



**2021/0200(COD)**

24.3.2022

## **OPINION**

of the Committee on Agriculture and Rural Development

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

on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) 2018/842 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 (COM(2021)0555 – C9-0321/2021 – 2021/0200(COD))

Rapporteur for opinion: Norbert Lins

PA\_Legam

## SHORT JUSTIFICATION

### Background - Fit for 55 package

In July 2021 the European Commission has presented its package on delivering the European Green Deal. The Fit for 55 package, the biggest set of climate measures in the EU history, aims at revising different pieces of legislation in order to deliver on the new EU target of at least 55% net emissions reduction by 2030 compared to 1990 levels. The proposed package foresees at least 52.8% emissions reduction and at least 310 Mt of net removals by carbon sinks by 2030. In order to be in line with science, this target needs to both be more ambitious and to be filled with concrete measures.

The IPCC has been sounding the alarm for years: 1.5°C of global warming is dire, 2°C would be catastrophic. The current 1.2°C of warming has already led to natural disasters, population displacement, crop failures and biodiversity loss, in the Union and beyond. The outcome of the last UNFCCC, COP26, is also very clear: according to current NDCs, global emissions are set to increase until 2030 and beyond, while they should be reduced by at least -45% by 2030 compared to 2010 levels if we are to limit global warming to 1.5°C. Especially after COP26, it is clear that the European Union is obligated to speed up its emissions reductions this decade, and show higher ambitions to address the climate emergency.

Early action must be prioritised through an ambitious trajectory. An overwhelming majority of scientific studies, reflecting the global consensus, including the last IPCC report<sup>1</sup>, have showed that 2020-2030 is the decisive decade to act against the climate and biodiversity crisis.

### Effort Sharing in the Fit for 55 package

As part of this package, the Effort Sharing Regulation (ESR) sets targets and monitors the effort of Member States in order to decrease greenhouse gas emissions in sectors not covered by the EU's Emissions Trading System. Covering 60% of the EU's greenhouse gas emissions, the ESR is one of the keystones of the EU climate policy and must deliver substantial emission reductions. This revision is the opportunity to bring the EU and Member States' targets in line with the Paris Climate Agreement, while closing the loopholes that currently undermine the law's effectiveness.

### Keeping ESR sectors efforts in line with the Paris Climate Agreement

The ESR sets binding emission reduction targets for Member States, which cover several sectors, including agriculture. The Commission's proposal keeps the scope of the ESR and increases the overall EU emission reductions target from a 30% to 40% reduction compared to 2005 by 2030. Member States remain responsible for delivering the emission reductions in all ESR sectors.

Although this revision is welcome, the ambition level included in the reviewed ESR is still

---

<sup>1</sup> <https://www.ipcc.ch/report/ar6/wg1/>

far from aligned with the Paris Climate Agreement goal – for which overall at least a 55% emission reduction compared to 2005 levels would be needed in the ESR covered sectors.

Increased ambitions must go hand in hand with incentivising sectors that have not delivered any substantial emission reduction so far, such as agriculture - which only contributed to 1% of the emissions reduction effort for the effort sharing sectors between 2005 and 2018, while still being the third biggest emitter<sup>2</sup>. Member States have often chosen to focus their reduction efforts in other sectors, but agriculture must now also contribute substantially to tackling climate change. The opportunity to develop minimum sector contributions at EU level must be recognised, so that we can equitably share the burden and have all sectors play their designated part.

### **Placing ESR on the path toward 2050 EU neutrality**

Under the current Regulation, several flexibilities have been granted to Member States in view of reaching their overall Effort Sharing targets. Those flexibilities have proven to undermine the overall objective of the Regulation by slowing down efforts by all Member States to decarbonise ESR sectors, in particular agriculture. Expanding those flexibilities would further undermine EU climate action. In particular, the proposal to use increased net removals from the LULUCF sector to compensate for the lack of emissions reduction in the ESR sectors run counter to the principle of ensuring that all sectors contribute to the climate target enshrined in the EU Climate Law. Removals by natural carbon sinks must increase at the same time as fossil emissions are drastically reduced.

In order to provide predictability and confidence for all economic actors, including businesses, workers, investors and consumers, and to ensure a swift and irreversible reduction of greenhouse gas emissions over time in view of reaching net-zero GHG emissions by 2050 at the latest and negative emissions thereafter, the European Commission must set targets beyond 2030. By the end of 2025, and taking into account the GHG budget set out under the EU Climate Law as well as the advice of the European Scientific Advisory Board on Climate Change, the Commission ought to come up with a proposal for EU and Member State ESR targets, as well as EU-level minimum sector contributions, for the period post 2030. These targets ought to be 5-year targets in order to align with the common timeframes agreed during COP26, to fully achieve EU climate commitments, and to reach the climate-neutrality objective as currently set out in the EU Climate Law.

## **AMENDMENTS**

The Committee on Agriculture and Rural Development calls on the Committee on the Environment, Public Health and Food Safety, as the committee responsible, to take into account the following amendments:

---

<sup>2</sup> European Environment Agency, National action across all sectors needed to reach greenhouse gas Effort Sharing targets, Briefing, 10 March 2020 - <https://www.eea.europa.eu/themes/climate/trends-and-projections-in-europe/national-action-across-all-sectors>

## Amendment 1

### Proposal for a regulation Recital 3

*Text proposed by the Commission*

(3) The European Green Deal<sup>31</sup> combines a comprehensive set of mutually reinforcing measures and initiatives aimed at achieving climate neutrality in the Union by 2050, and sets out a new growth strategy that aims to transform the Union into a fair and prosperous society, **with a** modern, resource-efficient and competitive **economy**, where **economic growth** is decoupled from resource use. It also aims to protect, conserve and enhance the Union's natural capital, and protect the health and well-being of citizens from environment-related risks and impacts. At the same time, this transition affects women and men differently and has a particular impact on some disadvantaged groups, such as older people, persons with disabilities and persons with a minority racial or ethnic background. It must therefore be ensured that the transition is just and inclusive, leaving no one behind.

*Amendment*

(3) The European Green Deal<sup>31</sup> combines a comprehensive set of mutually reinforcing, **efficient and equitable** measures and initiatives aimed at achieving climate neutrality in the Union by 2050, **which represents a major challenge**, and sets out a new growth strategy that aims to transform **gradually and responsibly** the Union into a fair and prosperous society, **based on research and innovation and green jobs, with an economy intended to be** modern, resource-efficient and competitive, where **the economy and people's wellbeing** is decoupled from resource use. It also aims to protect, conserve and enhance the Union's natural capital, and protect the health and well-being of citizens from environment-related risks and impacts. At the same time, **the European Green Deal establishes the need to ensure an effective and fair transition, to give investors predictability and to ensure the irreversibility of the transition process.** This transition has **different impacts on different Member States and regions, depending in particular on physical geographical characteristics and natural features.** It affects women and men differently and has a particular impact on some disadvantaged groups, such as older people, persons with disabilities, **persons at risk of energy poverty** and persons with a minority racial or ethnic background. It must therefore be ensured that the transition is just and inclusive, **based on realistic aims and on a fair and balanced distribution of efforts between Member States**, leaving no one behind. **As regards the agricultural sector, the importance of external convergence in the CAP should be recognised as Member States benefit at different levels from CAP**

*payments under Regulation (EU) 2021/2115 of the European Parliament and of the Council<sup>31a</sup>, and this impacts the economic position of their farmers and capacity to participate in the efforts required to deliver their contribution under this Regulation.*

---

<sup>31</sup> Commission Communication - The European Green Deal, COM(2019)0640 of 11 December 2019.

---

<sup>31</sup> Commission Communication - The European Green Deal, COM(2019)0640 of 11 December 2019.

*<sup>31a</sup> Regulation (EU) 2021/2115 of the European Parliament and of the Council of 2 December 2021 establishing rules on support for strategic plans to be drawn up by Member States under the common agricultural policy (CAP Strategic Plans) and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) and repealing Regulations (EU) No 1305/2013 and (EU) No 1307/2013 (OJ L 435, 6.12.2021, p. 1).*

## Amendment 2

### Proposal for a regulation Recital 4

#### *Text proposed by the Commission*

(4) In Regulation (EU) 2021/1119 of the European Parliament and of the Council<sup>32</sup> (‘European Climate Law’), the Union has enshrined into legislation the target of economy-wide climate neutrality by 2050. That Regulation also establishes a binding Union domestic reduction commitment of net greenhouse gas emissions (emissions after deduction of removals) of at least 55% below 1990 levels by 2030.

#### *Amendment*

(4) In Regulation (EU) 2021/1119 of the European Parliament and of the Council<sup>32</sup> (‘European Climate Law’), the Union has enshrined into legislation the target of economy-wide climate neutrality by 2050. That Regulation also establishes a binding Union domestic reduction commitment of net greenhouse gas emissions (emissions after deduction of removals) of at least 55% below 1990 levels by 2030. ***That Regulation also lays down an obligation on the Commission to make a legislative proposal, as appropriate, to introduce further intermediary targets, to ensure a swift and***

*irreversible reduction of greenhouse gas emissions over time so as to reach the Union climate-neutrality objective by 2050 at the latest. This Regulation ensures that the sectors not covered by the ETS do their part to achieve the goals of the climate law, taking into account Member States' different starting points, the social aspect of the transition, assessments of distributional impacts and their effects on sector-specific competitiveness. This Regulation also paves the way for the setting of post-2030 Union's greenhouse gas emissions reduction targets in the sectors covered by Article 2 of this Regulation and of Member States' minimum contributions to the fulfilment of those post-2030 Union's targets;*

---

<sup>32</sup> 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).

---

<sup>32</sup> 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 3

#### Proposal for a regulation Recital 5

*Text proposed by the Commission*

(5) In order to implement those commitments as well as the Union's contributions under the Paris Agreement<sup>33</sup> adopted under the UNFCCC, the Union regulatory framework to achieve the greenhouse gas emission reduction target should be adapted.

*Amendment*

(5) In order to implement those commitments as well as the Union's contributions under the Paris Agreement<sup>33</sup> adopted under the UNFCCC, the Union regulatory framework to achieve the greenhouse gas emission reduction target should be adapted, ***both up to and beyond 2030. It should in particular, ensure that a balance is struck between, on the one hand, the need to achieve the ambitious climate targets and, on the other, ensuring an optimal level of distribution***

*of efforts between sectors in Member States to adapt to the targets, so as to ensure convergence between regions. In accordance with Article 2(1), point (b), of the Paris Agreement, climate neutrality by 2050 is to be reached in a manner that ensures adequate long-term food production, secures a just transition, does not threaten food security and takes into account the efforts that the agriculture sector is already making.*

---

<sup>33</sup> Paris Agreement (OJ L 282, 19.10.2016, p. 4).

---

<sup>33</sup> Paris Agreement (OJ L 282, 19.10.2016, p. 4).

#### Amendment 4

##### Proposal for a regulation Recital 7

*Text proposed by the Commission*

(7) *While emissions trading will also apply to greenhouse gas emissions from road and maritime transport as well as buildings*, the scope of Regulation (EU) 2018/842 *will be* maintained. Regulation (EU) 2018/842 will therefore continue applying to the greenhouse gas emissions from domestic navigation, but not to those from international navigation. Greenhouse gas emissions of a Member State within the scope of Regulation (EU) 2018/842 to be taken into account for compliance checks will continue to be determined upon completion of inventory reviews in accordance with Regulation (EU) 2018/1999 of the European Parliament and the Council<sup>34</sup>.

*Amendment*

(7) The scope of Regulation (EU) 2018/842 *is* maintained *and emissions trading should be accompanied by national emission reduction measures, so as to mitigate the negative impacts of carbon pricing on vulnerable consumers*. Regulation (EU) 2018/842 will therefore continue applying to the greenhouse gas emissions from domestic navigation, but not to those from international navigation. Greenhouse gas emissions of a Member State within the scope of Regulation (EU) 2018/842 to be taken into account for compliance checks will continue to be determined upon completion of inventory reviews in accordance with Regulation (EU) 2018/1999 of the European Parliament and the Council<sup>34</sup>, *and it is essential that the latest available data at national, Union and international level is taken into account to verify compliance, so as to give a realistic picture of the actual situation*.



<sup>34</sup> 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 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).

<sup>34</sup> 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 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).

## Amendment 5

### Proposal for a regulation

#### Recital 9 a (new)

*Text proposed by the Commission*

*Amendment*

***(9a) In implementing this Regulation, account should be taken of Article 349 of the Treaty on the Functioning of the European Union (TFEU), which acknowledges the particular vulnerability of the outermost regions arising from their remoteness from mainland regions, insularity, small size, difficult topography and climate and economic dependence on a few products, a combination that severely restrains their development and generates substantial extra costs in many areas, particularly for transport. Efforts being made and targets set at Union level for greenhouse gas reduction must be adapted to this difficult situation, balancing environmental objectives against the high social costs for these regions.***

## Amendment 6

**Proposal for a regulation**  
**Recital 11**

*Text proposed by the Commission*

(11) For that purpose, the greenhouse gas emission reduction target for 2030 needs to be revised for each Member State. The revision of the greenhouse gas emission reduction target **should use** the same methodology that was followed when Regulation (EU) 2018/842 was first adopted, where the national contributions were determined in consideration of the different capacities and cost-efficiency opportunities in Member States so to ensure a fair and balanced distribution of the effort. The reduction of the maximum greenhouse gas emissions for each Member State in 2030 should thus be determined in relation to the level of its 2005 reviewed greenhouse gas emissions covered by this Regulation, excluding verified greenhouse gas emissions from installations that operated in 2005 and which were only included in the emission trading system of the Union after 2005.

*Amendment*

(11) For that purpose, the greenhouse gas emission reduction target for 2030, **taking due account of the social consequences that may arise from the dynamics of greenhouse gas emission reductions**, needs to be revised, for each Member State **to be able to play its part in addressing this transnational challenge**. The revision of the greenhouse gas emission reduction target **should respect the principle of "leaving no-one behind" and avoid shifting the burden of responsibility onto the Member States facing the greatest transformational challenges**. The same **elements of methodology should be used** that was followed when Regulation (EU) 2018/842 was first adopted, where the national contributions were determined in consideration of the different capacities and cost-efficiency opportunities in Member States so to ensure a fair and balanced distribution of the effort. The reduction of the maximum greenhouse gas emissions for each Member State in 2030 should thus be determined in relation to the level of its 2005 reviewed greenhouse gas emissions covered by this Regulation, excluding verified greenhouse gas emissions from installations that operated in 2005 and which were only included in the emission trading system of the Union after 2005. **Given that Member States need to achieve those targets with national measures, Member States should be given some flexibility in the choice of means for achieving these targets.**

**Amendment 7**

**Proposal for a regulation**  
**Recital 12**

*Text proposed by the Commission*

(12) As a consequence, it will be necessary to set, as from the year of adoption of this Regulation, new binding national limits, expressed in annual emission allocations, progressively leading to the 2030 target of each Member State, while keeping in force the annual limits established for the years preceding it as set in Commission Implementing Decision (EU) 2020/2126<sup>36</sup>.

---

<sup>36</sup> Commission Implementing Decision (EU) 2020/2126 of 16 December 2020 on setting out the annual emission allocations of the Member States for the period from 2021 to 2030 pursuant to Regulation (EU) 2018/842 of the European Parliament and of the Council (OJ L 426, 17.12.2018, p. 58).

*Amendment*

(12) As a consequence, it will be necessary to set, as from the year of adoption of this Regulation ***and in line with the relevant environmental impact study***, new binding national limits, expressed in annual emission allocations, progressively leading to the 2030 target of each Member State, while keeping in force the annual limits established for the years preceding it as set in Commission Implementing Decision (EU) 2020/2126<sup>36</sup> ***and factoring in the specific cost-benefit ratio for each region.***

---

<sup>36</sup> Commission Implementing Decision (EU) 2020/2126 of 16 December 2020 on setting out the annual emission allocations of the Member States for the period from 2021 to 2030 pursuant to Regulation (EU) 2018/842 of the European Parliament and of the Council (OJ L 426, 17.12.2018, p. 58).

## **Amendment 8**

### **Proposal for a regulation**

#### **Recital 13**

*Text proposed by the Commission*

(13) The COVID-19 pandemic has impacted the Union's economy and its level of emissions to a degree that cannot yet be fully quantified. On the other hand, the Union is deploying its largest stimulus package ever, also having a potential impact on the level of emissions. Due to those uncertainties, it is appropriate to review the emissions data in 2025 and, if necessary, readjust the annual emission allocations.

*Amendment*

(13) The COVID-19 pandemic has impacted the Union's economy and its level of emissions to a degree that cannot yet be fully quantified. On the other hand, the Union is deploying its largest stimulus package ever, also having a potential impact on the level of emissions. ***Regard should be paid to ensuring that the targets under this Regulation do not cause food production to be relocated outside of the Union and that the sectors concerned remain internationally competitive.*** Due to those uncertainties, it is appropriate to review the emissions data in 2025 and, if

necessary, readjust the annual emission allocations.

## Amendment 9

### Proposal for a regulation Recital 15

*Text proposed by the Commission*

(15) Under Regulation (EU) 2018/842, the cancellation of a limited quantity of emission allowances in the European Union emission trading system may be taken into account for some Member States' compliance under Regulation (EU) 2018/842. Given the particular structure of Malta's economy, the national reduction target of that Member State based on Gross Domestic Product per capita is significantly above its cost-effective reduction potential, is therefore appropriate to increase Malta's access to that flexibility, without compromising the 2030 target of the Union on emission reductions.

*Amendment*

(15) Under Regulation (EU) 2018/842, the cancellation of a limited quantity of emission allowances in the European Union emission trading system may be taken into account for some Member States' compliance under Regulation (EU) 2018/842. Given the particular structure of Malta's economy, the national reduction target of that Member State based on Gross Domestic Product per capita is significantly above its cost-effective reduction potential, is therefore appropriate to increase Malta's access to that flexibility, without compromising the 2030 target of the Union on emission reductions. ***The Member States that are entitled to that flexibility but did not make use of it in the 2019 context, should be given the possibility to revise that decision to take account of the new national reduction targets. Member States concerned should also be allowed to revise their notified percentages in a more targeted way.***

## Amendment 10

### Proposal for a regulation Recital 16

*Text proposed by the Commission*

(16) In addition to that flexibility, a limited quantity of net removals and net emissions from land use, land-use change and forestry ('LULUCF') may be taken into account for Member States' compliance under Regulation (EU)

*Amendment*

(16) In addition to that flexibility, ***considering the close relationship between the agriculture and forestry sectors, when establishing a new political and legal framework to achieve the Union's climate goals,*** a limited quantity of net removals

2018/842 ('the LULUCF flexibility'). In order to ensure that sufficient mitigation efforts are deployed until 2030, it is appropriate to limit the use of the LULUCF flexibility by separating the use of such flexibility into two separate time periods, each capped by a limit corresponding to half of the maximum amount of total net removals set out in Annex III to Regulation (EU) 2018/842. It is also appropriate to bring the title of Annex III in line with the amendment to Regulation (EU) 2018/841 carried out by Commission Delegated Regulation (EU) 2021/268 of 28 October 2020<sup>37</sup>. As a consequence, there is no longer a need for Regulation (EU) 2018/842 to provide for a legal basis allowing the Commission to adopt delegated acts to amend the title of its Annex III. Article 7(2) of Regulation (EU) 2018/842 should therefore be deleted.

---

<sup>37</sup> Commission Delegated Regulation (EU) 2021/268 of 28 October 2020 amending Annex IV to Regulation (EU) 2018/841 of the European Parliament and of the Council as regards the forest reference levels to be applied by the Member States for the period 2021-2025 (OJ L 60, 22.2.2021, p. 21).

and net emissions from land use, land-use change and forestry ('LULUCF') may be taken into account for Member States' compliance under Regulation (EU) 2018/842 ('the LULUCF flexibility'). In order to ensure that sufficient mitigation efforts are deployed until 2030, it is appropriate to limit the use of the LULUCF flexibility by separating the use of such flexibility into two separate time periods, each capped by a limit corresponding to half of the maximum amount of total net removals set out in Annex III to Regulation (EU) 2018/842. It is also appropriate to bring the title of Annex III in line with the amendment to Regulation (EU) 2018/841 carried out by Commission Delegated Regulation (EU) 2021/268 of 28 October 2020<sup>37</sup>. As a consequence, there is no longer a need for Regulation (EU) 2018/842 to provide for a legal basis allowing the Commission to adopt delegated acts to amend the title of its Annex III. Article 7(2) of Regulation (EU) 2018/842 should therefore be deleted.

---

<sup>37</sup> Commission Delegated Regulation (EU) 2021/268 of 28 October 2020 amending Annex IV to Regulation (EU) 2018/841 of the European Parliament and of the Council as regards the forest reference levels to be applied by the Member States for the period 2021-2025 (OJ L 60, 22.2.2021, p. 21).

## Amendment 11

### Proposal for a regulation Recital 17 a (new)

*Text proposed by the Commission*

*Amendment*

***(17a) Member States and competent authorities should assign specific budgets to incentivise farmers to deliver emission reductions, and provide investment in infrastructure for decarbonisation***

*technologies, including for small and medium farms. Union and national authorities should work closely with all relevant stakeholders to develop an enabling environment and vital financial support mechanisms for the transition to carbon neutrality so that the sector can fully contribute to the goal of reaching net zero GHG emissions.*

## **Amendment 12**

### **Proposal for a regulation Recital 17 b (new)**

*Text proposed by the Commission*

*Amendment*

*(17b) Tools such as the adopted Climate, Energy and Environmental State aid guidelines (CEEAG) are instrumental to ensure that the agricultural sector plays a full role in the achievement of the Union's climate targets, while maintaining food production at affordable prices. The Commission should ensure the addition of new sub-sectors to the guidelines as required, such as these covered by the Emission Trading System or included in the carbon leakage list.*

## **Amendment 13**

### **Proposal for a regulation Recital 18**

*Text proposed by the Commission*

*Amendment*

(18) The setting of more ambitious targets under Regulation (EU) 2018/841 will decrease the capacity of Member States to generate net removals that can be used for compliance under Regulation (EU) 2018/842. In addition, the split of the use of the LULUCF flexibility into two separate time periods, will further limit the availability of net removals for the purpose of compliance with Regulation (EU)

(18) The setting of more ambitious targets under Regulation (EU) 2018/841 will decrease the capacity of Member States to generate net removals that can be used for compliance under Regulation (EU) 2018/842. In addition, the split of the use of the LULUCF flexibility into two separate time periods, will further limit the availability of net removals for the purpose of compliance with Regulation (EU)

2018/842. As a result, some Member States may face challenges in meeting their targets under Regulation (EU) 2018/842, while some Member States, the same or other, may generate net removals that cannot be used for compliance with Regulation (EU) 2018/842. As long as the Union objectives as set out in Article 3 of Regulation (EU) 2021/1119 are met, in particular with regard to the maximum limit of the contribution of net removals, it is appropriate to create a new voluntary mechanism, in the form of an additional reserve, that will help adhering Member States to comply with their obligations.

2018/842. As a result, some Member States may face challenges in meeting their targets under Regulation (EU) 2018/842, while some Member States, the same or other, may generate net removals that cannot be used for compliance with Regulation (EU) 2018/842. As long as the Union objectives as set out in Article 3 of Regulation (EU) 2021/1119 are met, in particular with regard to the maximum limit of the contribution of net removals, it is appropriate to create a new voluntary mechanism, in the form of an additional reserve, that will help adhering Member States to comply with their obligations *in the most cost-effective way*.

#### **Amendment 14**

##### **Proposal for a regulation Recital 18 a (new)**

*Text proposed by the Commission*

*Amendment*

***(18a) Some Member States will face major challenges in meeting the targets under this Regulation. It is therefore important to ensure flexibility, anticipation and transferability. The introduction of minimum contributions by sector would not only place the targets at risk but also prevent them from being achieved.***

#### **Amendment 15**

##### **Proposal for a regulation Recital 18 b (new)**

*Text proposed by the Commission*

*Amendment*

***(18b) In setting the targets for this Regulation, account should be taken of the fact that Member States are not starting from a level playing field either between or within different sectors. Achieving the reduction targets should***

*not compromise the agricultural sector's ability to ensure food security in Europe and the world.*

## **Amendment 16**

### **Proposal for a regulation Recital 18 c (new)**

*Text proposed by the Commission*

*Amendment*

*(18c) The Commission is called upon to establish a roadmap for determining the Union's targets for reducing greenhouse gas emissions after 2030 in certain sectors. The Commission is also invited to examine how the agricultural sector can be merged with the LULUCF sectors after 2030. A regulatory impact assessment should be carried out prior to the introduction of any legislative measure.*

## **Amendment 17**

### **Proposal for a regulation Article 1 – paragraph 1 – point 1 Regulation (EU) 2018/842 Article 1**

*Text proposed by the Commission*

*Amendment*

*(1) In Article 1, “30%” is replaced by “40%”;*

*deleted*

## **Amendment 18**

### **Proposal for a regulation Article 1 – paragraph 1 – point 1 a (new) Regulation (EU) 2018/842 Article 1**

*Present text*

*Amendment*

*(1a) Article 1 is replaced by the following:*



## Article 1

### Subject matter

This Regulation lays down obligations on Member States with respect to their minimum contributions for the period from 2021 to 2030 to fulfilling the Union's target of reducing its greenhouse gas emissions by **30** % below 2005 levels *in* 2030 in the sectors covered by Article 2 of this Regulation **and contributes to achieving the objectives of the Paris Agreement. This Regulation also lays down rules on determining annual emission allocations and for the evaluation of Member States' progress towards meeting their minimum contributions.**

## Article 1

### Subject matter

**1. This Regulation contributes to achieving the objectives of the Paris Agreement and the Union's objective of climate neutrality by 2050 at the latest as set out in Article 2 of Regulation (EU) 2021/1119 ('European Climate Law');**

*When setting the linear reduction targets, the Commission is called upon to take account of the need to gradually align burden sharing between Member States. The objective for 2050 is for all Member States to be climate neutral. It is therefore important to avoid creating major gaps between Member States. When determining how the burden is shared, cost-effectiveness and fairness shall be increasingly taken into account alongside GDP per capita, also beyond 2030.*

**2.** This Regulation lays down obligations on Member States with respect to their minimum contributions for the period from 2021 to 2030 to fulfilling the Union's target of reducing its greenhouse gas emissions by **40** % below 2005 levels **by** 2030 in the sectors covered by Article 2 of this Regulation;

*(<https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32018R0842&from=EN#d1e508-26-1>)*

## Amendment 19

### Proposal for a regulation

#### Article 1 – paragraph 1 – point 2 a (new)

Regulation (EU) 2018/842  
Article 3 a (new)

*Text proposed by the Commission*

*Amendment*

**(2a) Article 3a is added:**

**‘Article 3a**

***The classification of sustainability criteria for biofuels, bioliquids and biomass fuels is governed by Directive (EU) 2018/2001.’***

## **Amendment 20**

### **Proposal for a regulation**

#### **Article 1 – paragraph 1 – point 3**

Regulation (EU) 2018/842

Article 4 – paragraph 3 – subparagraph 1

*Text proposed by the Commission*

*Amendment*

3. The Commission shall adopt implementing acts setting out the annual emission allocations for each Member State for the years from 2021 to 2030 in tonnes of CO<sub>2</sub> equivalent in accordance with the linear trajectories set out in paragraph 2.

3. The Commission shall adopt implementing acts setting out the annual emission allocations for each Member State for the years from 2021 to 2030 in tonnes of CO<sub>2</sub> equivalent in accordance with the linear trajectories set out in paragraph 2, ***taking into consideration cost-efficiency and proportionality.***

## **Amendment 21**

### **Proposal for a regulation**

#### **Article 1 – paragraph 1 – point 3 a (new)**

Regulation (EU) 2018/842

Article 5 – paragraph 4

*Present text*

*Amendment*

(4) A Member State may transfer up to 5 % of its annual emission allocation for a given year to other Member States in respect of the years 2021 to 2025, and up to 10 % in respect of the years 2026 to 2030. ***The receiving Member State may***

**(3a) Article 5(4) is amended as follows:**

‘(4) A Member State may transfer up to 5 % of its annual emission allocation for a given year to other Member States in respect of the years 2021 to 2025, and up to 10 % in respect of the years 2026 to 2030. ***Member States shall inform the***

*use that quantity for compliance under Article 9 for the given year or for subsequent years until 2030.*

*Commission of any actions taken pursuant to this paragraph, and the transfer price per tonne of CO<sub>2</sub> equivalent.'*

*(<https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32018R0842&from=EN#d1e636-26-1>)*

## **Amendment 22**

### **Proposal for a regulation**

#### **Article 1 – paragraph 1 – point 5 – point b – point ii**

Regulation (EU) 2018/842

Article 7 – paragraph 1 – point a

#### *Text proposed by the Commission*

(a) the cumulative quantity taken into account for that Member State for the years 2021 to 2025 does not exceed **half** of the maximum amount of total net removals set out in Annex III to this Regulation for that Member State;

(aa) the cumulative quantity taken into account for that Member State for the years 2026 to 2030 does not exceed **half** of the maximum amount of total net removals set out in Annex III to this Regulation for that Member State;

#### *Amendment*

(a) the cumulative quantity taken into account for that Member State for the years 2021 to 2025 does not exceed **75%** of the maximum amount of total net removals set out in Annex III to this Regulation for that Member State;

(aa) the cumulative quantity taken into account for that Member State for the years 2026 to 2030 does not exceed **75%** of the maximum amount of total net removals set out in Annex III to this Regulation for that Member State;

***(aa a) the total cumulative quantity taken into account for that Member State for the years 2021 to 2030 does not exceed the maximum amount of total net removals set out in Annex III to this Regulation for that Member State.***

## **Amendment 23**

### **Proposal for a regulation**

#### **Article 1 – paragraph 1 – point 5 a (new)**

Regulation (EU) 2018/842

Article 8 – paragraph 3

*Present text*

3. The Commission **may** issue an opinion regarding the robustness of the corrective action plans submitted in accordance with paragraph 1 and shall in that case do so within four months of receipt of those plans. The Member State concerned shall take utmost account of the Commission's opinion and **may** revise its corrective action plan accordingly.

*Amendment*

**(5 a) The third paragraph of Article 8 is replaced by the following:**

3. The Commission **shall** issue an opinion regarding the robustness of the corrective action plans submitted in accordance with paragraph 1 and shall in that case do so within four months of receipt of those plans. The Member State concerned shall take utmost account of the Commission's opinion and **shall** revise its corrective action plan accordingly. ***If the Member State concerned does not address a recommendation or a substantial part thereof, that Member State shall provide and make its reasons public.***

(<https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32018R0842&from=EN#d1e508-26-1>)

**Amendment 24**

**Proposal for a regulation**

**Article 1 – paragraph 1 – point 6**

Regulation (EU) 2018/842

Article 9 – paragraph 2

*Text proposed by the Commission*

(2) If the greenhouse gas emissions of a Member State in the period from 2021 to 2025 referred to in Article 4 of Regulation (EU) 2018/841 exceeded its removals, as determined in accordance with Article 12 of that Regulation, the Central Administrator shall deduct from that Member State's annual emission allocations an amount equal to those excess greenhouse gas emissions in tonnes of CO<sub>2</sub> equivalent for the relevant years.?

*Amendment*

(2) If the greenhouse gas emissions of a Member State in the period from 2021 to 2025 referred to in Article 4 of Regulation (EU) 2018/841 exceeded its removals, as determined in accordance with Article 12 of that Regulation, the Central Administrator shall deduct from that Member State's annual emission allocations an amount equal to those excess greenhouse gas emissions in tonnes of CO<sub>2</sub> equivalent for the relevant years. ***If a Member State exceeds its emission allocations for two consecutive years, it shall provide reasoning in a report to the Commission and explain what changes it will make to its long-term national***

*strategy.*

## PROCEDURE – COMMITTEE ASKED FOR OPINION

<b>Title</b>	Amending Regulation (EU) 2018/842 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
<b>References</b>	COM(2021)0555 – C9-0321/2021 – 2021/0200(COD)
<b>Committee responsible</b> Date announced in plenary	ENVI 13.9.2021
<b>Opinion by</b> Date announced in plenary	AGRI 13.9.2021
<b>Rapporteur for the opinion</b> Date appointed	Norbert Lins 23.3.2022
<b>Previous rapporteur for the opinion</b>	Pär Holmgren
<b>Discussed in committee</b>	25.1.2022
<b>Date adopted</b>	22.3.2022
<b>Result of final vote</b>	+: 30 –: 14 0: 3
<b>Members present for the final vote</b>	Mazaly Aguilar, Clara Aguilera, Atidzhe Alieva-Veli, Álvaro Amaro, Carmen Avram, Adrian-Dragoş Benea, Mara Bizzotto, Daniel Buda, Isabel Carvalhais, Asger Christensen, Angelo Ciocca, Ivan David, Paolo De Castro, Jérémy Decerle, Salvatore De Meo, Herbert Dorfmann, Luke Ming Flanagan, Dino Giarrusso, Francisco Guerreiro, Martin Häusling, Martin Hlaváček, Krzysztof Jurgiel, Jarosław Kalinowski, Elsi Katainen, Camilla Laureti, Gilles Lebreton, Julie Lechanteux, Norbert Lins, Colm Markey, Ulrike Müller, Maria Noichl, Juozas Olekas, Eugenia Rodríguez Palop, Bronis Ropė, Bert-Jan Ruissen, Anne Sander, Petri Sarvamaa, Simone Schmiedtbauer, Annie Schreijer-Pierik, Marc Tarabella, Veronika Vrecionová, Sarah Wiener, Juan Ignacio Zoido Álvarez
<b>Substitutes present for the final vote</b>	Pär Holmgren, Cristina Maestre Martín De Almagro, Alin Mituța, Christine Schneider

## FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

30	+
ID	Ivan David
PPE	Álvaro Amaro, Daniel Buda, Salvatore De Meo, Herbert Dorfmann, Jarosław Kalinowski, Norbert Lins, Colm Markey, Anne Sander, Petri Sarvamaa, Simone Schmiedtbauer, Christine Schneider, Annie Schreijer-Pierik, Juan Ignacio Zoido Álvarez
Renew	Atidzhe Alieva-Veli, Asger Christensen, Jérémy Decerle, Martin Hlaváček, Elsi Katainen, Alin Mituța, Ulrike Müller
S&D	Clara Aguilera, Carmen Avram, Adrian-Dragoș Benea, Isabel Carvalhais, Paolo De Castro, Camilla Laureti, Cristina Maestre Martín De Almagro, Juozas Olekas, Marc Tarabella

14	-
ECR	Mazaly Aguilar, Krzysztof Jurgiel, Bert-Jan Ruissen, Veronika Vrecionová
ID	Gilles Lebreton, Julie Lechanteux
S&D	Maria Noichl
The Left	Luke Ming Flanagan, Eugenia Rodríguez Palop
Verts/ALE	Francisco Guerreiro, Martin Häusling, Pär Holmgren, Bronis Ropé, Sarah Wiener

3	0
ID	Mara Bizzotto, Angelo Ciocca
NI	Dino Giarrusso

Key to symbols:

+ : in favour

- : against

0 : abstention