.

Amendment

The Commission shall submit *these assessments and their* conclusions, together with the State of the Energy Union Report prepared in the respective calendar year in accordance with Article 35 of Regulation (EU) 2018/1999, to the European Parliament and to the Council, *and shall make them publicly available.*

Or. en

Amendment 41

Proposal for a regulation

Article 5 – paragraph 2 – point a

Text proposed by the Commission

(a) the consistency of Union measures with the climate-neutrality objective set out in Article 2(1) as expressed by the trajectory referred to in Article 3(1);

Amendment

(a) the consistency of Union measures with the climate-neutrality objective set out in Article 2(1) as expressed by the trajectory *to be established as* referred to in Article 3(1); *where the trajectory is not available, the assessment shall be made on the basis of the criteria set out in Article 3(3) and the 2030 climate target;*

Or. en

Amendment 42

Proposal for a regulation Article 5 – paragraph 3

Text proposed by the Commission

3. Where, based on the assessment referred to in paragraphs 1 and 2, the Commission finds that Union measures are inconsistent with the climate-neutrality objective set out in Article 2(1) or inadequate to ensure progress on adaptation as referred to in Article 4, or that the progress towards either the climate-neutrality objective or on adaptation as referred to in Article 4 is insufficient, it shall take the necessary measures in accordance with the Treaties, ***at the same time as the review of the trajectory referred to in Article 3(1).***

Amendment

3. Where, based on the assessment referred to in paragraphs 1 and 2, the Commission finds that Union measures are inconsistent with the climate-neutrality objective set out in Article 2(1) or inadequate to ensure progress on adaptation as referred to in Article 4, or that the progress towards either the climate-neutrality objective or on adaptation as referred to in Article 4 is insufficient, it shall take the necessary measures in accordance with the Treaties.

Or. en

Amendment 43

Proposal for a regulation Article 5 – paragraph 4

Text proposed by the Commission

4. The Commission shall assess any draft measure or legislative proposal in light of the climate-neutrality objective set out in Article 2(1) as expressed by the trajectory referred to in Article 3(1) before adoption, and include this analysis in any impact assessment accompanying these measures or proposals, and make the result of that assessment public at the time of adoption.

Amendment

4. The Commission shall assess any draft measure or legislative proposal in light of the climate-neutrality objective set out in Article 2(1), as expressed by the trajectory referred to in Article 3(1) ***once the trajectory is established, as well as the Union carbon budget set out in Article 3a,*** before adoption, and include this analysis in any impact assessment accompanying these measures or proposals, and make the result of that assessment public at the time of adoption.

Or. en

Amendment 44

Proposal for a regulation

Article 6 – paragraph 1 – subparagraph 1 – point a

Text proposed by the Commission

(a) the consistency of national measures identified, on the basis of the National Energy and Climate Plans or the Biennial Progress Reports submitted in accordance with Regulation (EU) 2018/1999, as relevant for the achievement of the climate-neutrality objective set out in Article 2(1) with that objective as expressed by the trajectory referred to in Article 3(1);

Amendment

(a) the consistency of national measures identified, on the basis of the National Energy and Climate Plans or the Biennial Progress Reports submitted in accordance with Regulation (EU) 2018/1999, as relevant for the achievement of the climate-neutrality objective set out in Article 2(1) with that objective as expressed by the trajectory ***to be established as*** referred to in Article 3(1); ***where the trajectory is not available, the assessment shall be made on the basis of the criteria set out in Article 3(3) and the 2030 climate target;***

Or. en

Amendment 45

Proposal for a regulation

Article 6 – paragraph 2

Text proposed by the Commission

2. Where the Commission finds, under due consideration of the collective progress assessed in accordance with Article 5(1), that a Member State's measures are inconsistent with ***that*** objective as expressed by the trajectory referred to in Article 3(1) or inadequate to ensure progress on adaptation as referred to in Article 4, it ***may*** issue recommendations to that Member State. The Commission shall make such recommendations publicly available.

Amendment

2. Where the Commission finds, under due consideration of the collective ***and individual*** progress assessed in accordance with Article 5(1), that a Member State's measures are inconsistent with ***the Union's climate-neutrality*** objective, as expressed by the trajectory referred to in Article 3(1) ***once the trajectory is established,*** or inadequate to ensure progress on adaptation as referred to in Article 4, it ***shall*** issue recommendations to that Member State. The Commission shall make such recommendations publicly available.

Or. en

Amendment 46

Proposal for a regulation Article 6 – paragraph 3 – point a

Text proposed by the Commission

(a) the Member State concerned shall take due account of the recommendation in a spirit of solidarity between Member States and the Union and between Member States;

Amendment

(a) the Member State concerned shall, ***within six months of receipt of the recommendation, notify the Commission of the measures it intends to adopt in order to*** take due account of the recommendation, in a spirit of solidarity between Member States and the Union and between Member States;

Or. en

Amendment 47

Proposal for a regulation Article 6 – paragraph 3 – point b

Text proposed by the Commission

(b) the Member State concerned shall set out, in its first progress report submitted in accordance with Article 17 of Regulation (EU) 2018/1999, in the year following the year in which the recommendation was issued, how it has taken due account of the recommendation. ***If the Member State concerned decides not to address a recommendation or a substantial part thereof, that Member State shall provide the Commission its reasoning;***

Amendment

(b) the Member State concerned shall set out, in its first progress report submitted in accordance with Article 17 of Regulation (EU) 2018/1999, in the year following the year in which the recommendation was issued, how it has taken due account of the recommendation ***and the measures it has adopted in response;***

Or. en

Amendment 48

Proposal for a regulation

Article 6 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

3a. Where a Member State fails to comply with the obligations under paragraph 3, or fails to implement the measures in response to the Commission's recommendation, the Commission shall take the necessary measures in accordance with the Treaties.

Or. en

Amendment 49

Proposal for a regulation

Article 7 – paragraph 1 – point d

Text proposed by the Commission

Amendment

(d) best available scientific evidence, including the latest reports of the IPCC; and

(d) best available scientific evidence, including the latest reports of the IPCC, **EPCC and IPBES**; and

Or. en

Amendment 50

Proposal for a regulation

Article 8 – paragraph 1

Text proposed by the Commission

Amendment

The Commission shall engage with all parts of society to enable and empower them to take action towards a climate-neutral and climate-resilient society. The Commission shall facilitate an inclusive and accessible process at all levels, including at national, regional and local level and with social partners, citizens and

1. The Commission shall engage with all parts of society to enable and empower them to take action towards a **socially just**, climate-neutral and climate-resilient society, **including through the European Climate Pact set out in paragraph 2**. The Commission shall facilitate an inclusive and accessible process at all levels,

civil society, for the exchange of best practice and to identify actions to contribute to the achievement of the objectives of this Regulation. In addition, the Commission may also draw on the multilevel climate and energy dialogues as set up by Member States in accordance with Article 11 of Regulation (EU) 2018/1999.

including at national, regional and local level and with social partners, citizens and civil society, for the exchange of best practice and to identify actions to contribute to the achievement of the objectives of this Regulation. In addition, the Commission may also draw on the multilevel climate and energy dialogues as set up by Member States in accordance with Article 11 of Regulation (EU) 2018/1999.

Or. en

Amendment 51

Proposal for a regulation Article 8 – paragraph 2 (new)

Text proposed by the Commission

Amendment

2 *The Commission shall establish a European Climate Pact with the purpose of engaging citizens, social partners and stakeholders in the elaboration of Union-level climate policies and fostering dialogue and the diffusion of science-based information about climate change, as well as sharing best practices for sustainable lifestyles and climate initiatives.*

Or. en

Amendment 52

Proposal for a regulation Article 9

Text proposed by the Commission

Amendment

Article 9

deleted

Exercise of the delegation

1. The power to adopt delegated acts

referred to in Article 3(1) is conferred on the Commission subject to the conditions laid down in this Article.

2. The power to adopt delegated acts referred to in Article 3(1) shall be conferred on the Commission for an indeterminate period of time from ...[OP: date of entry into force of this Regulation].

3. The delegation of power referred to in Article 3(1) may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.

4. Before adopting a delegated act, the Commission shall consult experts designated by each Member State in accordance with the principles laid down in the Interinstitutional Agreement of 13 April 2016 on Better Law-Making.

5. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.

6. A delegated act adopted pursuant to Article 3 shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of two months of notification of that act to the European Parliament and to the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.

Amendment 53

Proposal for a regulation
Article 9 a (new)

Text proposed by the Commission

Amendment

Article 9a

Review

The Commission shall, six months after each global stocktake as referred to in Article 14 of the Paris Agreement, conduct a review of all elements of this Regulation, in the light of the best available and most recent scientific evidence, international developments and efforts undertaken to achieve the long-term objectives of the Paris Agreement and ensure the attainability of the temperature targets therein, particularly the objective to limit the increase in temperature to 1,5°C above pre-industrial levels, and submit a report to the European Parliament and the Council, accompanied, if appropriate, by legislative proposals.

Or. en

EXPLANATORY STATEMENT

SUMMARY OF FACTS AND FINDINGS

Introduction

Over the past decades, the European Union has successfully managed to decouple greenhouse gas emissions reductions from economic growth and is expected to reduce emissions by approximately 45 percent by 2030 compared to 1990 levels. This constitutes a promising starting point in the Union's long-term efforts to reach climate neutrality.

The European Green Deal aims to make Europe the first climate-neutral continent by 2050 while improving the quality of life of European citizens and creating a modern, resource-efficient and competitive economy. The European Climate Law is the cornerstone of the European Green Deal as it enshrines into legislation the Union's objective to reach net zero greenhouse gas emissions by 2050 at the latest. The climate neutrality objective brings with it a transition of historic dimensions, which Europe will undergo in the coming decades. This transition brings changes for our entire society. Transformations are required in all Member States and in all sectors of the economy and they will bring with them behavioural and lifestyle changes for citizens in order to phase out the fossil-based economy and reach the climate neutrality objective.

In order for the transition to be successful, it must be carried out in a socially, ecologically and economically sustainable way and we must ensure that no one is left behind. Europe's transition to reach climate neutrality is inseparable from our efforts to achieve an equal and just society for all citizens. The participation and support of our citizens and social partners is an absolute prerequisite for the success of the Union's efforts against climate change.

The year 2050 may seem far off in a distant future. However, in order to ensure that the Union reaches this objective in a predictable and stable manner while at the same time avoiding the overwhelming social, economic and environmental costs of inaction and insufficient action, Europe must take swift and decisive action to significantly reduce greenhouse gas emissions throughout the entire economy while also taking continued and more ambitious action on adaptation.

The last decade was the warmest ever recorded in the world and the year 2019 was the warmest year in Europe¹. The global response to climate change has hitherto not been in line with the objectives of the Paris Agreement. The world is drawing disastrously close to permanently overshooting the 1.5°C climate limit, with irreparable damages to our planet as a result.

In the face of increasing temperatures and rising greenhouse gas emissions, the Union has no time to lose. The longer we wait to transform our society, the greater the costs and the challenges to ensure that the transformation of the economy is carried out in a responsible and gradual way. Europe has both the responsibility and resources to continue to be a leader in the joint efforts to limit climate change. The commitments under the Paris Agreement and the Sustainable Development Goals must guide the Union's efforts and underpin the ambitions of the European Climate Law.

¹ European Commission, *Climate bulletin*, Copernicus <https://climate.copernicus.eu/climate-bulletins>

Nationally binding targets

In order to ensure that Member States uphold their commitments under the Paris Agreement, your Rapporteur proposes that all Member States shall ensure that they reach net zero emissions within their territory by 2050 at the latest. This is both a matter of justice, but it is also a way for all Member States to gain from the transition to climate neutrality. Postponing this transition would increase the risks of social and economic consequences, whereas swift action and binding national measures to reduce emissions in accordance with the climate neutrality objective will ensure better predictability and pave the way for new jobs and stronger economic growth. For reasons of solidarity, the Union should take into account that the starting points for achieving climate neutrality vary between Member States in the application of support mechanisms and funding such as the Just Transition Fund.

Negative emissions post-2050

In order to ensure the continuity and predictability of the Union's efforts to reduce emissions, your Rapporteur proposes that the climate neutrality objective is complemented by a post-2050 objective in order to ensure that by 2051 removals of greenhouse gases shall exceed emissions in the Union and all Member States.

Intermediate targets and predictability in emissions reductions

In order to ensure that the Union reaches climate neutrality by 2050 at the latest, and that Europe honours the commitments under the Paris Agreement, the Union needs clear and adequate climate reduction targets for the years 2030 and 2040.

These targets will serve both as milestones and as beacons for assessing the Union's measures and progress to achieve the climate neutrality objective. The targets shall reflect the best available and most recent scientific evidence and be fully aligned with the emissions reductions required to ensure that Europe honours the Paris Agreement and the temperature targets therein, particularly the objective to limit the increase in temperature to 1.5°C above pre-industrial levels.²

Therefore, your Rapporteur proposes to strengthen the Union's 2030 climate target to a reduction in emissions of 65 percent compared with 1990 levels. As the UNEP Emissions Gap Report 2019 makes clear, global emissions need to be cut by 7.6 percent per year, starting now, in order to limit global warming to 1.5°C. For the EU – even without taking into account equity-related issues such as per capita emissions or responsibility for historical emissions – this would mean a cut of 68 percent by 2030 relative to 1990 levels. The Commission should also consider proposing an intermediate climate target for 2040 of emissions reductions in the range of 80 to 85 percent and make a legislative proposal to the European Parliament and the Council to that effect. These targets are also necessary to guarantee the highest possible degree of predictability and transparency for society and all economic sectors.

In a similar vein, the Rapporteur does not believe that the Commission's proposal to set out through Delegated Acts the trajectory for emissions reductions is appropriate or in line with the Treaties. Therefore, to ensure full transparency and the democratic participation of the public

² UN Environment 2018 Emissions Gap Report

in this process, the Rapporteur is of the view that the trajectory is best set through co-decision involving the European Parliament and the Council.

Ensuring science-based decisions and scrutiny

Up-to-date scientific findings and research are of fundamental importance when deciding on how the Union shall achieve climate neutrality. The reports by the Intergovernmental Panel on Climate Change have been both a necessary wakeup call for decision-makers, but have also assisted all of society to understand how greenhouse gas emissions impact our planet. Your Rapporteur believes that an independent European Panel on Climate Change should be established at European level, in order to ensure that scientific expertise and the best available up-to-date evidence and information are fully taken into account when setting the Union's measures to reach climate neutrality as well as in the assessments of these measures.

Establishing a Union carbon budget

To take responsible climate action we must know exactly how much Europe can emit without undermining the Union's commitments under the Paris Agreement. Therefore, your Rapporteur demands that the Commission establishes a Union carbon budget, which sets out the remaining quantity of greenhouse gas emissions in total for the Union economy and broken down by each economic sector, that could be emitted without putting at risk the Union's commitments under the Paris Agreement. The Union carbon budget shall be a fundamental part of the Union's efforts to achieve climate neutrality and in the assessments of the policy measures in place to that effect.

Sectoral contributions

All sectors of the economy will have to contribute to the transition towards climate neutrality. In order to facilitate progress and decision-making to this effect, each sector may establish a roadmap describing how it can reduce emissions to close to zero and by when, with 2050 being the latest date, and also identify obstacles and opportunities as well as what technological solutions would need to be developed and what investments would need to be made within the sector.

Maritime and aviation transports are major emitters and have a particular responsibility to reduce their emissions. The maritime transport sector is today the only sector which is not explicitly addressed by the Union's emissions reduction targets. At the same time, greenhouse gas emissions from the maritime transport sector are expected to grow significantly until the year 2050 and may reach 86 percent above 1990 levels by then. Therefore, your Rapporteur believes the Commission should evaluate the options to align emissions from aviation and maritime transport with the 2030 target and the 2050 climate-neutrality objective in order to reduce these emissions to net zero by 2050 at the latest and present legislative proposals to that effect.