



2021/0211(COD)

5.5.2022

OPINION

of the Committee on Industry, Research and Energy

for the Committee on the Environment, Public Health and Food Safety

on the proposal for a directive of the European Parliament and of the Council amending Directive 2003/87/EC establishing a system for greenhouse gas emission allowance trading within the Union, Decision (EU) 2015/1814 concerning the establishment and operation of a market stability reserve for the Union greenhouse gas emission trading scheme and Regulation (EU) 2015/757 (COM(2021)0551 – C9-0318/2021 – 2021/0211(COD))

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SHORT JUSTIFICATION

The Glasgow Climate Change Conference demonstrated that it will be impossible to limit global warming to around 1.5 degrees with the current measures in place. The Fit for 55 package shows that the EU is prepared to assume its share of responsibility.

The market-based Emissions Trading System (ETS), launched in 2005, has proven viable. It now covers large industrial and energy generation facilities and air traffic within the European Economic Area. Their aggregate emissions account for 41% of all emissions in the EU.

There have been several changes to the ETS since its launch. With the regulation agreed upon in 2018 it should be possible to achieve a 51% reduction in emissions by 2030. This, however, will not be enough to achieve the EU's emission target reduction of at least 55% because without any additional measures, the reductions in emissions in certain non-ETS sectors will be insufficient.

The European Commission is now proposing that the sectors covered by the ETS tighten their emission requirements and that maritime transport be gradually incorporated into the ETS. Alongside the ETS, the Commission is proposing a new, separate emissions trading system, which would apply to the heating of buildings and road transport.

This opinion focuses on the key issues that relate to the remit of this committee, i.e. industry, research and energy, and that demonstrate the committee's shared competence. The opinion also takes account of the costs incurred by maritime transport in icy conditions.

Innovation Fund

The Innovation Fund will be increased substantially by the revenue from an expanded emissions trading system and, for example, the revenue from the reforms to the Carbon Border Adjustment Measure (CBAM) and FuelEU Maritime initiative. At the same time, new forms of support will be created for the Fund alongside the grants available via Carbon Contracts for Difference. The specific details of the new forms of support will have to be examined carefully before they are adopted.

The scope of the Innovation Fund will be extended to cover innovative breakthrough technologies to reduce carbon dioxide emissions from maritime transport and to support the production of low- and zero-carbon fuels and zero-emission fuels for aviation, road and rail transport.

Modernisation Fund

The Commission is proposing a number of changes to the Modernisation Fund in order to build the Fund's capital by increasing the revenue from the expanded emissions trading system paid into the Fund. At the same time, two additional countries, Greece and Portugal, would be included in the expanded Fund. The Fund would help to support Green Deal projects and projects to improve energy systems and energy efficiency under the European Climate Law in 12 Member States whose GDP is below 65% of the EU average.

Energy generation facilities that use fossil fuels should no longer receive any support from the

Modernisation Fund. Funding for energy transition should be increased. A total of 90% of the Fund should be used for priority investments, rather than the 80% proposed by the Commission.

Energy audits

There is some concern regarding the Commission's proposal that it should be an obligation to conduct energy audits. The issue here is the equal treatment of operators from the perspective of the content and quality of reports.

A more viable alternative would be to require operators to establish an energy management system and follow the recommendations specified in it.

Benchmarks

The calculation of the amount of free allocation must also in future be based on product-specific benchmarks, set according to what is seen as best in the sector. These calculation rules would permit technological development and ensure technological neutrality.

There is no justification for the proposed change to the scope of the Emissions Trading System to exclude installations where biomass combustion represents more than 95% of all combustion. If the best installations are no longer going to determine the benchmark value, with additional free allocation the system would reward worse technologies than they do now. The Commission's proposal should be revised accordingly.

Prevention of carbon leakage

Industry in the EU Member States competes within the internal market and on the global market against similar types of production in the rest of the world. It is important that a reformed ETS does not result in carbon leakage and that our production is not transferred to countries that pollute more than we do.

Under the Commission proposal, there would still be a burden on the export activities outside the EU of the sectors included in the scope of the CBAM due to ETS. The other member countries outside the EU do not have to deal with any equivalent burden. This means that the EU CBAM sectors outside the Union would be less likely to succeed and it infringes the principle of a 'level playing field'. Contrary to the Commission proposal, reduction in free allocation must be done in a way that ensures that exports from these sectors remain competitive.

This final opinion keeps certain parts of the Commission proposal (ETS Article 30a to 30i; Article 2 on MSR decision (Amendments to Decision (EU) 2015/1814); Article 3 on Shipping MRV Regulation (Amendments to Regulation (EU) 2015/757); Articles 4 to 8) unchanged in order to facilitate the achievement of compromises over the rest of the proposal. It should not be interpreted as a political endorsement by the ITRE Committee of those specific parts of the Commission proposal.

AMENDMENTS

The Committee on Industry, Research and Energy calls on the Committee on the Environment, Public Health and Food Safety, as the committee responsible, to take into account the following amendments:

Amendment 1

Proposal for a directive

Recital 1

Text proposed by the Commission

(1) The Paris Agreement, adopted in December 2015 under the United Nations Framework Convention on Climate Change (UNFCCC) entered into force in November 2016 (“the Paris Agreement”)³⁶. Its Parties have agreed to hold the increase in the global average temperature well below 2 °C above pre-industrial levels and to pursue efforts to limit the temperature increase to 1,5 °C above pre-industrial levels.

³⁶ Paris Agreement (OJ L 282, 19.10.2016, p. 4).

Amendment

(1) The Paris Agreement, adopted in December 2015 under the United Nations Framework Convention on Climate Change (UNFCCC) entered into force in November 2016 (“the Paris Agreement”)³⁶. Its Parties have agreed to hold the increase in the global average temperature well below 2 °C above pre-industrial levels and to pursue efforts to limit the temperature increase to 1,5 °C above pre-industrial levels, ***in order to significantly reduce the risks and impacts of climate change.***

³⁶ Paris Agreement (OJ L 282, 19.10.2016, p. 4).

Amendment 2

Proposal for a directive

Recital 13

Text proposed by the Commission

(13) Greenhouse gases that are not directly released into the atmosphere should be considered emissions under the EU ETS and allowances should be surrendered for those emissions unless they are stored in a storage site in accordance with Directive 2009/31/EC of the European Parliament and of the Council⁴⁶, or they are permanently chemically bound in a product so that they do not enter the atmosphere under normal use. The

Commission should be empowered to adopt implementing acts specifying the conditions where greenhouse gases are to be considered as permanently chemically bound in a product so that they do not enter the atmosphere under normal use, including obtaining a carbon removal certificate, where appropriate, in view of regulatory developments with regard to the certification of carbon removals.

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⁴⁶ Directive 2009/31/EC of the European Parliament and of the Council of 23 April 2009 on the geological storage of carbon dioxide and amending Council Directive 85/337/EEC, European Parliament and Council Directives 2000/60/EC, 2001/80/EC, 2004/35/EC, 2006/12/EC, 2008/1/EC and Regulation (EC) No 1013/2006 (OJ L 140, 5.6.2009, p. 114).

⁴⁶ Directive 2009/31/EC of the European Parliament and of the Council of 23 April 2009 on the geological storage of carbon dioxide and amending Council Directive 85/337/EEC, European Parliament and Council Directives 2000/60/EC, 2001/80/EC, 2004/35/EC, 2006/12/EC, 2008/1/EC and Regulation (EC) No 1013/2006 (OJ L 140, 5.6.2009, p. 114).

Amendment 3

Proposal for a directive Recital 17

Text proposed by the Commission

(17) In the European Green Deal, the Commission stated its intention to take additional measures to address greenhouse gas emissions from the maritime transport sector through a basket of measures to enable the Union to reach its emissions reduction targets. In this context, Directive 2003/87/EC should be amended to include the maritime transport sector in the EU ETS in order to ensure this sector

Amendment

(17) In the European Green Deal, the Commission stated its intention to take additional measures to address greenhouse gas emissions from the maritime transport sector through a basket of measures to enable the Union to reach its emissions reduction targets. In this context, Directive 2003/87/EC should be amended to include the maritime transport sector in the EU ETS in order to ensure this sector

contributes to the increased climate objectives of the Union as well as to the objectives of the Paris Agreement, which requires developed countries to take the lead by undertaking economy-wide emission reduction targets, while developing countries are encouraged to move over time towards economy-wide emission reduction or limitation targets.⁴⁹ Considering that emissions from international aviation outside Europe should be capped from January 2021 by global market-based action while there is no action in place that caps or prices maritime transport emissions, it is appropriate that the EU ETS covers a share of the emissions from voyages between a port under the jurisdiction of a Member State and port under the jurisdiction of a third country, with the third country being able to decide on appropriate action in respect of the other share of emissions. The extension of the EU ETS to the maritime transport sector should thus include half of the emissions from ships performing voyages arriving at a port under the jurisdiction of a Member State from a port outside the jurisdiction of a Member State, half of the emissions from ships performing voyages departing from a port under the jurisdiction of a Member State and arriving at a port outside the jurisdiction of a Member State, emissions from ships performing voyages arriving at a port under the jurisdiction of a Member State from a port under the jurisdiction of a Member State, and emissions at berth in a port under the jurisdiction of a Member State. This approach has been noted as a practical way to solve the issue of Common but Differentiated Responsibilities and Capabilities, which has been a longstanding challenge in the UNFCCC context. The coverage of a share of the emissions from both incoming and outgoing voyages between the Union and third countries ensures the effectiveness of the EU ETS, notably by increasing the environmental impact of the measure

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compared to a geographical scope limited to voyages within the EU, while limiting the risk of evasive port calls and the risk of delocalisation of transshipment activities outside the Union. To ensure a smooth inclusion of the sector in the EU ETS, the surrendering of allowances by shipping companies should be gradually increased with respect to verified emissions reported for the period 2023 to 2025. To protect the environmental integrity of the system, to the extent that fewer allowances are surrendered in respect of verified emissions for maritime transport during those years, once the difference between verified emissions and allowances surrendered has been established each year, a corresponding number of allowances should be cancelled. As from 2026, shipping companies should surrender the number of allowances corresponding to all of their verified emissions reported in the preceding year.

compared to a geographical scope limited to voyages within the EU, while limiting the risk of evasive port calls and the risk of delocalisation of transshipment activities outside the Union. To ensure a smooth inclusion of the sector in the EU ETS, the surrendering of allowances by shipping companies should be gradually increased with respect to verified emissions reported for the period 2023 to 2025. To protect the environmental integrity of the system, to the extent that fewer allowances are surrendered in respect of verified emissions for maritime transport during those years, once the difference between verified emissions and allowances surrendered has been established each year, a corresponding number of allowances should be cancelled. As from 2026, shipping companies should surrender the number of allowances corresponding to all of their verified emissions reported in the preceding year. ***However, measures should be taken to ensure that the extension of the EU ETS to maritime transport affects Member States in a fair and proportionate manner, taking into account their specific circumstances, such as those relating to climate and weather.***

⁴⁹ Paris Agreement, Article 4(4).

⁴⁹ Paris Agreement, Article 4(4).

Amendment 4

Proposal for a directive

Recital 19

Text proposed by the Commission

(19) The Commission should review the functioning of Directive 2003/87/EC in relation to maritime transport activities in the light of experience of its application, including in relation to possible evasive practices, and should then propose measures to ensure its effectiveness.

Amendment

(19) The Commission should review the functioning of Directive 2003/87/EC in relation to maritime transport activities in the light of experience of its application, including in relation to possible evasive practices, and should then propose measures to ensure its effectiveness. ***For that purpose, the Commission should***

conduct an annual impact assessment, in close cooperation with the relevant stakeholders and on the basis of available data and pre-defined parameters, in order to determine the possible impacts of these provisions on carbon leakage, delocalisation of calls and port business to ports outside the Union, connectivities of ports in Europe and where relevant on the modal shift. In that assessment, the Commission should take into account the position of ports that face the risk of unfair competition with ports that are not subject to this Directive. The assessments should be based on pre-defined parameters, in order to make them comparable. The assessment should cover in particular transshipment calls being made on ports in the Union, the number of voyages coming from neighbouring ports and port calls from feeder vessels and overall changes in port traffic in Union ports among others. If the impact assessment determines that there is a risk of a negative impact on the maritime sector and Union ports, the Commission should propose preventive measures to address that impact.

Amendment 5

Proposal for a directive Recital 20 a (new)

Text proposed by the Commission

Amendment

(20a) The successful transition to zero emission shipping requires an integrated approach and the appropriate enabling environment to stimulate innovation, both on ships and in ports. That enabling environment involves public and private investment in research and innovation, technological and operational measures to improve the energy efficiency of ships and ports, and the deployment of sustainable alternative fuels, such as hydrogen and ammonia, that are produced from sustainable energy

sources, and of zero emission propulsion technologies, including the necessary refuelling and recharging infrastructure in ports. To that end, the Innovation Fund could be used to provide support for such investments.

Amendment 6

Proposal for a directive Recital 25 a (new)

Text proposed by the Commission

Amendment

(25a) In winter, northern shipping routes are dependent on ice-class vessels to avoid environmental risks such as oil spills. The ice-class vessels generate higher emissions due to higher fuel consumption. There is also a price effect on the whole logistic ecosystem of the countries dependent on maritime transport and the maritime cluster developed in the icy environment. To ensure that there is a level playing field between ships that navigate in ice conditions and other ships, a specific method should be applied to take into account additional emissions related to navigation in ice conditions and additional emissions of ice-class ships when sailing in open water, while ensuring that emissions trading through the EU ETS continues to drive down emissions in the maritime sector. To that end, relevant provisions on the transfer, surrender and cancellation of allowances under Directive 2003/87/EC should be modified accordingly.

Amendment 7

Proposal for a directive Recital 28

Text proposed by the Commission

(28) Achieving the increased climate ambition will require substantial public resources in the EU as well as national budgets to be dedicated to the climate transition. To complement and reinforce the substantial climate-related spending in the EU budget, all auction revenues that are not attributed to the Union budget should be used for climate-related purposes. This includes the use for financial support to address social aspects in lower- and middle-income households by reducing distortive taxes. Further, to address distributional and social effects of the transition in low-income Member States, an additional amount of 2,5 % of the Union-wide quantity of allowances from [year of entry into force of the Directive] to 2030 should be used to fund the energy transition of the Member States with a gross domestic product (GDP) per capita below 65 % of the Union average in 2016-2018, through the Modernisation Fund referred to in Article 10d of Directive 2003/87/EC.

Amendment

(28) Achieving the increased climate ambition will require substantial public resources in the EU as well as national budgets to be dedicated to the climate transition. To complement and reinforce the substantial climate-related spending in the EU budget, all auction revenues that are not attributed to the Union budget should be used for climate-related purposes. This includes the use for financial support to address social aspects in lower- and middle-income households by reducing distortive taxes. Further, to address distributional and social effects of the transition in low-income Member States, an additional amount of 2,5 % of the Union-wide quantity of allowances from [year of entry into force of the Directive] to 2030 should be used to fund the energy transition **and reduction of greenhouse gas emissions** of the Member States with a gross domestic product (GDP) per capita below 65 % of the Union average in 2016-2018, through the Modernisation Fund referred to in Article 10d of Directive 2003/87/EC. ***That amount of allowances should also enable the funding of investments in cross-border projects between the beneficiary Member States and the adjacent low-growth border regions.***

Amendment 8

**Proposal for a directive
Recital 28 a (new)**

Text proposed by the Commission

Amendment

(28a) The derogation set out in Article 10c of Directive 2003/87/EC allowing eligible Member States to receive transitional free allocation for the modernisation of the energy sectors should end on 31 December 2023. Member States concerned should be able

to use allowances that have not been allocated by 31 December 2023 through the Modernisation Fund, established pursuant to Article 10d of that Directive, or to transfer them to their auctionable share.

Amendment 9

Proposal for a directive Recital 29

Text proposed by the Commission

(29) Further incentives to reduce greenhouse gas emissions by using cost-efficient techniques should be provided. To that end, the free allocation of emission allowances to stationary installations from 2026 onwards should be conditional on ***investments in techniques to increase energy efficiency and reduce emissions***. Ensuring that this is focused on larger energy users would result in a substantial reduction in burden for businesses with lower energy use, which may be owned by small and medium sized enterprises or micro-enterprises. [Reference to be confirmed with the revised EED]. The relevant delegated acts should be adjusted accordingly.

Amendment

(29) Further incentives to reduce greenhouse gas emissions by using cost-efficient techniques should be provided. To that end, the free allocation of emission allowances to stationary installations from 2026 onwards should be conditional on ***the enterprise owning that installation being covered by an energy management system. Free allocation to those installations covered under the energy management system should be proportionally reduced by 15 % to 40 % if the implementation of the energy management system does not result in an improvement in energy efficiency, provided that the pay-back time for the relevant investments does not exceed 6 years***. Ensuring that this is focused on larger energy users would result in a substantial reduction in burden for businesses with lower energy use, which may be owned by small and medium sized enterprises or micro-enterprises. [Reference to be confirmed with the revised EED]. The relevant delegated acts should be adjusted accordingly.

Amendment 10 Proposal for a directive Recital 30

Text proposed by the Commission

(30) The Carbon Border Adjustment Mechanism (CBAM), established under Regulation (EU) [...] of the European Parliament and of the Council⁵¹, **is** an alternative to free allocation to address the risk of carbon leakage. To the extent that sectors and subsectors are covered by that measure, they should not receive free allocation. However, a transitional phasing-out of free allowances is needed to allow producers, importers and traders to adjust to the new regime. The reduction of free allocation should be implemented by applying a factor to free allocation for CBAM sectors, while the CBAM is phased in. This percentage (CBAM factor) should be equal to 100 % during the transitional period between the entry into force of [CBAM Regulation] and **2025, 90 % in 2026** and should be reduced by 10 percentage points each year to reach 0 % and thereby eliminate free allocation by **the tenth year**. The relevant delegated acts on free allocation should be adjusted accordingly for the sectors and subsectors covered by the CBAM. The free allocation no longer provided to the CBAM sectors based on this calculation (CBAM demand) must be auctioned and the revenues will accrue to the Innovation Fund, so as to support innovation in low carbon technologies, carbon capture and utilisation ('CCU'), carbon capture and geological storage ('CCS'), renewable energy and energy storage, in a way that contributes to mitigating climate change. Special attention should be given to projects in CBAM sectors. To respect the proportion of the free allocation available for the non-CBAM sectors, the final amount to deduct from the free allocation and to be auctioned should be calculated based on the proportion that the CBAM demand represents in respect of the free allocation

Amendment

(30) The Carbon Border Adjustment Mechanism (CBAM), established under Regulation (EU) [...] of the European Parliament and of the Council⁵¹, **intends to gradually offer** an alternative to free allocation to address the risk of carbon leakage **without undermining the Union's competitiveness**. To the extent that sectors and subsectors are covered by that measure, they should not receive free allocation. However, a transitional phasing-out of free allowances is needed to allow producers, importers and traders to adjust to the new regime. The reduction of free allocation should be implemented by applying a factor to free allocation for CBAM sectors, while the CBAM is phased in. This percentage (CBAM factor) should be equal to 100 % during the transitional period between the entry into force of [CBAM Regulation] and **the end of 2027, and contingent upon application of an operational phase under Article 36(3), point (d), of Regulation (EU) .../... [CBAM Regulation]**, and should be reduced by 10 **percentage points each year from 2028 until 2030 and subsequently reduced by 17,5 percentage points each year to reach 0 % and thereby eliminate free allocation by 2034. In order to protect the competitiveness of Union exports, the transitional phase out of free allowances should not apply to the share of the domestic production intended for export to third countries without emission trading systems or similar arrangements. By the end of the transitional period provided for in Regulation (EU) .../... [CBAM regulation] the Commission should assess the potential impact of the CBAM factor on imports and present any appropriate and WTO-compliant legislation and measures that equalize the costs of CO2 with different pricing**

needs of all sectors receiving free allocation.

schemes of those third countries. The relevant delegated acts on free allocation should be adjusted accordingly for the sectors and subsectors covered by the CBAM. The free allocation no longer provided to the CBAM sectors based on this calculation (CBAM demand) must be auctioned and the revenues will accrue to the Innovation Fund, so as to support innovation in low carbon technologies, carbon capture and utilisation ('CCU'), carbon capture and geological storage ('CCS'), renewable energy and energy storage, in a way that contributes to mitigating climate change. Special attention should be given to projects in CBAM sectors. To respect the proportion of the free allocation available for the non-CBAM sectors, the final amount to deduct from the free allocation and to be auctioned should be calculated based on the proportion that the CBAM demand represents in respect of the free allocation needs of all sectors receiving free allocation.

⁵¹ [please insert full OJ reference]

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Amendment 11

Proposal for a directive Recital 31

Text proposed by the Commission

(31) In order to better reflect technological progress and adjust the corresponding benchmark values to the relevant period of allocation while ensuring emission reduction incentives and properly rewarding innovation, the maximum adjustment of the benchmark values should be increased from 1,6 % to 2,5 % per year. For the period from 2026 to 2030, the benchmark values should thus be adjusted within a range of 4 % to 50 % compared to the value applicable in the period from

Amendment

(31) In order to better reflect technological progress and adjust the corresponding benchmark values to the relevant period of allocation while ensuring emission reduction incentives and properly rewarding innovation, the maximum adjustment of the benchmark values should be increased from 1,6 % to 2,5 % per year. For the period from 2026 to 2030, the benchmark values should thus be adjusted within a range of 4 % to 50 % compared to the value applicable in the period from 2013 to 2020. ***The adjusted benchmark***

2013 to 2020.

values should be published as soon as the necessary information becomes available, and no later than ... [12 months of the entry into force of this amending Directive] in order for those adjusted benchmark values to be applicable from 2026. Where ex-ante benchmarks cannot be derived for an individual sector or subsector and allowances are allocated on the basis of generic fallback approaches, it is necessary to ensure that differences between sectors and subsectors covered are nevertheless appropriately reflected. Where it is not possible to derive an ex-ante benchmark for an individual sector or subsector, but greenhouse gases eligible for the free allocation of emission allowances occur, those allowances should be allocated on the basis of generic fallback approaches.

Amendment 12

Proposal for a directive Recital 31 a (new)

Text proposed by the Commission

Amendment

(31a) The significant indirect costs that arise from greenhouse gas emission costs passed on in electricity prices cause a risk of carbon leakage to certain sectors. To mitigate that risk, Member States should adopt financial measures for indirect cost compensation. Those measures should be in accordance with State aid rules, and should not cause undue distortions of competition in the internal market.

Amendment 13

Proposal for a directive Recital 32

Text proposed by the Commission

(32) A comprehensive approach to innovation is essential for achieving the European Green Deal objectives. At EU level, the necessary research and innovation efforts are supported, among others, through Horizon Europe which include significant funding and new instruments for the sectors coming under the ETS. Member States should ensure that the national transposition provisions do not hamper innovations and are technologically neutral.

Amendment

(32) A comprehensive approach to innovation is essential for achieving the European Green Deal objectives. At EU level, the necessary research and innovation efforts are supported, among others, through Horizon Europe which include significant funding and new instruments for the sectors coming under the ETS. ***Consequently, the Innovation Fund should seek synergies with Horizon Europe and, where relevant, with other Union funding programmes.*** Member States should ensure that the national transposition provisions do not hamper innovations and are technologically neutral.

Amendment 14

**Proposal for a directive
Recital 33**

Text proposed by the Commission

(33) The scope of the Innovation Fund referred to in Article 10a(8) of Directive 2003/87/EC should be extended to support innovation in low-carbon technologies and processes that concern the consumption of fuels in the sectors of buildings and road transport. In addition, the Innovation Fund should serve to support investments to decarbonise the maritime transport sector, including investments in sustainable alternative fuels, such as hydrogen and ammonia that are produced from renewables, as well as zero-emission propulsion technologies like wind technologies. Considering that revenues generated from penalties raised in Regulation xxxx/xxxx [FuelEU Maritime]⁵² are allocated to the Innovation Fund as external assigned revenue in accordance with Article 21(5) of the Financial Regulation, the Commission

Amendment

(33) The scope of the Innovation Fund referred to in Article 10a(8) of Directive 2003/87/EC should be extended to support innovation in ***zero and*** low-carbon technologies, ***including breakthrough technologies identified in the industrial ecosystem transition pathways,*** and processes that concern the consumption of fuels in the sectors of buildings and road transport. ***The investments made through the Fund should be fully coherent with the climate and environmental policies of the Union, including its 2030 targets for energy and the climate and its 2050 climate neutrality objective.*** In addition, the Innovation Fund should serve to support investments to decarbonise the maritime transport sector, including investments in sustainable alternative fuels, such as hydrogen and ammonia that are produced from renewables, as well as zero-

should ensure that due consideration is given to support for innovative projects aimed at accelerating the development and deployment of renewable and low carbon fuels in the maritime sector, as specified in Article 21(1) of Regulation xxxx/xxxx [FuelEU Maritime]. To ensure sufficient funding is available for innovation within this extended scope, the Innovation Fund should be supplemented with 50 million allowances, stemming partly from the allowances that could otherwise be auctioned, and partly from the allowances that could otherwise be allocated for free, in accordance with the current proportion of funding provided from each source to the Innovation Fund.

emission propulsion technologies like wind technologies. ***To ensure that the Innovation Fund serves to support innovation in maritime sector, a part proportional to the allowances accruing from the extension of the EU ETS to the maritime transport should be used for supporting innovation and decarbonisation of the maritime sector.***

Considering that revenues generated from penalties raised in Regulation xxxx/xxxx [FuelEU Maritime]⁵² are allocated to the Innovation Fund as external assigned revenue in accordance with Article 21(5) of the Financial Regulation, the Commission should ensure that due consideration is given to support for innovative projects aimed at accelerating the development and deployment of renewable and low carbon fuels in the maritime sector, as specified in Article 21(1) of Regulation xxxx/xxxx [FuelEU Maritime]. To ensure sufficient funding is available for innovation within this extended scope, the Innovation Fund should be supplemented with 50 million allowances, stemming partly from the allowances that could otherwise be auctioned, and partly from the allowances that could otherwise be allocated for free, in accordance with the current proportion of funding provided from each source to the Innovation Fund.

⁵² [add ref to the FuelEU Maritime Regulation].

⁵² [add ref to the FuelEU Maritime Regulation].

Amendment 15

Proposal for a directive Recital 33 a (new)

Text proposed by the Commission

Amendment

(33a) By supporting projects through public financing, the Innovation Fund provides companies with substantial

advantages to develop their products or services. Consequently, projects funded by the Innovation Fund should share knowledge with other relevant projects as well as with Union-based researchers having a legitimate interest.

Amendment 16

Proposal for a directive Recital 35

Text proposed by the Commission

(35) Carbon Contracts for Difference (CCDs) are an important element to trigger emission reductions in industry, offering the opportunity to guarantee investors in innovative climate-friendly technologies a price that rewards CO₂ emission reductions above those induced by the current price levels in the EU ETS. The range of measures that the Innovation Fund can support should be extended to provide support to projects through price-competitive tendering, such as CCDs. The Commission should be empowered to adopt delegated acts on the precise rules for this type of support.

Amendment

(35) Carbon Contracts for Difference (CCDs) are an important element to trigger emission reductions in industry ***by up-scaling new technologies***, offering the opportunity to guarantee investors in innovative climate-friendly technologies a price that rewards CO₂ emission reductions above those induced by the current price levels in the EU ETS. The range of measures that the Innovation Fund can support should be extended to provide support to projects through ***technology-neutral***, price-competitive tendering, such as CCDs. The Commission should ***conduct an impact assessment focusing in particular on the options for the provision of support through competitive bidding, including on the levels of funding provided. Based on the results of that assessment, the Commission should*** be empowered to adopt delegated acts on the precise rules for this type of support.

Amendment 17

Proposal for a directive Recital 38

Text proposed by the Commission

(38) The scope of the Modernisation Fund should be aligned with the most recent climate objectives of the Union by

Amendment

(38) The scope of the Modernisation Fund should be aligned with the most recent climate objectives of the Union by

requiring that investments are consistent with the objectives of the European Green Deal and Regulation (EU) 2021/1119, and eliminating the support to any investments related to fossil fuels. In addition, the percentage of the Modernisation Fund that needs to be devoted to priority investments should be increased to **80 %**; energy efficiency should be targeted as a priority area **at the demand side**; and support of households to address energy poverty, including in rural and remote areas, should be included within the scope of the priority investments.

requiring that investments are **fully coherent with the climate and environmental policies of the Union**, and consistent with the objectives of the European Green Deal and Regulation (EU) 2021/1119, and **that** eliminating the support to any investments related to fossil fuels. In addition, the percentage of the Modernisation Fund that needs to be devoted to priority investments should be increased to **90 %**; energy efficiency should be targeted as a priority area. **The Modernisation Fund should also support a fair and just transition for the workforce, through re-skilling and up-skilling**, and support of households to address energy poverty, including in rural and remote areas, should be included within the scope of the priority investments, **as well as support the sustainability of the construction ecosystem**.

Amendment 18

Proposal for a directive Recital 40

Text proposed by the Commission

(40) Renewable liquid and gaseous fuels of non-biological origin and recycled carbon fuels can be important to reduce greenhouse gas emissions in sectors that are hard to decarbonise. Where recycled carbon fuels and renewable liquid and gaseous fuels of non-biological origin are produced from captured carbon dioxide under an activity covered by this Directive, the emissions should be accounted under that activity. To ensure that renewable fuels of non-biological origin and recycled carbon fuels contribute to greenhouse gas emission reductions and to avoid double counting for fuels that do so, it is appropriate to explicitly extend the empowerment in Article 14(1) to the adoption by the Commission of

Amendment

(40) Renewable liquid and gaseous fuels of non-biological origin and recycled carbon fuels can be important to reduce greenhouse gas emissions in sectors that are hard to decarbonise. Where recycled carbon fuels and renewable liquid and gaseous fuels of non-biological origin are produced from captured carbon dioxide under an activity covered by this Directive, the emissions should be accounted under that activity. To ensure that renewable fuels of non-biological origin and recycled carbon fuels contribute to greenhouse gas emission reductions and to avoid double counting for fuels that do so, it is appropriate to explicitly extend the empowerment in Article 14(1) to the adoption by the Commission of

implementing acts laying down the necessary adjustments for how to account for the eventual release of carbon dioxide and how to avoid double counting to ensure appropriate incentives are in place, taking also into account the treatment of these fuels under Directive (EU) 2018/2001.

implementing acts laying down the necessary adjustments for how *and where* to account for the eventual release of carbon dioxide and how to avoid double counting to ensure appropriate incentives *for capturing emissions* are in place, taking also into account the treatment of these fuels under Directive (EU) 2018/2001.

Amendment 19

Proposal for a directive Recital 40 a (new)

Text proposed by the Commission

Amendment

(40a) Since carbon capture and storage (CCS) and carbon capture and utilisation (CCU) could be a solution among others to reduce carbon emissions and support the recycling of such emissions, the Commission should, as soon as possible, present a proposal for a carbon removal certification mechanism aimed at incentivising the uptake of carbon removal and circularity enabling technologies). Such a mechanism should enable the reduction or cancellation of the obligation to surrender allowances, as long as those allowances are accounted for, in respect of greenhouse gases that are captured and used to produce recycled carbon fuels and renewable liquid and gaseous fuels.

Amendment 20

Proposal for a directive Recital 42

Text proposed by the Commission

Amendment

(42) The exclusion of installations using exclusively biomass from the EU ETS has led to situations where installations combusting a high share of biomass have obtained windfall profits by

deleted

receiving free allowances greatly exceeding actual emissions. Therefore, a threshold value for zero-rated biomass combustion should be introduced above which installations are excluded from the EU ETS. The threshold value of 95 % is in line with the uncertainty parameter set out in Article 2(16) of Commission Delegated Regulation (EU) 2019/331⁵⁶.

⁵⁶ *Commission Delegated Regulation (EU) 2019/331 of 19 December 2018 determining transitional Union-wide rules for harmonised free allocation of emission allowances pursuant to Article 10a of Directive 2003/87/EC of the European Parliament and of the Council (OJ L 59, 27.2.2019, p. 8).*

Amendment 21

Proposal for a directive Recital 54

Text proposed by the Commission

(54) Innovation and development of new low-carbon technologies in the sectors of buildings and road transport are crucial for ensuring the cost-efficient contribution of these sectors to the expected emission reductions. Therefore, 150 million allowances from emissions trading in the buildings and road transport sectors should also be made available to the Innovation Fund to stimulate the cost-efficient emission reductions.

Amendment

(54) Innovation and development ***as well as pilot, demonstration and up-scaling projects*** of new low-carbon technologies in the sectors of buildings and road transport are crucial for ensuring the cost-efficient contribution of these sectors to the expected emission reductions. Therefore, 150 million allowances from emissions trading in the buildings and road transport sectors should also be made available to the Innovation Fund to stimulate the cost-efficient emission reductions.

Amendment 22

Proposal for a directive Article 1 – paragraph 1 – point 6

Text proposed by the Commission

2. The Commission shall monitor the implementation of this Chapter **and** possible trends as regards companies seeking to avoid being bound by the requirements of this Directive. If appropriate, the Commission shall propose measures to prevent **such avoidance**;

Amendment

2. ***The Commission shall monitor and evaluate*** the implementation of this Chapter, possible trends ***and adverse impacts*** as regards, ***inter alia, the competitiveness of the Union maritime sector and*** companies seeking to avoid being bound by the requirements of this Directive ***by means of reports analysing market distortions and deterioration of the level playing field in the maritime sector.*** The Commission shall ***especially take into account the position of ports that face the risk of unfair competition from ports that are not subject to this Directive. Those reports shall be based on pre-defined parameters, in order to make them comparable. The Commission shall identify the ports that face a high risk of carbon leakage, and assess whether this risk has manifested itself since the last report and to what extent. Among other trends the Commission shall analyse changes in transshipment calls being made on Union ports, number of voyages coming from neighbouring ports and port calls from feeder vessels and overall changes in port traffic in the Union ports. The Commission shall submit those reports to the European Parliament without undue delay and every year thereafter.***

If appropriate, the Commission shall propose measures to prevent ***possible adverse impacts. In particular, the Commission shall take all appropriate, diplomatic and legislative, measures including extending the scope of this Directive to ports that are not yet subject to it, to circumvent carbon leakage to the those ports.***

Amendment 23

Proposal for a directive

Article 1 – paragraph 1 – point 11 – point a

Directive 2003/87/EC

Article 10 – paragraph 1 – subparagraph 3

Text proposed by the Commission

2 % of the total quantity of allowances between 2021 and 2030 shall be auctioned to establish a fund to improve energy efficiency and modernise the energy systems of certain Member States ('the beneficiary Member States') as set out in Article 10d ('the Modernisation Fund'). The beneficiary Member States for this amount of allowances shall be the Member States with a GDP per capita at market prices below 60 % of the Union average in 2013. The funds corresponding to this quantity of allowances shall be distributed in accordance with Part A of Annex IIb.

Amendment

2 % of the total quantity of allowances between 2021 and 2030 shall be auctioned to establish a fund to improve energy efficiency, **reduce greenhouse gas emissions** and modernise the energy systems of certain Member States ('the beneficiary Member States') as set out in Article 10d ('the Modernisation Fund'). The beneficiary Member States for this amount of allowances shall be the Member States with a GDP per capita at market prices below 60 % of the Union average in 2013. The funds corresponding to this quantity of allowances shall be distributed in accordance with Part A of Annex IIb.

Amendment 24

Proposal for a directive

Article 1 – paragraph 1 – point 11 – point a (new)

Directive 2003/87/EC

Article 10 – paragraph 1 – subparagraph 4 a (new)

Text proposed by the Commission

Amendment

(aa) in paragraph 1, the following subparagraph is added:

“The additional quantity of allowances referred to in the previous paragraph may be used to fund cross-border projects between the beneficiary Member States and the adjacent low-growth border regions.”;

Amendment 25

Proposal for a directive

Article 1 – paragraph 1 – point 11 – point d a (new)

Directive 2003/87/EC

Article 10 – paragraph 5

Present text

5. The Commission shall monitor the functioning of the European carbon market. Each year, it shall submit a report to the European Parliament and to the Council on the functioning of the carbon market and on other relevant climate and energy policies, including the operation of the auctions, liquidity and the volumes traded, and summarising the information provided by Member States on the financial measures referred to in Article 10a(6). If necessary, Member States shall ensure that any relevant information is submitted to the Commission at least two months before the Commission adopts the report.

Amendment

(da) paragraph 5 is replaced by the following:

“5. The Commission shall monitor the functioning of the European carbon market. Each year, it shall submit a report to the European Parliament and to the Council on the functioning of the carbon market and on other relevant climate and energy policies, including the operation of the auctions, **the role and impact of non-compliance operators such as financial investors in the market**, liquidity and the volumes traded, and summarising the information provided by Member States on the financial measures referred to in Article 10a(6). If necessary, Member States shall ensure that any relevant information is submitted to the Commission at least two months before the Commission adopts the report.”;

Amendment 26

Proposal for a directive

Article 1 – paragraph 1 – point 12 – point a – point i

Directive 2003/87/EC

Article 10a – paragraph 1 – subparagraph 2a

Text proposed by the Commission

In the case of installations covered by the obligation to **conduct** an energy **audit** under Article **8(4)** of Directive 2012/27/EU of the European Parliament and of the Council(*) [Article reference to be updated with the revised Directive], free allocation shall only be granted fully if the recommendations of the audit report are implemented, to the extent that the pay-back time for the relevant investments does not exceed **five** years and that the costs of

Amendment

In the case of **enterprises or municipal** installations covered by the obligation to **implement** an energy **management system** under Article **8** of Directive 2012/27/EU of the European Parliament and of the Council(*) [Article reference to be updated with the revised Directive], free allocation shall only be granted fully if **that enterprise or installation is covered by the energy management system. In the event an energy management system is**

those investments are proportionate. Otherwise, the amount of free allocation shall be reduced **by 25 %**. The amount of **free allocation shall not be reduced if an operator demonstrates that it has implemented other measures which lead to greenhouse gas emission reductions equivalent to those recommended by the audit report. The measures referred to in the first subparagraph shall be adjusted accordingly.**

mandatory under Directive 2012/27/EU, free allocation shall be only granted in full if the recommendations of the audit report are implemented, to the extent that the pay-back time for the relevant investments does not exceed 6 years, and that the costs of those investments are proportionate, while ensuring that the measures result in an improvement of the compliant entity's energy efficiency. Otherwise, the amount of free allocation of **the installation shall be reduced between 15 % and 40 %, proportionately to the amount of emissions corresponding to the recommendations of the report.**

Amendment 27

Proposal for a directive

Article 1 – paragraph 1 – point 12 – point a – point i

Directive 2003/87/EC

Article 10 a – paragraph 1 – subparagraph 2b

Text proposed by the Commission

No free allocation shall be given to installations in sectors or subsectors to the extent they are covered by other measures to address the risk of carbon leakage as established by Regulation (EU)/. [reference to CBAM](**). The measures referred to in the first subparagraph shall be adjusted accordingly

Amendment

No free allocation shall be given to installations in sectors or subsectors to the extent they are covered by other measures to address the risk of carbon leakage as established by Regulation (EU)/. [reference to CBAM](**) **once the full effectiveness of the CBAM in tackling the carbon leakage risk both on the Union market and on export markets has been assessed and positively verified.** The measures referred to in the first subparagraph shall be adjusted accordingly.

Amendment 28

Proposal for a directive

Article 1 – paragraph 1 – point 12 – point a – point ii

Directive 2003/87/EC

Article 10 a – paragraph 1 – subparagraph 3

Text proposed by the Commission

In order to provide further incentives for reducing greenhouse gas emissions and improving energy efficiency, the determined Union-wide ex-ante benchmarks shall be reviewed ***before the period from 2026 to 2030*** in view of potentially modifying the definitions and system boundaries of existing product benchmarks.;

Amendment

In order to provide further incentives for reducing greenhouse gas emissions and improving energy efficiency, the determined Union-wide ex-ante benchmarks shall be reviewed ***as soon as possible and no later than ... [12 months after the entry into force of this amending Directive]*** in view of potentially modifying the definitions and system boundaries of existing product benchmarks, ***ensuring that free allocation for the production of a product is independent of the feedstock or of the type of production process, provided the production processes have the same purpose, and that it accounts for the circular use potential of materials, or avoids installations with partially or fully decarbonised processes being excluded from or prevented from participating in the benchmarks. The adjusted benchmark values shall be published as soon as the necessary information becomes available, in order for those adjusted benchmark values to be applicable as from 2026.***

Amendment 29

Proposal for a directive

Article 1 – paragraph 1 – point 12 – point b

Directive 2003/87/EC

Article 10 a – paragraph 1 a – subparagraph 2

Text proposed by the Commission

By way of derogation from the ***previous*** subparagraph, for the first years of operation of Regulation [CBAM], the production of ***these*** products shall benefit from free allocation in reduced amounts. A factor reducing the free allocation for the production of ***these*** products shall be applied (CBAM factor). The CBAM factor shall be equal to 100 % for the period ***during the*** entry into force of [CBAM regulation] and the end of ***2025, 90 % in***

Amendment

By way of derogation from the ***first*** subparagraph, for the first years of operation of Regulation [CBAM], the production of products ***listed in Annex I to that Regulation*** shall benefit from free allocation in reduced amounts. A factor reducing the free allocation for the production of ***those*** products shall be applied (CBAM factor). The CBAM factor shall be equal to 100 % for the period ***between ... [the date of*** entry into force of

2026 and shall be reduced by **10** percentage points each year to reach 0 % by the **tenth year**.

[CBAM regulation]] and the end of **2027**, **and contingent upon application of the operational phase of Article 36(3), point (d), of Regulation (EU) .../... [CBAM Regulation,], reduced during a transitional period by 10 % from 2028 until 2030, and subsequently reduced by 17,5 percentage points each year to reach 0 % by the end of 2034.**

Amendment 30

Proposal for a directive

Article 1 – paragraph 1 – point 12 – point b

Directive 2003/87/EC

Article 10a – paragraph 1a – subparagraph 2 a (new)

Text proposed by the Commission

Amendment

By the end of 2029, the Commission shall submit to the European Parliament and to the Council, a detailed impact assessment as defined in Regulation (EU) .../... [CBAM regulation, Article 30 new(2a)] of the effectiveness of CBAM in tackling the carbon leakage risk on the Union market. Where the assessment demonstrates that CBAM does not provide sufficient protection against carbon leakage, the CBAM factor should be temporarily adapted until correcting measures that ensure carbon leakage protection that is equivalent to that of the free allocation system which it replaces are adopted. Where appropriate, the Commission shall accompany that assessment with a legislative proposal.

Amendment 31

Proposal for a directive

Article 1 – paragraph 1 – point 12 – point b

Directive 2003/87/EC

Article 10a – paragraph 1a – subparagraph 2 b (new)

In order to ensure a level playing field, the first subparagraph shall not apply to part of the Union production destined for export to third countries without emission trading systems or similar arrangements. By the end of the transition period as defined in [CBAM Regulation], the Commission shall provide a detailed impact assessment of the effects on Union exports from CBAM sectors and on the amount of global emissions. That assessment shall be accompanied by any necessary measures and, where appropriate, legislative proposals that equalize the costs of CO2 with different pricing schemes of the third countries. All those measures and proposals shall comply with the WTO rules.

Amendment 32

Proposal for a directive

Article 1 – paragraph 1 – point 12 – point c – point ii

Directive 2003/87/EC

Article 10a – paragraph 2 – subparagraph 3 – point d a (new)

Text proposed by the Commission

Amendment

(iii) in the third subparagraph, the following ***point (d)*** is added:

“(d) Where the annual reduction rate exceeds 2,5 % or is below 0,2 %, the benchmark values for the period from 2026 to 2030 shall be the benchmark values applicable in the period from 2013 to 2020 reduced by whichever of those two percentage rates is relevant, in respect of each year between 2008 and 2028.”;

(iii) in the third subparagraph, the following ***points are added***:

“(d) Where the annual reduction rate exceeds 2,5 % or is below 0,2 %, the benchmark values for the period from 2026 to 2030 shall be the benchmark values applicable in the period from 2013 to 2020 reduced by whichever of those two percentage rates is relevant, in respect of each year between 2008 and 2028.

(da) In determining the benchmark values for the fallback approaches referred to in the second subparagraph, the Commission may consider providing for sector-specific fallback approaches, where appropriate. Where it is not

possible to derive an ex-ante benchmark for an individual sector or subsector, but greenhouse gases eligible for the free allocation of emission allowances occur, those allowances shall be allocated on the basis of generic fallback approaches.”;

Amendment 33

Proposal for a directive

Article 1 – paragraph 1 – point 12 – point g

Directive 2003/87/EC

Article 10a – paragraph 8 – subparagraph 1

Text proposed by the Commission

365 million allowances from the quantity which could otherwise be allocated for free pursuant to this Article, and 85 million allowances from the quantity which could otherwise be auctioned pursuant to Article 10, as well as the allowances resulting from the reduction of free allocation referred to in Article 10a(1a), shall be made available to a Fund with the objective of supporting innovation in low-carbon technologies and processes, and contribute to zero pollution objectives (the ‘Innovation Fund’). Allowances that are not issued to aircraft operators due to the closure of aircraft operators and which are not necessary to cover any shortfall in surrenders by those operators, shall also be used for innovation support as referred to in the first subparagraph.

Amendment

365 million allowances from the quantity which could otherwise be allocated for free pursuant to this Article, and 85 million allowances from the quantity which could otherwise be auctioned pursuant to Article 10, as well as the allowances resulting from the reduction of free allocation referred to in Article 10a(1a), shall be made available to a Fund with the objective of supporting innovation in low-carbon technologies and processes, and contribute to zero pollution objectives (the ‘Innovation Fund’). ***The investments supported by the fund shall be fully coherent with the climate and environmental policies of the Union.*** Allowances that are not issued to aircraft operators due to the closure of aircraft operators and which are not necessary to cover any shortfall in surrenders by those operators, shall also be used for innovation support as referred to in the first subparagraph.

Amendment 34

Proposal for a directive

Article 1 – paragraph 1 – point 12 – point g

Directive 2003/87/EC

Article 10a – paragraph 8 – subparagraph 2

Text proposed by the Commission

In addition, 50 million unallocated allowances from the market stability reserve shall supplement any remaining revenues from the 300 million allowances available in the period from 2013 to 2020 under Commission Decision 2010/670/EU(*), and shall be used in a timely manner for innovation support as referred to in the first subparagraph. Furthermore, the external assigned revenues referred to in Article 21(2) of Regulation (EU) [FuelEU Maritime] shall be allocated to the Innovation Fund and implemented in line with this paragraph.

Amendment

In addition, 50 million unallocated allowances from the market stability reserve shall supplement any remaining revenues from the 300 million allowances available in the period from 2013 to 2020 under Commission Decision 2010/670/EU(*), and shall be used in a timely manner for innovation **and deployment** support as referred to in the first subparagraph. Furthermore, the external assigned revenues referred to in Article 21(2) of Regulation (EU) [FuelEU Maritime] shall be allocated to the Innovation Fund and implemented in line with this paragraph. ***A part of the Innovation Fund proportional to the allowances accruing from the extension of the EU ETS to maritime transport shall be used for supporting innovation and decarbonisation of the maritime sector.***

Amendment 35

Proposal for a directive

Article 1 – paragraph 1 – point 12 – point g

Directive 2003/87/EC

Article 10a – paragraph 8 – subparagraph 3

Text proposed by the Commission

The Innovation Fund shall cover the sectors listed in Annex I and Annex III, including environmentally safe carbon capture and utilisation (“CCU”) that contributes substantially to mitigating climate change, as well as products substituting carbon intensive ones produced in sectors listed in Annex I, and to help stimulate the construction and operation of projects aimed at the environmentally safe capture and geological storage (“CCS”) of CO₂, as well as of innovative renewable energy and energy storage technologies; ***in geographically balanced locations***. The

Amendment

The Innovation Fund shall cover the sectors listed in Annex I and Annex III, including environmentally safe carbon capture and utilisation (“CCU”) that contributes substantially to mitigating climate change, as well as products ***and processes*** substituting carbon intensive ones produced in sectors listed in Annex I, and to help stimulate the construction and operation of projects aimed at the environmentally safe capture, ***transport*** and geological storage (“CCS” ***including “BECCS”, “DACCS”***) of CO₂, as well as of innovative renewable energy and energy storage technologies. The Innovation Fund

Innovation Fund *may* also support break-through innovative technologies and infrastructure to decarbonise the maritime sector and for the production of low- and zero-carbon fuels in aviation, rail and road transport. Special attention shall be given to projects in sectors covered by the [CBAM regulation] to support innovation in low carbon technologies, CCU, CCS, renewable energy and energy storage, in a way that contributes to mitigating climate change.

shall also support break-through innovative technologies and infrastructure to decarbonise the maritime sector **and the aviation sector, including projects that address the total climate impact of aviation and** for the production of low- and zero-carbon fuels **and technologies** in aviation, rail and road transport **while seeking synergies with Horizon Europe, in particular with European partnerships and where relevant, with other Union programmes.** Special attention shall be given to projects in sectors covered by the [CBAM regulation], **especially the exporting sectors,** to support innovation in low **and zero** carbon technologies, CCU, CCS, **CO₂ transport,** renewable energy and energy storage, in a way that contributes to mitigating climate change. **The Innovation Fund shall also support the deployment and scaling up of innovative technologies provided that they hold a significant abatement potential and contribute to decarbonisation of the economy and energy and resource savings.**

Amendment 36

Proposal for a directive

Article 1 – paragraph 1 – point 12 – point g

Directive 2003/87/EC

Article 10a – paragraph 8 – subparagraph 4

Text proposed by the Commission

Projects in the territory of all Member States, including small-scale projects, shall be eligible. Technologies receiving support shall be innovative and not yet commercially viable at a similar scale without support but shall represent breakthrough solutions or be sufficiently mature for application at **pre-commercial** scale.

Amendment

Projects in the territory of all Member States, including **medium- and** small-scale projects, shall be eligible. Technologies receiving support shall be innovative and not yet commercially viable at a similar scale without support but shall represent breakthrough **or not yet commercially implementable** solutions or be sufficiently **technologically** mature for application at **commercial** scale.

Amendment 37

Proposal for a directive

Article 1 – paragraph 1 – point 12 – point g

Directive 2003/87/EC

Article 10a – paragraph 8 – subparagraph 6

Text proposed by the Commission

Projects shall be selected on the basis of objective and transparent criteria, taking into account, where relevant, the extent to which projects contribute to achieving emission reductions well below the benchmarks referred to in paragraph 2. Projects shall have the potential for widespread application or to significantly lower the costs of transitioning towards a low-carbon economy in the sectors concerned. Projects involving CCU shall deliver a net reduction in emissions and ensure avoidance or permanent storage of CO₂. In the case of grants provided through calls for proposals, up to 60 % of the relevant costs of projects may be supported, out of which up to 40 % need not be dependent on verified avoidance of greenhouse gas emissions, provided that pre-determined milestones, taking into account the technology deployed, are attained. In the case of support provided through competitive bidding and in the case of technical assistance support, up to 100 % of the relevant costs of projects may be supported.

Amendment

Projects shall be selected ***by way of a transparent selection procedure, in a technology-neutral manner and*** on the basis of objective and transparent criteria, taking into account, where relevant, the extent to which projects contribute to achieving emission reductions well below the benchmarks referred to in paragraph 2. Projects shall have the potential for widespread application or to significantly lower the costs of transitioning towards a low-carbon economy in the sectors concerned. Projects involving CCU shall deliver a net reduction in emissions and ensure avoidance or permanent storage of CO₂. In the case of grants provided through calls for proposals, up to 60 % of the relevant costs of projects may be supported, out of which up to 40 % need not be dependent on verified avoidance of greenhouse gas emissions, provided that pre-determined milestones, taking into account the technology deployed, are attained. In the case of support provided through competitive bidding and in the case of technical assistance support, up to 100 % of the relevant costs of projects may be supported. ***The Commission shall conduct an impact assessment of the options for the provision of support through competitive bidding.***

Amendment 38

Proposal for a directive

Article 1 – paragraph 1 – point 12 – point g

Directive 2003/87/EC

Article 10a – paragraph 8 – subparagraph 6 a (new)

Text proposed by the Commission

Amendment

Projects funded by the Innovation Fund shall be required to share knowledge with other relevant projects as well as with Union-based researchers having a legitimate interest. The terms of knowledge-sharing shall be defined by the Commission in calls for proposals.

Amendment 39

Proposal for a directive

Article 1 – paragraph 1 – point 12 – point g

Directive 2003/87/EC

Article 10a – paragraph 8 – subparagraph 6 b (new)

Text proposed by the Commission

Amendment

The calls for proposals shall be open and transparent and clearly set out what kinds of technologies can be supported. In preparing the calls for proposals, the Commission shall ensure that all sectors included in the EU ETS, including the maritime sector, are duly represented. The Commission shall take measures to ensure that the calls for proposals are communicated as widely as possible, and especially to SMEs.

Amendment 40

Proposal for a directive

Article 1 – paragraph 1 – point 12 – point g

Directive 2003/87/EC

Article 10a – paragraph 8 – subparagraph 7

Text proposed by the Commission

Amendment

The Commission is empowered to adopt delegated acts in accordance with Article 23 to supplement this Directive concerning rules on the operation of the Innovation Fund, including the selection procedure and criteria, and the eligible sectors and

The Commission is empowered to adopt delegated acts in accordance with Article 23 to supplement this Directive concerning rules on the operation of the Innovation Fund, including the selection procedure and criteria, ***the participation of SMEs,***

technological requirements for the different types of support.

and the eligible sectors and technological requirements for the different types of support. ***In order to ensure a fair and just transition, the selection criteria shall take into consideration environmental and social safeguards, as a tool for the progressive integration of sustainable development as regards reaching the Union's 2030 targets for energy and the climate and the 2050 climate neutrality objective. In the case of support through Carbon Contracts for Difference (CCDs), those delegated acts shall allow for technology-neutral, price-competitive tendering.***

Amendment 41

Proposal for a directive

Article 1 – paragraph 1 – point 13

Directive 2003/87/EC

Article 10c – paragraph 7

Text proposed by the Commission

Amendment

(13) in Article 10c, paragraph 7 is replaced by the following:

deleted

Member States shall require benefiting electricity generating installations and network operators to report, by 28 February of each year, on the implementation of their selected investments, including the balance of free allocation and investment expenditure incurred and the types of investments supported. Member States shall report on this to the Commission, and the Commission shall make such reports public.;

Amendment 42

Proposal for a directive

Article 1 – paragraph 1 – point 13 a (new)

Directive 2003/87/EC

Article 10 c a (new)

Text proposed by the Commission

Amendment

(13a) after Article 10c, the following Article is inserted:

“Article 10ca

Transitional free allocation for the modernisation of the energy sector

Any allowances for transitional free allocation for the modernisation of the energy sector that have not been allocated to operators in the Member States concerned by 31 December 2023 shall be added to the total quantity of allowances that the Member State concerned receives for auctioning pursuant to Article 10(2), point (a). Member States may also use some or all of those allowances, in accordance with Article 10d to support investments within the framework of the Modernisation Fund.”

Amendment 43

Proposal for a directive

Article 1 – paragraph 1 – point 14 – point a

Directive 2003/87/EC

Article 10d – paragraph 1 – subparagraph 1

Text proposed by the Commission

A fund to support investments proposed by the beneficiary Member States, including the financing of small-scale investment projects, to modernise energy systems and improve energy efficiency shall be established for the period from 2021 to 2030 (the ‘Modernisation Fund’). The Modernisation Fund shall be financed through the auctioning of allowances as set out in Article 10, for the beneficiary Member States set out therein.

Amendment

A fund to support investments proposed by the beneficiary Member States, including the financing of small-scale investment projects, ***planned with input from stakeholders, where relevant, the social partners ensuring a just transition for workers, including in regions, municipalities and local communities***, to modernise energy systems and improve energy efficiency ***and reduce greenhouse gas emissions*** shall be established for the period from 2021 to 2030 (the ‘Modernisation Fund’). The Modernisation Fund shall be financed through the auctioning of allowances as set out in

Article 10, for the beneficiary Member States set out therein.

Amendment 44

Proposal for a directive

Article 1 – paragraph 1 – point 14 – point a

Directive 2003/87/EC

Article 10 d – paragraph 1 – subparagraph 2

Text proposed by the Commission

The investments supported shall be consistent with the aims of this Directive, as well as the objectives of the Communication from the Commission of 11 December 2019 on The European Green Deal (*) and Regulation (EU) 2021/1119 of the European Parliament and of the Council (**) and the long-term objectives as expressed in the Paris Agreement. No support from the Modernisation Fund shall be provided to energy generation facilities that use fossil fuels.”;

(*) COM(2019) 640 final.

(**) Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 (‘European Climate Law’) (OJ L 243, 9.7.2021, p. 1).

Amendment 45

Proposal for a directive

Article 1 – paragraph 1 – point 14 – point b

Directive 2003/87/EC

Article 10d – paragraph 2 – introductory part

Amendment

The investments supported shall be consistent with the aims of this Directive, as well as the objectives of the Communication from the Commission of 11 December 2019 on The European Green Deal (*) and Regulation (EU) 2021/1119 of the European Parliament and of the Council (**) and the long-term objectives as expressed in the Paris Agreement. ***The investments supported by the Modernisation Fund shall be fully coherent with the Union’s climate and environmental policies.*** No support from the Modernisation Fund shall be provided to energy generation facilities that use fossil fuels.”;

(*) COM(2019)0640.

(**) Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 (‘European Climate Law’) (OJ L 243, 9.7.2021, p. 1).

Text proposed by the Commission

2. At least **80** % of the financial resources from the Modernisation Fund shall be used to support investments in the following:

Amendment

2. At least **90** % of the financial resources from the Modernisation Fund shall be used to support investments in the following:

Amendment 46

Proposal for a directive

Article 1 – paragraph 1 – point 14 – point b

Directive 2003/87/EC

Article 10d – paragraph 2 – point a

Text proposed by the Commission

(a) the generation and use of electricity from renewable sources;

Amendment

(a) the generation and use of electricity from renewable **and low carbon** sources;

Amendment 47

Proposal for a directive

Article 1 – paragraph 1 – point 14 – point b

Directive 2003/87/EC

Article 10d – paragraph 2 – point c

Text proposed by the Commission

(c) the improvement of demand side energy efficiency, including in transport, buildings, agriculture and waste;

Amendment

(c) the improvement of demand **side and supply** side energy efficiency, including in transport, buildings, agriculture and waste;

Amendment 48

Proposal for a directive

Article 1 – paragraph 1 – point 14 – point b

Directive 2003/87/EC

Article 10d – paragraph 2 – point e

Text proposed by the Commission

(e) the support of low-income households, including in rural and remote

Amendment

(e) the support of low-income **and middle-income** households, including in

areas, to address energy poverty *and* to modernise their heating systems; and

rural and remote areas, to address energy poverty, to modernise their heating systems *and to make the construction ecosystem more sustainable*; and

Amendment 49

Proposal for a directive

Article 1 – paragraph 1 – point 15 – point c

Directive 2003/87/EC

Article 12 – paragraph 3 – subparagraph 1 a (new)

Text proposed by the Commission

Amendment

By way of derogation from point (c), shipping companies may surrender fewer allowances on the basis of a ship's ice class or navigation in ice or both in line with Annex Va.

Amendment 50

Proposal for a directive

Article 1 – paragraph 1 – point 15 – point c

Directive 2003/87/EC

Article 12 – paragraph 3 – subparagraph 2 a (new)

Text proposed by the Commission

Amendment

Where fewer allowances are surrendered compared to the verified emissions from maritime transport, once the difference between verified emissions and allowances surrendered has been established in respect of each year, a corresponding quantity of allowances shall be cancelled rather than auctioned pursuant to Article 10.

Amendment 51

Proposal for a directive

Article 1 – paragraph 1 – point 15 – point e

Directive 2003/87/EC

Article 12 – paragraph 3b – subparagraph 1

Text proposed by the Commission

An obligation to surrender allowances shall not arise in respect of emissions of greenhouse gases which are considered to have been captured and utilised to become permanently chemically bound in a product so that they do not enter the atmosphere under normal use.

Amendment

An obligation to surrender allowances shall not arise in respect of emissions of greenhouse gases which are considered to have been captured and ***then either stored or*** utilised to become permanently chemically bound in a product so that they do not enter the atmosphere under normal use.

Amendment 52

Proposal for a directive

Article 1 – paragraph 1 – point 19 a (new)

Directive 2003/87/EC

Article 29 b new

Text proposed by the Commission

Amendment

(19a) the following Article 29b is inserted:

“Article 29b

1. The access to the EU ETS market shall be limited to entities that are installations, aviation and maritime operators with compliance obligations under the EU ETS.

2. By way of derogation from the first paragraph, financial intermediaries purchasing allowances for the account of the installation and not for their own account shall have access to the EU ETS market..

3. The Commission shall assess whether Article 6(5) of Regulation (EU) No 1031/2010^{1a} is compatible with the provisions of this Article, and, where necessary, submit a legislative proposal to amend that Regulation..”;

^{1a} Commission Regulation (EU) No 1031/2010 of 12 November 2010 on the timing, administration and other aspects

of auctioning of greenhouse gas emission allowances pursuant to Directive 2003/87/EC of the European Parliament and of the Council establishing a system for greenhouse gas emission allowances trading within the Union (OJ L 302 18.11.2010, p. 1)

Amendment 53

Proposal for a directive

Annex I – paragraph 1 – point a

Directive 2003/87/EC

Annex I – point 1

Text proposed by the Commission

1. Installations or parts of installations used for research, development and testing of new products and processes, **and installations where emissions from the combustion of biomass that complies with the criteria set out pursuant to Article 14 contribute to more than 95 % of the total greenhouse gas emissions** are not covered by this Directive.

Amendment

1. Installations or parts of installations used for research, development and testing of new products and processes are not covered by this Directive.

Amendment 54

Proposal for a directive

Annex I – paragraph 1 – point c – point v – introductory part

Directive 2003/87/EC

Annex I – paragraph 1 – row 24 – column 1

Text proposed by the Commission

(v) The twenty-fourth row is replaced by the following:

Production of hydrogen (H₂) and synthesis gas with a production capacity exceeding **25** tonnes per day

Amendment

(v) The twenty-fourth row is replaced by the following:

Production of hydrogen (H₂) and/or synthesis gas with a production capacity exceeding **10** tonnes per day

Amendment 55

Proposal for a directive
Annex – point 4 a (new)
Directive 2003/87/EC
Annex V a (new)

Text proposed by the Commission

Amendment

“(4a) the following is added:

ANNEX Va

Option to surrender a readjusted amount of allowances for ice-class ships

The readjusted amount of emission allowances to be surrendered for ice-class ships shall correspond to a readjusted amount of emissions that is calculated based on the formula presented in this Annex. The readjusted amount of emissions shall take into account the technical characteristics that increase emissions of ships belonging to Finnish-Swedish ice class IA or IA Super or an equivalent ice class during navigation at all times and the further increase of emissions due to navigation in ice conditions.

The readjusted amount of emissions allowances to be surrendered annually means the readjusted amount of annual emissions CO_{2R} .

The annual total emissions of CO_{2T} within the scope of the EU ETS shall be calculated on the basis of reporting in MRV as follows:

$$CO_{2T} = CO_{2T \text{ voyages between MS}} + CO_{2B} + 0.5 \cdot (CO_{2 \text{ voyages from MS}} + CO_{2 \text{ voyages to MS}}),$$

(1) where $CO_{2T \text{ voyages between MS}}$ denotes the aggregated CO_2 emissions from all voyages between ports under a Member State's jurisdiction, CO_{2B} the emissions which occurred within ports under a Member State's jurisdiction at berth, $CO_{2eq \text{ voyages from MS}}$ the aggregated CO_2 emissions from all voyages which

departed from ports under a Member State's jurisdiction, and CO₂ voyages to MS the aggregated CO₂ emissions from all voyages to ports under a Member State's jurisdiction.

Similarly the annual total emissions of an ice-class ship when navigating in ice conditions within the scope of the proposed Emissions Trading Directive for maritime transport CO_{2eI} are calculated on the basis of reporting in MRV as follows

$$CO_{2eI} = CO_{2eqI \text{ voyages between MS}} + 0.5 \cdot (CO_{2eqI \text{ voyages from MS}} + CO_{2eqI \text{ voyages to M}})$$

(2) where CO_{2eqI} voyages between MS denotes the aggregated emissions of an ice-class ship when navigating in ice conditions between ports under a Member State's jurisdiction, CO_{2eqI} voyages from MS emissions of an ice-class ship when navigating in ice conditions from all voyages which departed from ports under a Member State's jurisdiction, and CO_{2eqI} voyages to MS emissions of an ice-class ship when navigating in ice conditions from all voyages to ports under a Member State's jurisdiction.

The annual total distance travelled within the scope of the proposed Emissions Trading Directive for maritime transport shall be calculated as follows:

$$D_T = D_{T \text{ voyages between MS}} + 0.5 \cdot (D_{T \text{ voyages from MS}} + D_{T \text{ voyages to MS}})$$

(3) where D_T voyages between MS denotes the aggregated distance from all voyages between ports under a MS jurisdiction, D_T voyages from MS the aggregated distance from all voyages which departed from ports under a MS jurisdiction, and D_T voyages to MS the aggregated distance from all voyages to ports under a MS jurisdiction.

The aggregated distance travelled when navigating in ice conditions within the

scope of the proposed Emissions Trading Directive for maritime transport shall be calculated as follows:

$$D_I = D_{I \text{ voyages between MS}} + 0.5 \cdot$$

$$(D_{I \text{ voyages from MS}} + D_{I \text{ voyages to MS}}),$$

(4) *where $D_{T \text{ voyages between MS}}$ denotes the aggregated distance sailed in ice conditions from all voyages between ports under a MS jurisdiction, $D_{T \text{ voyages from MS}}$ the aggregated distance sailed in ice conditions from all voyages which departed from ports under a MS jurisdiction, and $D_{T \text{ voyages to MS}}$ the aggregated distance sailed in ice conditions from all voyages to ports under a MS jurisdiction.*

The readjusted amount of annual emissions $CO_{2eq} R$ shall be calculated as follows:

$$CO_{2R} = CO_{2T} - CO_{2TF} - CO_{2NI}$$

(5) *where CO_{2TF} denotes an increase in annual emissions due to technical characteristics of ships having a Finnish-Swedish ice class IA or IA Super or equivalent ice class and CO_{2NI} the increase in annual emissions of an ice classed ship due to navigating in ice conditions.*

The increase in annual emissions due to technical characteristics of ships having a Finnish-Swedish ice class IA or IA Super or equivalent ice class CO_{2TF} shall be calculated as follows:

$$CO_{2TF} = 0.05 \times (CO_{2T} - CO_{2B} - CO_{2NI}).$$

(6) *The increase in annual emissions due to navigating in ice conditions shall be calculated as follows:*

$$CO_{2NI} = CO_{2I} - CO_{2RI}$$

(7) *where the readjusted annual emissions for navigating in ice conditions CO_{2RI} are:*

$$CO_{2RI} = D_I \times \left(\frac{CO_{2eq}}{D} \right)_{\text{open water}}$$

(8) where $\left(\frac{CO_{2eq}}{D}\right)_{OW}$ the emissions for voyages per distance travelled in open water. The latter is defined as follows:

$$\left(\frac{CO_2}{D}\right)_{OW} = \frac{CO_{2T} - CO_{2B} - CO_{2I}}{D_T - D_I}$$

(9) List of all symbols:

CO_{2T} annual total emissions within the geographical scope of the EU ETS

CO_{2T} voyages between MS aggregated CO_2 emissions from all voyages between ports under a Member State's jurisdiction,

CO_{2B} emissions which occurred within ports under a Member State's jurisdiction at berth

CO_{2eq} voyages from MS aggregated CO_2 emissions from all voyages which departed from ports under a Member State's jurisdiction

CO_{2} voyages to MS aggregated CO_2 emissions from all voyages to ports under a Member State's jurisdiction

D_T annual total distance travelled within the scope of the EU ETS

D_T voyages between MS aggregate distance from all voyages between ports under a MS jurisdiction

D_T voyages from MS aggregated distance from all voyages which departed from ports under a MS jurisdiction

D_T voyages to MS aggregated distance from all voyages to ports under a MS jurisdiction

D_I aggregated distance travelled when navigating in ice conditions within the geographical scope of the EU ETS

D_T voyages between MS aggregated distance sailed in ice conditions from all voyages between ports under a MS jurisdiction

D_T voyages from MS aggregated distance sailed in ice conditions from all voyages

which departed from ports under a MS jurisdiction

$D_{T \text{ voyages to MS}}$ aggregated distance sailed in ice conditions from all voyages to ports under a MS jurisdiction

CO_{2I} annual emissions of an ice-class ship when navigating in ice conditions

CO_{2NI} increase of annual emissions of an ice-class ship due to navigating in ice conditions

CO_{2R} readjusted annual emissions

CO_{2RI} readjusted annual emissions for navigating in ice conditions

CO_{2TF} annual emissions due to technical characteristics of a ship with a Finnish-Swedish ice class IA or IA Super or an equivalent ice class on average, compared to ships designed to sail only in open water

$\left(\frac{CO_{2eq}}{dist}\right)_{OW}$ annual average of emissions for distance travelled in open water only

PROCEDURE – COMMITTEE ASKED FOR OPINION

Title	Amending Directive 2003/87/EC establishing a system for greenhouse gas emission allowance trading within the Union, Decision (EU) 2015/1814 concerning the establishment and operation of a market stability reserve for the Union greenhouse gas emission trading scheme and Regulation (EU) 2015/757
References	COM(2021)0551 – C9-0318/2021 – 2021/0211(COD)
Committee responsible Date announced in plenary	ENVI 13.9.2021
Opinion by Date announced in plenary	ITRE 13.9.2021
Associated committees - date announced in plenary	11.11.2021
Rapporteur for the opinion Date appointed	Mauri Pekkarinen 7.10.2021
Discussed in committee	26.1.2022
Date adopted	20.4.2022
Result of final vote	+: 50 –: 24 0: 2
Members present for the final vote	Matteo Adinolfi, Nicola Beer, François-Xavier Bellamy, Hildegard Bentele, Vasile Blaga, Michael Bloss, Manuel Bompard, Paolo Borchia, Marc Botenga, Markus Buchheit, Cristian-Silviu Buşoi, Jerzy Buzek, Maria da Graça Carvalho, Ignazio Corrao, Ciarán Cuffe, Josianne Cutajar, Nicola Danti, Pilar del Castillo Vera, Christian Ehler, Niels Fuglsang, Lina Gálvez Muñoz, Claudia Gamon, Jens Geier, Bart Groothuis, Christophe Grudler, András Gyürk, Henrike Hahn, Robert Hajšel, Ivo Hristov, Ivars Ijabs, Eva Kaili, Seán Kelly, Izabela-Helena Kloc, Łukasz Kohut, Zdzisław Krasnodębski, Andrius Kubilius, Miapetra Kumpula-Natri, Thierry Mariani, Marisa Matias, Eva Maydell, Georg Mayer, Joëlle Mélin, Iskra Mihaylova, Dan Nica, Angelika Niebler, Niklas Nienaß, Ville Niinistö, Aldo Patriciello, Mauri Pekkarinen, Mikuláš Peksa, Tsvetelina Penkova, Morten Petersen, Pina Picierno, Markus Pieper, Clara Ponsatí Obiols, Manuela Ripa, Robert Roos, Sara Skytvedal, Maria Spyraiki, Jessica Stegrud, Beata Szydło, Riho Terras, Grzegorz Tobiszowski, Patrizia Toia, Isabella Tovaglieri, Henna Virkkunen, Pernille Weiss, Carlos Zorrinho
Substitutes present for the final vote	Pascal Arimont, Cornelia Ernst, Klemen Grošelj, Alicia Homs Ginell, Nora Mebarek, Jutta Paulus, Ernő Schaller-Baross, Susana Solís Pérez

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

50	+
ID	Matteo Adinolfi, Paolo Borchia, Thierry Mariani, Joëlle Mélin, Isabella Tovaglieri
PPE	Pascal Arimont, François-Xavier Bellamy, Hildegard Bentele, Vasile Blaga, Cristian-Silviu Buşoi, Jerzy Buzek, Maria da Graça Carvalho, Pilar del Castillo Vera, Christian Ehler, Seán Kelly, Andrius Kubilius, Eva Maydell, Angelika Niebler, Aldo Patriciello, Markus Pieper, Sara Skyttedal, Maria Spyrali, Riho Terras, Henna Virkkunen, Pernille Weiss
Renew	Nicola Beer, Nicola Danti, Claudia Gamon, Bart Groothuis, Klemen Grošelj, Christophe Grudler, Ivars Ijabs, Iskra Mihaylova, Mauri Pekkarinen, Morten Petersen, Susana Solís Pérez
S&D	Josianne Cutajar, Niels Fuglsang, Lina Gálvez Muñoz, Jens Geier, Robert Hajšel, Alicia Homs Ginell, Eva Kaili, Łukasz Kohut, Miapetra Kumpula-Natri, Nora Mebarek, Dan Nica, Pina Picierno, Patrizia Toia, Carlos Zorrinho

24	-
ECR	Izabela-Helena Kloc, Zdzisław Krasnodębski, Robert Roos, Jessica Stegud, Beata Szydło, Grzegorz Tobiszowski
ID	Markus Buchheit, Georg Mayer
NI	András Gyürk, Clara Ponsatí Obiols, Ernő Schaller-Baross
The Left	Manuel Bompard, Marc Botenga, Cornelia Ernst, Marisa Matias
Verts/ALE	Michael Bloss, Ignazio Corrao, Ciarán Cuffe, Henrike Hahn, Niklas Nienaß, Ville Niinistö, Jutta Paulus, Mikuláš Peksa, Manuela Ripa

2	0
S&D	Ivo Hristov, Tsvetelina Penkova

Key to symbols:

+ : in favour

- : against

0 : abstention