

25 November 2020

Proposal for a

**REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL establishing the framework for achieving climate neutrality and amending Regulation (EU) 2018/1999 (European Climate Law)**

| <b>COMMISSION PROPOSAL</b>   | <b>EUROPEAN PARLIAMENT<br/>1st reading position of 08/10/2020</b> | <b>COUNCIL<sup>1</sup><br/>(partial general approach<br/>23/10/2020)</b> | <b>COMMENTS</b> |
|--|---|--|-----------------|
| <b>Amendment 1<br/>Citation 5 a (new)</b>  |   |  |                 |
| <p>THE EUROPEAN PARLIAMENT<br/>AND THE COUNCIL OF THE<br/>EUROPEAN UNION,</p> <p>Having regard to the Treaty on the<br/>Functioning of the European Union,<br/>and in particular Article 192(1)<br/>thereof,</p> <p>Having regard to the proposal from<br/>the European Commission,</p> <p>After transmission of the draft<br/>legislative act to the national<br/>parliaments,</p> <p>Having regard to the opinion of the<br/>European Economic and Social<br/>Committee<sup>1</sup>,</p> <p>Having regard to the opinion of the<br/>Committee of the Regions<sup>2</sup></p> |   |  |                 |

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| <p>_____</p> <p><sup>1</sup> OJ C , , p. .</p> <p><sup>2</sup> OJ C , , p. .</p>  | <p><i>having regard to the United Nations 2030 Agenda for Sustainable Development and to the Sustainable Development Goals (SDGs), including SDG 3 “Global Health and Well-Being”,</i></p> |  |          |
| <p><b>Amendment 2</b><br/><b>Citation 5 b (new)</b></p>                           |  |  |          |
|   | <p><i>having regard to the dramatic consequences of air pollution on human health that causes, according to the European Environment Agency, 400 000 premature deaths per year,</i></p>    |  |          |
| <p>Acting in accordance with the ordinary legislative procedure,<br/>Whereas:</p> |  |  |          |

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|--|--|--|----------|
| <b>Amendment 3<br/>Recital -1 (new)</b>  |  |  |          |
|  | <p><i>(-1) The existential threat posed by climate change requires enhanced ambition and increased climate action by the Union and Member States. The Union is committed to stepping up efforts to tackle climate change and to delivering on the implementation of the 2015 Paris Agreement on climate change following the 21st Conference of the Parties to the United Nations Framework Convention on Climate Change (the ‘Paris Agreement’)<sup>1a</sup> on the basis of equity and best available science, taking its fair share of the global effort to limiting the global temperature increase to 1,5°C above pre-industrial levels.</i></p> <p><sup>1a</sup> OJ L 282, 19.10.2016, p. 4.</p> |  |          |
| <b>Amendment 4<br/>Recital 1</b>   |  |  |          |
| (1)The Commission has, in its Communication of 11 December 2019 entitled ‘The European | (1) The Commission has, in its Communication of 11 December 2019 entitled ‘The European Green  |  |          |

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| <p>Green Deal<sup>2</sup>, set 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 there are no net emissions of greenhouse gases in 2050 and 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 must be just and inclusive, leaving no one behind.</p> <hr/> <p><sup>6</sup> Commission Communication - The European Green Deal, COM(2019) 640 final of 11 December 2019.</p> | <p>Deal<sup>19</sup>, set out a new <i>sustainable</i> growth strategy that aims to transform the Union into a <i>healthier</i>, fair and prosperous society, with a modern, <i>sustainable</i>, resource-efficient and <i>internationally</i> competitive economy, <i>and high-quality jobs</i>, where there are no net emissions of greenhouse gases in 2050 and where economic growth is decoupled from resource use. It also aims to protect, conserve, <i>restore</i> and enhance the Union's natural capital, <i>marine and terrestrial ecosystems and biodiversity</i>, and protect the health and well-being of citizens from environment-related risks and impacts. <i>That</i> transition must be <i>based on the latest independent scientific evidence. At the same time, it must be socially just and inclusive, and be based on solidarity and collaborative effort at the Union level, ensuring that no one is left behind, while also aiming at creating economic growth, high-quality jobs, and a predictable environment for</i></p> |  |          |

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|  | <p><i>investment, and follow the ‘do no harm’ principle.</i></p> <hr/> <p><sup>19</sup> Commission Communication - The European Green Deal, COM(2019) 640 final of 11 December 2019.</p>   |  |          |
| <b>Amendment 5</b><br><b>Recital 2</b>   |  |  |          |
| <p>(2) The Intergovernmental Panel on Climate Change’s (IPCC) Special Report on the impacts of global warming of 1.5 °C above pre-industrial levels and related global greenhouse gas emission pathways<sup>1</sup> provides a strong scientific basis for tackling climate change and illustrates the need to step up climate action. It confirms that greenhouse gas emissions need to be urgently reduced, and that climate change needs to be limited to 1.5 °C, in particular to reduce the likelihood of extreme weather events. The Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services’ (IPBES) 2019 Global</p> | <p>(2) The Intergovernmental Panel on Climate Change’s (IPCC) Special Report on the impacts of global warming of 1.5 °C above pre-industrial levels and related global greenhouse gas emission pathways<sup>20</sup> provides a strong scientific basis for tackling climate change and illustrates the need to <b><i>rapidly step up climate action and for a transition to a climate-neutral economy.</i></b> It confirms that greenhouse gas emissions need to be urgently reduced, and that climate change needs to be limited to 1.5 °C, in particular to reduce the likelihood of extreme weather events <b><i>and of reaching tipping points.</i></b> The Intergovernmental</p> |  |          |

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| <p>Assessment Report<sup>5</sup> showed worldwide erosion of biodiversity, with climate change as the third most important driver of biodiversity loss.<sup>6</sup></p> <hr/> <p><sup>4</sup> IPCC, 2018: Global Warming of 1.5°C. An IPCC Special Report on the impacts of global warming of 1.5°C above pre-industrial levels and related global greenhouse gas emission pathways, in the context of strengthening the global response to the threat of climate change, sustainable development, and efforts to eradicate poverty [Masson-Delmotte, V., P. Zhai, H.-O. Pörtner, D. Roberts, J. Skea, P.R. Shukla, A. Pirani, W. Moufouma-Okia, C. Péan, R. Pidcock, S. Connors, J.B.R. Matthews, Y. Chen, X. Zhou, M.I. Gomis, E. Lonnoy, T. Maycock, M. Tignor, and T. Waterfield (eds.)].</p> <p><sup>5</sup> IPBES 2019: Global Assessment on Biodiversity and Ecosystem Services.</p> <p><sup>6</sup> European Environment Agency's The European environment – state and outlook 2020 (Luxembourg: Publication Office of the EU, 2019).</p> | <p>Science-Policy Platform on Biodiversity and Ecosystem Services' (IPBES) 2019 Global Assessment Report<sup>21</sup> showed worldwide erosion of biodiversity, with climate change as the third most important driver of biodiversity loss.<sup>22</sup> <b><i>It also showed that nature-based solutions are estimated to provide 37 % of climate change mitigation up to 2030. Climate change has a severe impact on marine and terrestrial ecosystems which act as essential sinks for anthropogenic carbon emissions with a gross absorption of about 60 % of global anthropogenic emissions per year.</i></b></p> <hr/> <p><sup>20</sup> IPCC, 2018: Global Warming of 1.5°C. An IPCC Special Report on the impacts of global warming of 1.5°C above pre-industrial levels and related global greenhouse gas emission pathways, in the context of strengthening the global response to the threat of climate change, sustainable development, and efforts to eradicate poverty [Masson-Delmotte,</p> |  |          |

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|                     | <p>V., P. Zhai, H.-O. Pörtner, D. Roberts, J. Skea, P.R. Shukla, A. Pirani, W. Moufouma-Okia, C. Péan, R. Pidcock, S. Connors, J.B.R. Matthews, Y. Chen, X. Zhou, M.I. Gomis, E. Lonnoy, T. Maycock, M. Tignor, and T. Waterfield (eds.)].</p> <p><sup>21</sup> IPBES 2019: Global Assessment on Biodiversity and Ecosystem Services</p> <p><sup>22</sup> European Environment Agency's The European environment – state and outlook 2020 (Luxembourg: Publication Office of the EU, 2019).</p> |  |          |

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| <b>Amendment 6</b><br><b>Recital 3</b>   |  |  |          |
| <p>(3) A fixed long-term objective is crucial to contribute to economic and societal transformation, jobs, growth, and the achievement of the United Nations Sustainable Development Goals, as well as to move in a fair and cost-effective manner towards the temperature goal of the 2015 Paris Agreement on climate change following the 21st Conference of the Parties to the United Nations Framework Convention on Climate Change (the ‘Paris Agreement’).</p> | <p>(3) A fixed long-term objective is crucial to contribute to <i>a just</i> economic and societal transformation, <i>high-quality</i> jobs, <i>social welfare, sustainable</i> growth, and the achievement of the United Nations Sustainable Development Goals, as well as to <i>reach in a swift, fair, efficient, cost-effective, and socially just</i> manner <i>without leaving anyone behind</i> the temperature goal of the 2015 Paris Agreement on climate change following the 21st Conference of the Parties to the United Nations Framework Convention on Climate Change (the ‘Paris Agreement’).</p> |  |          |



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| <b>Amendment 7<br/>Recital 3a (new)</b> |   |  |          |
|   | <p><i>(3a) Science has proved the interlinkage between health, environmental and climate crisis, notably linked to the consequences of climate change and the loss of biodiversity and ecosystems. Health and sanitary crises such as COVID-19 might multiply in the decades to come and require the Union, as a global player, to implement a global strategy aimed at preventing the development of such episodes, by addressing issues at their root, and promoting an integrated approach based on the sustainable development goals.</i></p> |  |          |
| <b>Amendment 8<br/>Recital 3b (new)</b> |   |  |          |
|   | <p><i>(3b) According to the WHO, climate change affects the social and environmental determinants of health - clean air, safe drinking water, sufficient food and secure shelter - and 250 000 additional deaths, from malnutrition, malaria, diarrhoea and heat stress, are expected every year between</i></p>  |  |          |

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|   | <p><i>2030 and 2050, with extremely high air temperatures contributing directly to deaths, particularly amongst the elderly and vulnerable individuals. Through flood, heatwaves, drought and fires, climate change has a considerable impact on human health, including undernutrition, cardiovascular and respiratory diseases, and vector-borne infections.</i></p>   |  |          |
| <p><b>Amendment 9</b><br/><b>Recital 3c (new)</b></p> |  |  |          |
|   | <p><i>(3c) The preamble to the Paris Agreement acknowledges the right to health as a key right. According to the United Nations Framework Convention on Climate Change, all Parties thereto are to employ appropriate methods, for example impacts assessments, formulated and determined nationally with a view to minimising adverse effects on the economy, on public health and on the quality of the environment, of projects or measures undertaken by them to mitigate or adapt climate change.</i></p> |  |          |

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| <b>Amendment 10</b><br><b>Recital 3d (new)</b> |  |  |          |
|  | <p><i>(3d) This Regulation contributes to protecting Union citizens' inalienable rights to life and a safe environment, as recognised in the European Convention on Human Rights and the Charter of Fundamental Rights of the European Union, and requires the relevant Union institutions and Member States to take the measures necessary at Union or national level respectively to address the real and immediate risks, both to people's lives and welfare and to the natural world on which they depend, posed by the global climate emergency. This Regulation should be people centred and should aim to protect the health and well-being of citizens from environment-related risks and impacts.</i></p> |  |          |

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| <b>Amendment 153</b><br><b>Recital 3e (new)</b> |   |  |          |
|   | <p><i>(3e) Climate protection should be an opportunity for the European economy and should help securing its industry leadership in global innovation. Sustainable production innovations can promote European industrial strength in key market segments and thus protect and create jobs. In order to achieve the legally binding 2030 target for climate and the 2050 climate-neutrality objective by reducing these emissions to net zero by 2050 at the latest, the Commission should facilitate sector-specific "Climate Partnerships" at Union level by bringing together key stakeholders (e.g. from the industry, NGOs, research institutes, SMEs, trade unions and employers' organisations). The Climate Partnerships should work as a sector-specific dialogue and facilitate a sharing of best practices by European</i></p> |  |          |

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|   | <i>"decarbonising first movers" and work as the central consulting body to the Commission when adopting its future climate-related legislative proposals.</i>   |  |          |
| <b>Amendment 11<br/>Recital 4</b>   |   |  |          |
| <p>(4) The Paris Agreement sets out a long-term goal to keep the global temperature increase to well below 2 °C above pre-industrial levels and to pursue efforts to keep it to 1.5 °C above pre-industrial levels<sup>14</sup>, and stresses the importance of adapting to the adverse impacts of climate change<sup>15</sup> and making finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development<sup>16</sup>.</p> <p><sup>14</sup> Article 2.1.a of the Paris Agreement.<br/> <sup>15</sup> Article 2.1.b of the Paris Agreement.<br/> <sup>16</sup> Article 2.1.c of the Paris Agreement.</p> | <p>(4) The Paris Agreement sets out a long-term goal to <b><i>pursue efforts to limit</i></b> the global temperature increase to 1.5 °C above pre-industrial levels<sup>23</sup>, <b><i>to increase the ability to adapt</i></b> to the adverse impacts of climate change<sup>24</sup> and <b><i>to make</i></b> finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development<sup>25</sup>. <b><i>As the overall framework for the Union's contribution to the Paris Agreement, this Regulation should ensure that both the Union and Member States fully contribute to the achievement of those three goals of the Paris Agreement.</i></b></p> <p><sup>23</sup> Article 2.1.a of the Paris Agreement.<br/> <sup>24</sup> Article 2.1.b of the Paris Agreement.<br/> <sup>25</sup> Article 2.1.c of the Paris Agreement.</p> |  |          |

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| <b>Amendment 12<br/>Recital 5</b>   |   |  |          |
| <p>(5)The Union’s and the Member States’ climate action aims to protect people and the planet, welfare, prosperity, health, food systems, the integrity of eco-systems and biodiversity against the threat of climate change, in the context of the 2030 agenda for sustainable development and in pursuit of the objectives of the Paris Agreement, and to maximize prosperity within the planetary boundaries and to increase resilience and reduce vulnerability of society to climate change.</p> | <p>(5) The Union’s and the Member States’ climate action aims to protect people and the planet, welfare, prosperity, <i>the economy</i>, health, food systems, the integrity of eco-systems and biodiversity against the threat of climate change, in the context of the 2030 agenda for sustainable development and in pursuit of the objectives of the Paris Agreement, and to maximize prosperity within the planetary boundaries and to increase resilience and reduce vulnerability of society to climate change. <i>In this light, the Union and Member States’ actions should be guided by the precautionary principle, the polluter pays principle, the energy efficiency first principle and the ‘do no harm’ principle.</i></p> |  |          |

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|---|---|--|----------|
| <b>Amendment 13</b><br><b>Recital 5a (new)</b>  |   |  |          |
|   | <p><i>(5a) Driven by the regulatory framework put in place by the Union and efforts taken by the European industries, Union greenhouse gas emissions were reduced by 23 % between 1990 and 2018, while the economy grew by 61 % over the same period, showing that it is possible to decouple economic growth from greenhouse gas emissions.</i></p>  |  |          |
| <b>Amendment 14</b><br><b>Recital 6</b>   |   |  |          |
| <p>(6) Achieving climate neutrality should require a contribution from all economic sectors. In light of the importance of energy production and consumption on greenhouse gas emissions, the transition to a sustainable, affordable and secure energy system relying on a well-functioning internal energy market is essential. The digital transformation, technological innovation, and research and development are also important</p> | <p>(6) Achieving climate neutrality <i>requires</i> all economic sectors, <i>including aviation and maritime transport, to swiftly reduce their emissions to close to zero. The polluter pays principle should be a key factor in that regard.</i> In light of the importance of energy production and consumption on greenhouse gas emissions, the transition to a <i>highly energy efficient and renewables-based</i> sustainable, affordable and secure energy system, <i>while reducing</i></p> | <p>(6) Achieving climate neutrality should require a contribution from all economic sectors [...] <u>for which emissions or removals of greenhouse gases are regulated in Union law. [...]</u></p> |          |

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| <p>drivers for achieving the climate-neutrality objective.</p> | <p><i>energy poverty</i>, relying on a well-functioning internal energy market is essential. <i>The contribution of the circular economy to climate neutrality should be expanded by improving resource efficiency and increasing the use of low-carbon materials while promoting waste prevention and recycling.</i> The digital transformation, technological innovation and research and development, <i>which will require additional funding</i>, are also important drivers for achieving the climate-neutrality objective. <i>The Union and Member States will need to adopt ambitious and coherent regulatory frameworks to ensure the contribution of all sectors of the economy to the Union climate objectives.</i></p> |  |          |



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|--|---|--|----------|
| <b>Amendment 15<br/>Recital 6a (new)</b> |   |  |          |
|  | <p><i>(6a) Cumulative total anthropogenic greenhouse gas emissions over time and the corresponding concentration of greenhouse gases in the atmosphere are in particular relevant for the climate system and temperature increases. The IPCC Special report on Global Warming of 1,5 °C and its underlying scenario database provide the best available and most recent scientific evidence on the remaining global greenhouse gas budget to limit the global temperature increase in the 21st century to 1,5 °C above pre-industrial levels. In order to be consistent with Union commitments of pursuing efforts to limit the temperature increase to 1,5 °C above pre-industrial levels, it is necessary to establish a Union fair share of the remaining global greenhouse gas budget. The greenhouse gas budget is also an important tool to increase transparency and accountability of</i></p> | <p><u>(6a)</u> In light of the importance of energy production and consumption on greenhouse gas emissions, the transition to a <u>safe</u>, sustainable, affordable and secure energy system relying on a well-functioning internal energy market is essential. The digital transformation, technological innovation, and research and development are also important drivers for achieving the climate-neutrality objective.</p> |          |

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|                     | <p><i>the Union's climate policies. In its in-depth analysis in support of the Commission Communication of 28 November 2018 entitled 'A Clean Planet for all - A European long-term strategic vision for a prosperous, modern, competitive and climate neutral economy', the Commission indicates that a 1, 5 °C compatible EU-28 carbon budget for 2018-2050 would amount to 48 Gt CO<sub>2</sub>. The Commission should establish an EU-27 net greenhouse gas budget, expressed in CO<sub>2</sub> equivalent based on the latest scientific calculations used by the IPCC, which represents the Union's fair share of the remaining global emissions, in line with the Paris Agreement objectives. The Union's greenhouse gas budget should guide the establishment of the Union trajectory towards net-zero greenhouse gas emissions by 2050, in particular its future 2030 and 2040 greenhouse gas targets.</i></p> |  |          |

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| <b>Amendment 16</b><br><b>Recital 7</b>   |  |  |          |
| <p>(7)The Union has been pursuing an ambitious policy on climate action and has put in place a regulatory framework to achieve its 2030 greenhouse gas emission reduction target. The legislation implementing this target consists, inter alia, of Directive 2003/87/EC of the European Parliament and of the Council<sup>10</sup>, which establishes a system for greenhouse gas emission allowance trading within the Union, Regulation (EU) 2018/842 of the European Parliament and of the Council<sup>11</sup>, which introduced national targets for reduction of greenhouse gas emissions by 2030, and Regulation (EU) 2018/841 of the European Parliament and of the Council<sup>12</sup>, which requires Member States to balance greenhouse gas emissions and removals from</p> | <p>(7) The Union has put in place a regulatory framework to achieve its <i>current</i> 2030 greenhouse gas emission reduction target <i>adopted before the entry into force of the Paris Agreement</i>. The legislation implementing this target consists, inter alia, of Directive 2003/87/EC of the European Parliament and of the Council<sup>26</sup>, which establishes a system for greenhouse gas emission allowance trading within the Union, Regulation (EU) 2018/842 of the European Parliament and of the Council<sup>27</sup>, which introduced national targets for reduction of greenhouse gas emissions by 2030, and Regulation (EU) 2018/841 of the European Parliament and of the Council<sup>28</sup>, which requires Member States to balance greenhouse gas emissions and removals from land use, land use change and forestry.</p> <p><sup>26</sup> Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003</p> |  |          |

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| <p>land use, land use change and forestry.</p> <hr/> <p><sup>10</sup> Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a system for greenhouse gas emission allowance trading within the Union and amending Council Directive 96/61/EC (OJ L 275 of 25 October 2003, p. 32).</p> <p><sup>11</sup> Regulation (EU) 2018/842 of the European Parliament and of the Council of 30 May 2018 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement and amending Regulation (EU) No 525/2013 (OJ L 156, 19.6.2018, p. 26).</p> <p><sup>12</sup> Regulation (EU) 2018/841 of the European Parliament and of the Council of 30 May 2018 on the inclusion of greenhouse gas emissions and removals from land use, land use change and forestry in the 2030 climate and energy framework, and amending Regulation (EU) No 525/2013 and Decision No</p> | <p>establishing a system for greenhouse gas emission allowance trading within the Union and amending Council Directive 96/61/EC (OJ L 275 of 25 October 2003, p. 32).</p> <p><sup>27</sup> Regulation (EU) 2018/842 of the European Parliament and of the Council of 30 May 2018 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement and amending Regulation (EU) No 525/2013 (OJ L 156, 19.6.2018, p. 26).</p> <p><sup>28</sup> Regulation (EU) 2018/841 of the European Parliament and of the Council of 30 May 2018 on the inclusion of greenhouse gas emissions and removals from land use, land use change and forestry in the 2030 climate and energy framework, and amending Regulation (EU) No 525/2013 and Decision No 529/2013/EU (OJ L 156, 19.6.2018, p. 1).</p> |  |          |

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| 529/2013/EU (OJ L 156, 19.6.2018, p. 1).  |  |  |          |
| <b>Amendment 17<br/>Recital 7a (new)</b>  |  |  |          |
|   | <i>(7a) The Emissions Trading System is a cornerstone of the Union's climate policy and its key tool for reducing emissions in a cost effective way.</i> |  |          |
| <b>Recital 8</b>  |  |  |          |
| (8) In addition, the Commission has, in its Communication of 28 November of 2018 entitled 'A Clean Planet for all: A European strategic long-term vision for a prosperous, modern, competitive and climate-neutral economy', presented a vision for achieving net-zero greenhouse gas emissions in the Union by 2050 through a socially-fair and cost-efficient transition. |  |  |          |

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|---|---|--|----------|
| <b>Amendment 18</b><br><b>Recital 9</b>   |   |  |          |
| <p>(9)The Union has, through the ‘Clean Energy for All Europeans’ package<sup>13</sup> been pursuing an ambitious decarbonisation agenda notably by constructing a robust Energy Union, which includes 2030 goals for energy efficiency and deployment of renewable energy in Directives 2012/27/EU<sup>14</sup> and (EU) 2018/2001<sup>15</sup> of the European Parliament and of the Council, and by reinforcing relevant legislation, including Directive 2010/31/EU of the European Parliament and of the Council<sup>16</sup>.</p> <hr/> <p><sup>13</sup> COM(2016) 860 final of 30 November 2016.</p> <p><sup>14</sup> Directive 2012/27/EU of the European Parliament and of the Council of 25 October 2012 on energy efficiency, amending Directives 2009/125/EC and 2010/30/EU and repealing</p> | <p>(9) The Union has, through the ‘Clean Energy for All Europeans’ package<sup>29</sup> been pursuing <i>a</i> decarbonisation agenda notably by constructing a robust Energy Union, which includes 2030 goals for energy efficiency and deployment of renewable energy in Directives 2012/27/EU<sup>30</sup> and (EU) 2018/2001<sup>31</sup> of the European Parliament and of the Council, and by reinforcing relevant legislation, including Directive 2010/31/EU of the European Parliament and of the Council<sup>32</sup>.</p> <hr/> <p><sup>29</sup> COM(2016) 860 final of 30 November 2016.</p> <p><sup>30</sup> Directive 2012/27/EU of the European Parliament and of the Council of 25 October 2012 on energy efficiency, amending Directives 2009/125/EC and 2010/30/EU and repealing Directives 2004/8/EC and 2006/32/EC (OJ L 315, 14.11.2012, p. 1)</p> <p><sup>31</sup> Directive (EU) 2018/2001 of the European Parliament and of the</p> |  |          |

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| <p>Directives 2004/8/EC and 2006/32/EC (OJ L 315, 14.11.2012, p. 1)</p> <p><sup>15</sup> Directive (EU) 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources (OJ L 328, 21.12.2018, p. 82).</p> <p><sup>16</sup> Directive 2010/31/EU of the European Parliament and of the Council of 19 May 2010 on the energy performance of buildings (OJ L 153, 18.6.2010, p. 13).</p> | <p>Council of 11 December 2018 on the promotion of the use of energy from renewable sources (OJ L 328, 21.12.2018, p. 82).</p> <p><sup>32</sup> Directive 2010/31/EU of the European Parliament and of the Council of 19 May 2010 on the energy performance of buildings (OJ L 153, 18.6.2010, p. 13).</p>   |  |          |
| <p><b>Amendment 19</b><br/><b>Recital 9a (new)</b></p>  |  |  |          |
|   | <p><i>(9a) The Commission has developed and adopted several legislative initiatives in the energy sector, in particular with regard to renewable energy, energy efficiency, including on the energy performance of buildings. Those initiatives form a package under the overarching theme of energy efficiency first and the Union's global leadership in renewables. Those initiatives should be taken</i></p> |  |          |

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|  | <i>into account in the national long-term progress in the work towards the 2050 climate neutrality target to ensure a highly energy efficient, renewables-based energy system and development of renewables within the Union.</i>   |  |          |
| <b>Amendment 20<br/>Recital 9b (new)</b> |   |  |          |
|  | <i>(9b) The clean energy transition will result in an energy system in which the primary energy supply will mostly come from renewable energy sources, which will significantly improve security of supply, reduce energy dependency and promote domestic jobs.</i>   |  |          |
| <b>Amendment 21<br/>Recital 9c (new)</b> |   |  |          |
|  | <i>(9c) The energy transition improves the energy efficiency and reduces the energy dependency of the Union and Member States. That structural change towards a more efficient economy based on renewable energy in all sectors will not only benefit the trade balance but also strengthen energy security and fight energy poverty.</i> |  |          |



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| <b>Amendment 22<br/>Recital 9d (new)</b> |  |  |          |
|  | <p><i>(9d) In order to ensure solidarity and enable an effective energy transition, Union climate policy has to design a clear pathway to reach climate neutrality by 2050. The Union should remain realistic about cost-efficiency and technical challenges and ensure that dispatchable sources of energy to balance peak and minimal demand points in energy system, such as hydrogen technologies, are available and affordable.</i></p> |  |          |

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| <b>Amendment 23<br/>Recital 9e (new)</b> |   |  |          |
|  | <p><i>(9e) Climate protection provides an opportunity for the Union economy to step up its action and reap the benefits of the first-mover advantage by leading in clean technologies. It could help securing its industry leadership in global innovation. Sustainable production innovations can promote industrial strength of the Union in key market segments and thus protect and create jobs.</i></p>                          |  |          |
| <b>Amendment 24<br/>Recital 9f (new)</b> |   |  |          |
|  | <p><i>(9f) There is a need to set support for the necessary investments in new sustainable technologies that are essential to achieve the climate-neutrality objective. In that regard, it is important to respect technological neutrality while avoiding any lock-in effect. As stated in the Commission communication of 8 July 2020 entitled ‘A hydrogen strategy for a climate-neutral Europe’, hydrogen can also play a</i></p> |  |          |

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|   | <p><i>role in supporting the Union's commitment to reach carbon neutrality by 2050 at the latest, especially in energy-intensive sectors.</i></p>   |  |          |
| <p><b>Amendment 154</b><br/><b>Recital 9g (new)</b></p> |   |  |          |
|   | <p><i>(9g) The Commission should intensify its efforts to build European Alliances, especially in the battery and hydrogen sectors, as they are of utmost importance. Coordinated at European level, they offer great opportunities for post-COVID-19 regional recovery processes and successful structural change. Statutory requirements should create a framework for innovations in climate-friendly mobility and energy generation. Those alliances should receive adequate support and funding should also be part of the future foreign and neighbourhood policy as well as of trade agreements.</i></p> |  |          |

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| <b>Amendment 25</b><br><b>Recital 10</b>  |   |  |          |
| <p>(10) The Union is a global leader in the transition towards climate neutrality, and is determined to help raise global ambition and to strengthen the global response to climate change, using all tools at its disposal, including climate diplomacy.</p> | <p>(10) The Union <i>has both the responsibility and the means to continue being</i> a global leader in the transition towards climate neutrality, and is determined to <i>achieve it in a just, socially fair and inclusive way as well as</i> help raise global ambition and to strengthen the global response to climate change, using all tools at its disposal, including climate diplomacy, <i>trade, investment and industrial policies. The Union should reinforce its environmental diplomacy in all international fora relevant for reaching international climate goals, in line with the Paris Agreement.</i></p> |  |          |

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| <b>Recital 10a (new)</b>  |   |   |          |
|   |   | (10a) <u>The Union should continue its climate action and international climate leadership after 2050, in order to protect people and the planet against the threat of dangerous climate change, in pursuit of the temperature goals set out in the Paris Agreement and following the scientific assessments of the IPCC.</u>   |          |
| <b>Amendment 26<br/>Recital 11</b>  |   |   |          |
| (11) The European Parliament called for the necessary transition to a climate-neutral society by 2050 at the latest and for this to be made into a European success story <sup>13</sup> and has declared a climate and environment emergency <sup>14</sup> . The European Council, in its Conclusions of 12 December 2019 <sup>15</sup> , has agreed on the objective of achieving a climate-neutral Union by 2050, in line | (11) The European Parliament called <i>on the Commission and Member States to increase climate action to facilitate</i> the necessary transition to a climate-neutral society <i>as soon as possible and</i> by 2050 at the latest and for this to be made into a European success story <sup>33</sup> and has declared a climate and environment emergency <sup>34</sup> . <i>It also repeatedly called on the Union to increase its 2030 climate target, and for that increased</i> | (11) The European Parliament called for the necessary transition to a climate-neutral society by 2050 at the latest and for this to be made into a European success story <sup>16</sup> and has declared a climate and environment emergency <sup>17</sup> . The European Council, in its Conclusions of 12 December 2019 <sup>18</sup> , has agreed on the objective of achieving a climate-neutral Union by 2050, in line |          |

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| <p>with the objectives of the Paris Agreement, while also recognising that it is necessary to put in place an enabling framework and that the transition will require significant public and private investment. The European Council also invited the Commission to prepare a proposal for the Union's long-term strategy as early as possible in 2020 with a view to its adoption by the Council and its submission to the United Nations Framework Convention on Climate Change.</p> <hr/> <p><sup>13</sup> European Parliament resolution of 15 January 2020 on the European Green Deal (2019/2956(RSP)).</p> <p><sup>14</sup> European Parliament resolution of 28 November 2019 on the climate and environment emergency (2019/2930(RSP)).</p> <p><sup>15</sup> Conclusions adopted by the European Council at its meeting on 12 December 2019, EUCO 29/19, CO EUR 31, CONCL 9.</p> | <p><i>target to be part of the European Climate Law<sup>34a</sup></i>. The European Council, in its Conclusions of 12 December 2019<sup>35</sup>, has agreed on the objective of achieving a climate-neutral Union by 2050, in line with the objectives of the Paris Agreement, <i>whilst being based on fairness, a just transition, and taking into consideration the different starting points of Member States, as well as</i> recognising that it is necessary to put in place an enabling framework and that the transition will require significant public and private investment. The European Council also invited the Commission to prepare a proposal for the Union's long-term strategy as early as possible in 2020 with a view to its adoption by the Council and its submission to the United Nations Framework Convention on Climate Change.</p> <hr/> <p><sup>33</sup> European Parliament resolution of 15 January 2020 on the European Green Deal (2019/2956(RSP)).</p> <p><sup>34</sup> European Parliament resolution of 28 November 2019 on the climate and</p> | <p>with the objectives of the Paris Agreement, while also recognising that it is necessary to put in place an enabling framework <u>that benefits all Member States and encompasses adequate instruments, incentives, support and investments to ensure a cost-efficient, just, as well as socially balanced and fair transition, taking into account different national circumstances in terms of starting points. It also noted</u> that the transition will require significant public and private investment. [...] <u>On 6 March 2020, the EU submitted its long-term low greenhouse gas emission development strategy [...] to the United Nations Framework Convention on Climate Change following its adoption by the Council.</u></p> <hr/> <p><sup>16</sup> European Parliament resolution of 15 January 2020 on the European Green Deal (2019/2956(RSP)).</p> |          |

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|  | <p>environment emergency (2019/2930(RSP)).</p> <p><sup>34a</sup> <i>European Parliament resolution of 28 November 2019 on the 2019 UN Climate Change Conference in Madrid, Spain (COP 25) (2019/2712(RSP)).</i></p> <p><sup>35</sup> Conclusions adopted by the European Council at its meeting on 12 December 2019, EUCO 29/19, CO EUR 31, CONCL 9.</p>  | <p><sup>17</sup> European Parliament resolution of 28 November 2019 on the climate and environment emergency (2019/2930(RSP)).</p> <p><sup>18</sup> Conclusions adopted by the European Council at its meeting on 12 December 2019, EUCO 29/19, CO EUR 31, CONCL 9.</p>   |          |
| <p><b>Amendment 27</b><br/><b>Recital 12</b></p>   |   |   |          |
| <p>(12) The Union should aim to achieve a balance between anthropogenic economy-wide emissions and removals, through natural and technological solutions, of greenhouse gases domestically within the Union by 2050. The Union-wide 2050 climate-neutrality objective should be pursued by all Member States collectively, and the Member States, the European Parliament, the Council and the Commission should take the necessary measures to enable its achievement. Measures at Union level will constitute an important</p> | <p>(12) The Union <i>and Member States</i> should aim to achieve a balance between anthropogenic economy-wide emissions and removals, through natural and technological solutions, of greenhouse gases domestically within the Union <i>and at Member State level</i> by 2050 <i>at the latest</i>. The Union-wide 2050 climate-neutrality objective should be <i>achieved</i> by all Member States, and the Member States, the European Parliament, the Council and the Commission should take the necessary measures to enable its achievement. Measures at Union</p> | <p>(12) The Union should aim to achieve a balance between anthropogenic economy-wide emissions <u>by sources</u> and removals <u>by sinks of greenhouse gases domestically within the Union</u> by 2050. <u>Sinks include natural and technological solutions as reported in its greenhouse gas inventories to the UNFCCC. Solutions that are based on carbon capture and storage (CCS) and carbon capture and use (CCU) technologies may play a role for decarbonisation, especially for the mitigation of process emissions in industry, for the Member States that choose this</u></p> |          |

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| part of the measures needed to achieve the objective. | level will constitute an important part of the measures needed to achieve the objective. <i>After 2050, the Union and all Member States should continue to reduce emissions to ensure that removals of greenhouse gases exceed anthropogenic emissions.</i>  | <u>technology</u> . The Union-wide 2050 climate-neutrality objective should be pursued by all Member States collectively, and the Member States, the European Parliament, the Council and the Commission should take the necessary measures to enable its achievement. Measures at Union level will constitute an important part of the measures needed to achieve the objective. |          |
| <b>Amendment 28</b><br><b>Recital 12a (new)</b>       |  |   |          |
|   | <i>(12a) Each Member State has the responsibility to individually achieve climate neutrality by 2050 at the latest. As a matter of justice and solidarity, and in order to assist the energy transformation of Member States with different starting points, sufficient Union support mechanisms and funding such as the Just Transition Fund provided for in Regulation (EU) .../... of the European Parliament and of the Council<sup>1a</sup> and other relevant funding mechanisms are needed.</i> |   |          |



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|   | <i><sup>1a</sup> Regulation (EU) .../... of the European Parliament and of the Council of ... establishing the Just Transition Fund (OJ ...).</i> |  |          |
| <b>Recital 12a (new)</b>                  |   |  |          |
|   |   | (12a) <u>In its conclusions of 8 and 9 March 2007 and of 23 and 24 October 2014, the European Council endorsed the Union's greenhouse gas emissions reduction target for 2020 and the 2030 climate and energy policy framework, respectively. The provisions of this Regulation on the determination of the Union's climate target for 2040 are without prejudice to the role of the European Council, as set out in the Treaties, in defining the Union's general political direction and priorities for the development of the Union's climate policy.</u> |          |
| <b>Amendment 29<br/>Recital 12b (new)</b> |   |  |          |
|   | <i>(12b) The preamble to the Paris Agreement recognises the importance of ensuring the</i>  |  |          |

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|                     | <p><i>integrity of all ecosystems, including oceans. The United Nations Framework Convention on Climate Change stresses that the Parties thereto shall promote sustainable management, and the conservation and enhancement of sinks and reservoirs of all greenhouse gases, including biomass, forests and oceans as well as other terrestrial, coastal and marine ecosystems. If the Paris agreement goals were to fail, the temperature could exceed the tipping point beyond which the ocean will no longer be able to absorb as much carbon and participate in climate mitigation.</i></p> |  |          |

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| <b>Amendment 30<br/>Recital 12c (new)</b> |  |  |          |
|   | <p><i>(12c) Natural carbon sinks play an important role in the transition to a climate-neutral society. The Commission is exploring the development of a regulatory framework for the certification of carbon removals in accordance with its Circular Economy Action Plan and the Farm to Fork Strategy. The EU Biodiversity Strategy for 2030 and initiatives therein will play an important role in restoring degraded ecosystems, in particular those with the most potential to capture and store carbon and to prevent and reduce the impact of natural disasters. The restoration of ecosystems would assist in maintaining, managing and enhancing natural sinks and promote biodiversity while fighting climate change.</i></p> |  |          |

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| <b>Amendment 144<br/>Recital 12d (new)</b> |  |  |          |
|  | <p><i>(12d) The Commission should explore the feasibility of introducing carbon-crediting schemes, including the certification of greenhouse gas removals through carbon sequestration in land use, soil and biomass in agriculture with a view to achieving the Union's climate neutrality target, as well as the feasibility of developing of a separate carbon removals market for land-based greenhouse gas sequestration. Such a framework should be based on best available science and on a system of assessment and approval by the Commission, while ensuring no negative impacts on the environment, in particular biodiversity, on public health or on social or economic objectives. The Commission should present the results of this assessment by 30 June 2021.</i></p> |  |          |

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| <b>Amendment 31<br/>Recital 12e (new)</b>  |   |  |          |
|  | <i>(12e) In order to provide more clarity, a definition of natural and other carbon sinks should be presented by the Commission.</i>  |  |          |
| <b>Amendment 156<br/>Recital 12f (new)</b> |   |  |          |
|  | <i>(12f) In its transition to climate neutrality, the Union should preserve the competitiveness of its industry, particularly its energy intensive industry, including by developing effective measures to tackle carbon leakage in a way compatible with WTO rules and to level the playing field between the Union and third countries to avoid unfair competition due to the non-implementation of climate policies consistent with the Paris Agreement.</i> |  |          |

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| <b>Amendment 33<br/>Recital 13</b>   |   |  |          |
| <p>(13) The Union should continue its climate action and international climate leadership after 2050, in order to protect people and the planet against the threat of dangerous climate change, in pursuit of the temperature goals set out in the Paris Agreement and following the scientific recommendations of the IPCC.</p> | <p>(13) The Union should continue its climate action and international climate leadership after 2050, <b><i>in particular by helping the most vulnerable populations, through its external action and development policy</i></b>, in order to protect people and the planet against the threat of dangerous climate change, in pursuit of the temperature goals set out in the Paris Agreement and following the scientific recommendations of the IPCC, <b><i>the United Nations Environment Programme (UNEP), IPBES and the European Climate Change Council (ECCC)</i></b>.</p> | <p>(13) [...] <i>(moved to new recital 10a)</i></p>              |          |
| <b>Amendment 34<br/>Recital 13a (new)</b>  |   |  |          |
|  | <p><b><i>(13a) Ecosystems, people and economies in the Union will face major impacts from climate change if greenhouse gas emissions are not urgently mitigated or there is no adaptation to climate change. Adaptation to climate change would further</i></b></p>   |  |          |

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|   | <i>minimise unavoidable impacts in a cost-effective manner, with considerable co-benefits from the use of nature-based solutions.</i>  |   |          |
| <b>Amendment 35<br/>Recital 13b (new)</b>   |  |   |          |
|   | <i>(13b) The adverse effects of climate change can potentially exceed the adaptive capacities of Member States. Therefore, Member States and the Union should work together to avert, minimise and address loss and damage, as provided for in Article 8 of the Paris Agreement, including through the Warsaw International Mechanism.</i> |   |          |
| <b>Amendment 36<br/>Recital 14</b>  |  |   |          |
| (14) Adaptation is a key component of the long-term global response to climate change. Therefore, Member States and the Union should enhance their adaptive capacity, strengthen resilience and reduce vulnerability to climate change, as provided for in Article 7 of the Paris Agreement, as well as | (14) Adaptation is a key component of the long-term global response to climate change. Therefore, Member States and the Union should enhance their adaptive capacity, strengthen resilience and reduce vulnerability to climate change, as provided for in Article 7 of the Paris Agreement, as well as maximise the co-benefits           | (14) Adaptation is a key component of the long-term global response to climate change. Therefore, Member States and the Union should enhance their adaptive capacity, strengthen resilience and reduce vulnerability to climate change, as provided for in Article 7 of the Paris Agreement, as well as |          |

| COMMISSION PROPOSAL   | EUROPEAN PARLIAMENT<br>1st reading position of 08/10/2020   | COUNCIL <sup>1</sup><br>(partial general approach<br>23/10/2020)  | COMMENTS |
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| <p>maximise the co-benefits with other environmental policies and legislation. Member States should adopt comprehensive national adaptation strategies and plans.</p> | <p>with other environmental policies and legislation. Member States should adopt comprehensive national adaptation strategies and plans <i>and the Commission should help in the monitoring of progress on adaptation by developing indicators.</i></p> | <p>maximise the co-benefits with other [...] policies and legislation. Member States should adopt comprehensive national adaptation strategies and plans. <u>The EU should seek to create a favourable regulatory environment for national policies and measures put in place by Member States to adapt to climate change. Improving climate resilience and adaptive capacities to climate change requires shared efforts by all sectors of the economy and society, as well as policy coherence and consistency in all relevant European legislation and policies.</u></p> |          |



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| <b>Amendment 37</b><br><b>Recital 14a (new)</b> |  |  |          |
|   | <p><i>(14a) When adopting their adaptation strategies and plans, Member States should pay special attention to the most impacted areas. In addition, it is essential to promote, conserve and restore biodiversity in order to tap its full potential for climate regulation and adaptation. Adaptation strategies and plans should therefore encourage nature-based solutions and ecosystem-based adaptation that contributes to restoring and preserving biodiversity, and take due account of the territorial specificities and local knowledge, as well as establish concrete measures to protect marine and coastal ecosystems. Furthermore, activities hindering ecosystem ability to adapt to climate change should be removed to ensure the resilience of biodiversity and ecosystem services.</i></p> | <p>(14a) <u>Ecosystems, people and economies in all regions of the EU will face major impacts from climate change, such as extreme heat, floods, droughts, water scarcity, sea level rise, thawing glaciers, forest fires, wind throws and agricultural losses. Recent extreme events have already had substantial impacts on ecosystems, affecting carbon sequestration and storage capacities of forest and agricultural land. Enhancing adaptive capacities and resilience help to minimise climate change impacts and to address unavoidable impacts in a socially balanced manner. Preparing early for such impacts is cost-effective and can also bring considerable co-benefits for ecosystems, health and the economy. Nature-based solutions, in particular, can benefit climate-change</u></p> |          |

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|  |  | <u>mitigation, adaptation and biodiversity protection.</u>   |          |
| <b>Amendment 38<br/>Recital 14b (new)</b>  |  |  |          |
|  | <i>(14b) Adaptation strategies should also encourage a change of model in impacted areas, based on environmentally friendly and nature-based solutions. They should ensure sustainable livelihoods to ensure better living conditions, including sustainable and local agriculture, sustainable management of water, renewable energies, in line with the Sustainable Development Goals, in order to foster their resilience and the protection of their ecosystems.</i> |  |          |
| <b>Amendment 39<br/>Recital 15</b>   |  |  |          |
| (15) In taking the relevant measures at Union and national level to achieve the climate-neutrality objective, Member States and the European Parliament, the Council and the Commission should take into account the contribution of the | (15) In taking the relevant measures at Union and national level to achieve the climate-neutrality objective, Member States and the European Parliament, the Council and the Commission should take into account the contribution of the transition to climate neutrality to <i>the health,</i>  | (15) In taking the relevant measures at Union and national level to achieve the climate-neutrality objective, Member States and the European Parliament, the Council and the Commission should take into account the contribution of the |          |

| COMMISSION PROPOSAL   | EUROPEAN PARLIAMENT<br>1st reading position of 08/10/2020  | COUNCIL <sup>1</sup><br>(partial general approach<br>23/10/2020)  | COMMENTS |
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| <p>transition to climate neutrality to the well-being of citizens, the prosperity of society and the competitiveness of the economy; energy and food security and affordability; fairness and solidarity across and within Member States considering their economic capability, national circumstances and the need for convergence over time; the need to make the transition just and socially fair; best available scientific evidence, in particular the findings reported by the IPCC; the need to integrate climate change related risks into investment and planning decisions; cost-effectiveness and technological neutrality in achieving greenhouse gas emissions reductions and removals and increasing resilience; progression over time in environmental integrity and level of ambition.</p> | <p><i>quality of life and well-being of citizens, social fairness, the prosperity of society and the competitiveness of the economy, including fair competition and a level playing field on a global level. Member States and the European Parliament, the Council and the Commission should also take into account any red tape or other legislative barriers that possibly hinder economic actors or the sectors from fulfilling the climate goals; the social, economic and environmental costs of inaction or insufficient action; the fact that women are disproportionately impacted by climate change and the need to strengthen gender equality; the need to promote sustainable ways of living; maximising energy and resource efficiency, energy and food security and affordability whilst particularly taking into account the need to combat energy poverty; fairness and solidarity and a level playing field</i> across and within Member States considering</p> | <p>transition to climate neutrality to the well-being of citizens, the prosperity of society and the competitiveness of the economy; energy and food security and affordability; fairness and solidarity across and within Member States considering their economic capability, national circumstances, such as the <u>specificities of islands</u>, and the need for convergence over time; the need to make the transition just and socially fair; best available scientific evidence, in particular the findings reported by the IPCC; the need to integrate climate change related risks into investment and planning decisions; cost-effectiveness and technological neutrality in achieving greenhouse gas emissions reductions and removals and increasing resilience; progression over time in environmental integrity and level of ambition.</p> |          |

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|                     | <p>their economic capability <i>and</i> national circumstances <i>and different starting points</i>, and the need for convergence over time; the need to make the transition just and socially fair <i>in accordance with 2015 International Labour Organization's guidelines for a just transition towards environmentally sustainable economies and societies for all</i>; best available scientific evidence, in particular the findings reported by the IPCC <i>and the IPBES</i>; the need to integrate <i>climate-change-related risks and climate change vulnerability and adaptation assessments</i> into investment and planning decisions <i>while ensuring that Union policies are climate proof</i>; cost-effectiveness and technological neutrality in achieving greenhouse gas emissions reductions and removals and increasing resilience <i>on the basis of equity; the need to manage, preserve and restore marine and terrestrial ecosystems and biodiversity; the current</i></p> |  |          |

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|   | <p><i>infrastructure status and possible needs for updating of and investments in Union infrastructure</i>; progression over time in environmental integrity and level of ambition; <i>the capacity of the various stakeholders to invest in the transition in a socially viable manner; and the potential risk of carbon leakage and measures to prevent it.</i></p>   |  |          |
| <b>Amendment 40</b><br><b>Recital 16</b>  |   |  |          |
| <p>(16) The transition to climate neutrality requires changes across the entire policy spectrum and a collective effort of all sectors of the economy and society, as illustrated by the Commission in its Communication ‘The European Green Deal’. The European Council, in its Conclusions of 12 December 2019, stated that all relevant Union legislation and policies need to be consistent with, and contribute to, the fulfilment of the climate-neutrality objective while</p> | <p>(16) The transition to climate neutrality requires <i>a transformative change</i> across the entire policy spectrum, <i>ambitious and sustained financing</i> and a collective effort of all sectors of the economy and society, <i>including aviation and maritime transport</i>, as illustrated by the Commission in its Communication ‘The European Green Deal’. The European Council, in its Conclusions of 12 December 2019, stated that all relevant Union legislation and policies need to be consistent with, and contribute to, the fulfilment of</p> |  |          |

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| respecting a level playing field, and invited the Commission to examine whether this requires an adjustment of the existing rules. | the climate-neutrality objective while respecting a level playing field, and invited the Commission to examine whether this requires an adjustment of the existing rules.  |  |          |
| <b>Amendment 41<br/>Recital 16a (new)</b>  |  |  |          |
|  | <p><i>(16a) All key sectors of the economy will have to work together to deliver on climate neutrality, namely energy, industry, transport, the heating and cooling and building sector, agriculture, waste and land use, land-use change and forestry. All sectors, whether or not covered by the system for greenhouse gas emission allowance trading within the Union (EU ETS) should undertake comparable efforts to deliver on the Union's climate-neutrality objective. In order to provide predictability, confidence and involvement of all economic actors, including businesses, workers, investors and consumers, the Commission should establish guidance for the sectors of the economy that could contribute</i></p> |  |          |

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|   | <p><i>most to achieve the climate-neutrality objective. The guidance should contain indicative trajectories for greenhouse gases reduction in those sectors at Union level. That would provide them with the certainty to take the appropriate measures, to plan the necessary investments and therefore would assist in staying on the path of the transition. At the same time, it would also serve as a mechanism of sectors' engagement into the pursuit of climate-neutrality solutions.</i></p> |  |          |
| <p><b>Amendment 42</b><br/><b>Recital 16b (new)</b></p> |   |  |          |
|   | <p><i>(16b) The transition to climate neutrality requires all sectors to do their part. The Union should continue its efforts to strengthen and promote the circular economy and further support renewable solutions and alternatives that can substitute fossil-fuel based products and materials. Further use of renewable products and material will have a large climate</i></p>  |  |          |

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|   | <i>mitigation benefit and benefits many different sectors.</i>  |  |          |
| <b>Amendment 43<br/>Recital 16c (new)</b> |   |  |          |
|   | <i>(16c) Taking into account the risk of carbon leakage, the transition to and the continued work to maintain climate neutrality should be a true, green transition, lead to an actual decrease in emissions, and not create a false Union-based result, given that production and emissions have relocated outside the Union. To achieve that, Union policies should be designed to minimise the risk of carbon leakage and explore technological solutions.</i> |  |          |



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| <b>Amendment 44<br/>Recital 16d (new)</b> |  |  |          |
|   | <i>(16d) The transition towards climate neutrality must not exclude the agricultural sector, the only productive sector capable of storing carbon dioxide. Long-term storage is guaranteed in particular by forestry, long-duration pastures and multiannual crops in general.</i>   |  |          |
| <b>Amendment 45<br/>Recital 16e (new)</b> |  |  |          |
|   | <i>(16e) In order to achieve climate neutrality, the special role of agriculture and forestry has to be taken into account, as only a vital and productive agriculture and forestry is able to supply the population with high-quality and safe food in sufficient quantities and at affordable prices, as well as with renewable raw materials for all purposes of the bio-economy.</i> |  |          |

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| <b>Amendment 46<br/>Recital 16f (new)</b> |   |  |          |
|   | <p><i>(16f) Forests play a crucial role in the transition to climate neutrality. Sustainable and close-to-nature forest management is crucial for continuous greenhouse gas absorption from the atmosphere and also allows to provide renewable and climate-friendly raw materials for wood products, which store carbon and can act as a substitute to fossil-based materials and fuels. The "triple role" of forests (sink, storage and substitution) contributes to the reduction of carbon emissions release to the atmosphere, while ensuring that forests continue to grow and provide many other services.</i></p> |  |          |

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| <b>Amendment 47<br/>Recital 16g (new)</b>  |   |  |          |
|  | <i>(16g) Union law should promote afforestation and sustainable forest management in Member States that do not have significant forest resources, by means of sharing best practice and industrial know-how.</i>  |  |          |
| <b>Amendment 48<br/>Recital 17</b>   |   |  |          |
| (17) As announced in its Communication ‘The European Green Deal’, the Commission assessed the Union’s 2030 target for greenhouse gas emission reduction, in its Communication “Stepping up Europe’s 2030 climate ambition - Investing in a climate-neutral future for the benefit of our people” <sup>14</sup> , on the basis of a comprehensive impact assessment and taking into account its analysis of the integrated national energy and climate plans submitted to the Commission in accordance with Regulation (EU) 2018/1999 of the European Parliament and of | (17) <i>The Commission</i> , in its Communication ‘The European Green Deal’, <b>announced its intention to assess and make proposals for increasing the Union’s greenhouse gas emission reduction target for 2030 to ensure its consistency with the climate-neutrality objective for 2050. In that Communication, the Commission underlined that all Union policies should contribute to the climate-neutrality objective and that all sectors should play their part. Given the Union goal of reaching climate neutrality by 2050 at the latest, it is essential that climate action is further</b> | (17) [ <u>As announced in its Communication ‘The European Green Deal’, the Commission assessed the Union’s 2030 target for greenhouse gas emission reduction in its Communication “Stepping up Europe’s 2030 climate ambition - Investing in a climate-neutral future for the benefit of our people”<sup>16</sup>, on the basis of a comprehensive impact assessment and taking into account its analysis of the integrated national energy and climate plans submitted to the Commission in accordance with Regulation (EU) 2018/1999 of the European Parliament and of</u> |          |

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| <p>the Council<sup>15</sup>. In light of the 2050 climate-neutrality objective, by 2030 greenhouse gas emissions should be reduced and removals enhanced, so that net greenhouse gas emissions, that is emissions after deduction of removals, are reduced economy-wide and domestically by at least 55% by 2030 compared to 1990 levels. This new 2030 Union climate target is a subsequent target for the purposes of point (11) of Article 2 of Regulation (EU) 2018/1999, and therefore replaces the 2030 Union-wide target for greenhouse gas emissions set out in that point. In addition, the Commission should, by 30 June 2021, assess how the relevant Union legislation implementing the 2030 climate target would need to be amended in order to achieve such net emission reductions.;</p> <p><sup>14</sup> COM (2020) 562</p> | <p><i>strengthened and particularly that the Union 2030 climate target is raised to a reduction in emissions of 60 % compared with 1990 levels. Consequently, the Commission should, by 30 June 2021, assess how the Union legislation implementing that higher target and other relevant Union legislation contributing to reducing greenhouse gas emissions and promoting the circular economy would need to be amended accordingly.</i></p> | <p><i>the Council<sup>17</sup>. In light of the 2050 climate-neutrality objective, by 2030 greenhouse gas emissions should be reduced and removals enhanced, so that net greenhouse gas emissions, that is emissions after deduction of removals, are reduced economy-wide and domestically by at least 55% by 2030 compared to 1990 levels. This new 2030 Union climate target is a subsequent target for the purposes of point (11) of Article 2 of Regulation (EU) 2018/1999, and therefore replaces the 2030 Union-wide target for greenhouse gas emissions set out in that point. In addition, the Commission should, by 30 June 2021, assess how the relevant Union legislation implementing the 2030 climate target would need to be amended in order to achieve such net emission reductions.]</i></p> <p><sup>16</sup> COM (2020) 562.</p> |          |

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| <p><sup>15</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).</p> |   | <p><sup>17</sup> <u>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).</u></p> |          |

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| <b>Amendment 49<br/>Recital 17a (new)</b> |  |  |          |
|   | <p><i>(17a) To ensure that the Union and all Member States remain on track to reach the climate-neutrality objective, and to ensure the predictability and confidence for all economic actors, including businesses, workers and trade unions, investors and consumers, the Commission should explore options for setting a Union 2040 climate target and make legislative proposals to the European Parliament and the Council where appropriate.</i></p> |  |          |
| <b>Amendment 50<br/>Recital 17b (new)</b> |  |  |          |
|   | <p><i>(17b) By 30 June 2021, the Commission should review and propose to revise where necessary all policy and instruments relevant to the achievement of the Union's 2030 climate target and to achieve the climate neutrality objective set out in Article 2(1). In that regard, the Union's increased targets require the EU ETS to be fit for purpose. The Commission should</i></p>   |  |          |

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|                     | <p><i>therefore rapidly review Directive 2003/87/EC of the European Parliament and of the Council<sup>1a</sup> and strengthen the Innovation Fund thereunder to further create financial incentives for new technology, boosting growth, competitiveness, support for clean technologies, while ensuring that the strengthening of the Innovation Fund contributes to the process of a Just Transition.</i></p> <p><sup>1a</sup> <i>Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a system for greenhouse gas emission allowance trading within the Union and amending Council Directive 96/61/EC (OJ L 275, 25.10.2003, p. 32).</i></p> |  |          |

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| <b>Amendment 51<br/>Recital 17c (new)</b> |  |  |          |
|   | <p><i>(17c) To signal the importance and weight of climate policy and to give political actors the necessary information in the legislative process, the Commission should assess all future legislation through a new lens, in which climate and the consequences on climate are included, and determine the effect any proposed legislation will have on the climate and environment at the same level that it assesses legal basis, subsidiarity and proportionality.</i></p> |  |          |
| <b>Amendment 52<br/>Recital 17d (new)</b> |  |  |          |
|   | <p><i>(17d) The Commission should further make sure that the industry is sufficiently enabled to undergo the significant transition towards climate neutrality and the highly ambitious targets for 2030 and 2040 through a thorough regulatory framework and financial resources commensurate with the challenges. That regulatory and financial</i></p>  |  |          |



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|  | <i>framework should be regularly assessed, and adapted if needed, to prevent carbon leakage, industrial closures, job losses and unfair international competition.</i>   |  |          |
| <b>Amendment 53<br/>Recital 17e (new)</b>  |  |  |          |
|  | <i>(17e) The Commission should assess employment needs, including education and training requirements, the development of the economy and the establishment of a fair and just transition.</i>   |  |          |
| <b>Amendment 157<br/>Recital 17f (new)</b> |  |  |          |
|  | <i>(17f) In order for the Union to reach the climate-neutrality objective by 2050 at the latest and the intermediate climate targets for 2030 and 2040, the Union institutions and all Member States should, as early as possible and by 2025 at the latest, have phased out all direct and indirect fossil subsidies. The phasing out of those subsidies should not impact on efforts to combat energy poverty and should take into account the bridging role of natural gas in the</i> |  |          |

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|   | <i>transition to a carbon-neutral economy.</i>   |  |          |
| <b>Amendment 55<br/>Recital 18</b>  |  |  |          |
| <p>(18) To ensure the Union and the Member States remain on track to achieve the climate-neutrality objective and progress on adaptation, the Commission should regularly assess progress. Should the collective progress made by Member States towards the achievement of the climate-neutrality objective or on adaptation be insufficient or Union measures inconsistent with the climate-neutrality objective or inadequate to enhance adaptive capacity, strengthen resilience or reduce vulnerability, the Commission should take the necessary measures in accordance with the Treaties. The Commission should also regularly assess relevant national measures, and issue recommendations where it finds that a Member State's measures are inconsistent with</p> | <p>(18) To ensure the Union and <i>all</i> Member States remain on track to achieve the <i>Union climate objectives</i> and progress on adaptation, the Commission should regularly assess progress. Should the <i>progress made by each Member State and the</i> collective progress made by Member States towards the achievement of the <i>Union climate objectives</i> or on adaptation be insufficient or <i>any</i> Union measures inconsistent with <i>the Union climate objectives</i> or inadequate to enhance adaptive capacity, strengthen resilience or reduce vulnerability, the Commission should take the necessary measures in accordance with the Treaties. The Commission should also regularly assess relevant national measures, and issue recommendations where it finds that a Member State's measures are inconsistent with the</p> | <p>(18) To ensure the Union and the Member States remain on track to achieve the climate-neutrality objective and progress on adaptation, the Commission should regularly assess progress, <u>building upon information as set out in Article 7 including information submitted and reported under Regulation (EU) 2018/1999. In order to allow a timely preparation for the global stocktake as referred to in Article 14 of the Paris Agreement, the results of this assessment should be published by 30 September every five years, starting in 2023. This implies that the reports under Articles 35 and 29(5) of that Regulation and, in the applicable years, the related reports under Articles 29(1) and Article 32 should be submitted to the European Parliament and the Council at the same time as the results of that assessment.</u> Should</p> |          |

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| <p>the climate-neutrality objective or inadequate to enhance adaptive capacity, strengthen resilience and reduce vulnerability to climate change.</p> | <p><i>Union climate objectives</i> or inadequate to enhance adaptive capacity, strengthen resilience and reduce vulnerability to climate change. <b><i>The Commission should make public that assessment and its results at the time of its adoption.</i></b></p> | <p>the collective progress made by Member States towards the achievement of the climate-neutrality objective or on adaptation be insufficient or Union measures inconsistent with the climate-neutrality objective or inadequate to enhance adaptive capacity, strengthen resilience or reduce vulnerability, the Commission should take the necessary measures in accordance with the Treaties. The Commission should also regularly assess relevant national measures, and issue recommendations where it finds that a Member State's measures are inconsistent with the climate-neutrality objective or inadequate to enhance adaptive capacity, strengthen resilience and reduce vulnerability to climate change.</p> |          |

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| <b>Amendment 56<br/>Recital 18a (new)</b> |   |  |          |
|   | <p><i>(18a) Reaching climate neutrality is only possible if all Member States share the burden and commit fully to transitioning to climate neutrality. Each Member State has an obligation to meet the interim and end targets and if the Commission considers that these obligations have not been met, the Commission should be empowered to take measures against Member States. The measures should be proportionate, appropriate and in accordance with the Treaties.</i></p> |  |          |
| <b>Amendment 57<br/>Recital 18b (new)</b> |   |  |          |
|   | <p><i>(18b) Scientific expertise and the best available, up-to-date evidence, together with information on climate change that is both factual and transparent is imperative and needs to underpin the Union's climate action and efforts to reach climate neutrality by 2050 at the latest. National independent climate advisory bodies play an important role in informing the</i></p>   |  |          |

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|                     | <p><i>public and contributing to the policy debate around climate change in those Member States where they exist. Therefore, Member States that have not already done so, are encouraged to establish a national climate advisory body, consisting of scientists selected on the basis of their expertise in the climate change field and other disciplines relevant for the achievement of the objectives of this Regulation. In cooperation with these national climate advisory bodies, the Commission should set up an independent scientific advisory panel on climate change, the European Climate Change Council (ECCC), which should complement the work of the European Environment Agency (EEA), and the Union's existing research institutions and agencies. Its missions should avoid any overlapping with the mission of the IPCC at international level. The ECCC should be composed of a scientific committee, consisting of</i></p> |  |          |

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|   | <p><i>selected senior experts, and supported by a management board that meets twice a year. The purpose of the ECCC is to provide Union institutions annually with assessments of the consistency of the Union measures to reduce greenhouse gas emissions with the Union's climate objectives and its international climate commitments. The ECCC should also assess actions and pathways to reduce greenhouse gas emissions and to identify carbon sequestration potential.</i></p> |  |          |
| <p><b>Amendment 58</b><br/><b>Recital 19</b></p>  |   |  |          |
| <p>(19) The Commission should ensure a robust and objective assessment based on the most up to date scientific, technical and socio-economic findings, and representative of a broad range of independent expertise, and base its assessment on relevant information including information submitted and reported by Member States, reports of the European</p> | <p>(19) The Commission should ensure a robust and objective assessment based on the most up to date scientific, technical and socio-economic findings, and representative of a broad range of independent expertise, and base its assessment on relevant information including information submitted and reported by Member States, reports of the European Environment Agency, best</p>  | <p>(19) The Commission should ensure a robust and objective assessment based on the most up to date scientific, technical and socio-economic findings, and representative of a broad range of independent expertise, and base its assessment on relevant information including information submitted and reported by Member States, reports of the European Environment Agency, best</p> |          |

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| <p>Environment Agency, best available scientific evidence, including the reports of the IPCC. Given that the Commission has committed to exploring how the EU taxonomy can be used in the context of the European Green Deal by the public sector, this should include information on environmentally sustainable investment, by the Union and Member States, consistent with Regulation (EU) 2020/... [Taxonomy Regulation] when such information becomes available. The Commission should use European statistics and data where available and seek expert scrutiny. The European Environment Agency should assist the Commission, as appropriate and in accordance with its annual work programme.</p> | <p>available scientific evidence, including the reports of the IPCC, <i>UNEP, IPBES, ECCC and, where possible, Member States national independent climate advisory bodies</i>. Given that the Commission has committed to exploring how the EU taxonomy can be used in the context of the European Green Deal by the public sector, this should include information on environmentally sustainable investment, by the Union and Member States, consistent with Regulation (EU) 2020/... [Taxonomy Regulation] when such information becomes available. The Commission should use European statistics and data where available and seek expert scrutiny. The European Environment Agency should assist the Commission, as appropriate and in accordance with its annual work programme.</p> | <p>available scientific evidence, including the reports of the IPCC <u>as well as Earth observation data as provided by the European Earth observation programme Copernicus</u>. <u>The Commission should further base its assessment on a indicative, linear trajectory linking the Union’s climate targets for 2030 and 2040, when adopted, with the Union’s climate-neutrality objective and serving as an indicative tool to estimate and evaluate collective progress towards the achievement of the Union’s climate-neutrality objective</u>. <u>The indicative, linear trajectory does not prejudice any decision to determine a Union climate target for 2040</u>. Given that the Commission has committed to exploring how the EU taxonomy can be used in the context of the European Green Deal by the public sector, this should include information on environmentally sustainable investment, by the Union and Member States, consistent with Regulation (EU)</p> |          |

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|                     |   | <p>2020/852 [Taxonomy Regulation]<sup>18</sup> when such information becomes available. The Commission should use European statistics and data where available and seek expert scrutiny. The European Environment Agency should assist the Commission, as appropriate and in accordance with its annual work programme.</p> <p><sup>18</sup> <u>Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088, OJ L 198, 22.6.2020, p. 13).</u></p> |          |



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| <b>Amendment 59</b><br><b>Recital 20</b>   |  |  |          |
| <p>(20) As citizens and communities have a powerful role to play in driving the transformation towards climate neutrality forward, strong public and social engagement on climate action should be facilitated. The Commission should therefore engage with all parts of society to enable and empower them to take action towards a climate-neutral and climate-resilient society, including through launching a European Climate Pact.</p> | <p>(20) As citizens, communities <b>and regions</b> have a powerful role to play in driving the transformation towards climate neutrality forward, strong public and social engagement on climate action should be <b>both encouraged and facilitated at local, regional and national level</b>. The Commission <b>and Member States</b> should therefore engage with all parts of society <b>in a fully transparent manner</b> to enable and empower them to take action towards a <b>socially just, gender-balanced</b>, climate-neutral and climate-resilient society, including through launching a European Climate Pact.</p> |  |          |
| <b>Amendment 60</b><br><b>Recital 21</b>   |  |  |          |
| <p>(21) In order to provide predictability and confidence for all economic actors, including businesses, workers, investors and consumers, to ensure that the transition towards climate neutrality is irreversible, to</p>  | <p>(21) In order to provide predictability and confidence for all economic actors, including businesses, <b>SMEs</b>, workers <b>and trade unions</b>, investors and consumers, to ensure that the transition towards climate neutrality</p>   | <p>(21) In order to provide predictability and confidence for all economic actors, including businesses, workers, investors and consumers, to ensure <u>a gradual reduction of greenhouse gas emissions over time and that</u></p> |          |

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| <p>ensure gradual reduction over time and to assist in the assessment of the consistency of measures and progress with the climate-neutrality objective, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission to set out a trajectory for achieving net zero greenhouse gas emissions in the Union by 2050. It is of particular importance that the Commission carries out appropriate consultations during its preparatory work, including at expert level, and that those consultations be conducted in accordance with the principles laid down in the Interinstitutional Agreement of 13 April 2016 on Better Law-Making<sup>23</sup>. In particular, to ensure equal participation in the preparation of delegated acts, the European Parliament and the Council receive all documents at the same time as Member States'</p> | <p>is irreversible, to ensure gradual reduction over time and to assist in the assessment of the consistency of measures and progress with the climate-neutrality objective, the <b><i>Commission should assess the options for establishing</i></b> a trajectory for achieving net zero greenhouse gas emissions in the Union by 2050 <b><i>and should make legislative proposals to</i></b> the European Parliament and <b><i>to</i></b> the Council <b><i>if appropriate.</i></b></p> | <p>the transition towards climate neutrality is irreversible, <u>the Commission should propose a Union intermediate climate target for 2040, if appropriate, at the latest within six months after the first global stocktake carried out under the Paris Agreement. The Commission may make proposals to revise the intermediate target, taking into account the findings of the assessments referred to in Article 5 and 6 as well as the outcomes of the global stocktake and of international developments, including on common time frames for nationally determined contributions.</u></p> |          |

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| <p>experts, and their experts systematically have access to meetings of Commission expert groups dealing with the preparation of delegated acts.</p> <hr/> <p><sup>23</sup> OJ L 123, 12.5.2016, p. 1.</p>   |  |  |          |
| <p><b>Amendment 61</b><br/><b>Recital 22</b></p>   |  |  |          |
| <p>(22) In line with the Commission's commitment to the principles on Better Law-Making, coherence of the Union instruments as regards greenhouse gas emissions reductions should be sought. The system of measuring the progress towards the achievement of the climate-neutrality objective as well as the consistency of measures taken with that objective should build upon and be consistent with the governance framework laid down in Regulation (EU) 2018/1999. In particular, the system of reporting on a regular</p> | <p>(22) In line with the Commission's commitment to the principles on Better Law-Making, coherence of the Union instruments as regards greenhouse gas emissions reductions should be sought. The system of measuring the progress towards the achievement of the <i>Union climate objectives</i> as well as the consistency of measures taken with that objective should build upon and be consistent with the governance framework laid down in Regulation (EU) 2018/1999. In particular, the system of reporting on a regular basis and the sequencing of the Commission's assessment and actions on the basis</p> | <p>(22) In line with the Commission's commitment to the principles on Better Law-Making, coherence of the Union instruments as regards greenhouse gas emissions reductions should be sought. The system of measuring the progress towards the achievement of the climate-neutrality objective as well as the consistency of measures taken with that objective should build upon and be consistent with the governance framework laid down in Regulation (EU) 2018/1999 <u>taking into account all five dimensions of the Energy</u></p> |          |

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| <p>basis and the sequencing of the Commission's assessment and actions on the basis of the reporting should be aligned to the requirements to submit information and provide reports by Member States laid down in Regulation (EU) 2018/1999. Regulation (EU) 2018/1999 should therefore be amended in order to include the climate-neutrality objective in the relevant provisions.</p> | <p>of the reporting should be aligned to the requirements to submit information and provide reports by Member States laid down in Regulation (EU) 2018/1999. Regulation (EU) 2018/1999 should therefore be amended in order to include the climate-neutrality objective in the relevant provisions.</p> | <p><u>Union</u>. In particular, the system of reporting on a regular basis and the sequencing of the Commission's assessment and actions on the basis of the reporting should be aligned to the requirements to submit information and provide reports by Member States laid down in Regulation (EU) 2018/1999. Regulation (EU) 2018/1999 should therefore be amended in order to include the climate-neutrality objective in the relevant provisions.</p> |          |

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| <b>Amendment 62</b><br><b>Recital 23</b>  |  |  |          |
| <p>(23) Climate change is by definition a trans-boundary challenge and a coordinated action at Union level is needed to effectively supplement and reinforce national policies. Since the objectives of this Regulation, namely to achieve climate neutrality in the Union by 2050, cannot be sufficiently achieved by the Member States alone, but can rather, by reason of the scale and effects, be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality, as set out in that Article, this Regulation does not go beyond what is necessary to achieve those objectives,</p> | <p>(23) Climate change is by definition a trans-boundary challenge and a coordinated action at Union level is needed to effectively supplement and reinforce national policies. Since the objectives of this Regulation, namely to achieve climate neutrality in the Union <b>and in all Member States</b> by 2050 <b>at the latest</b>, cannot be sufficiently achieved by the Member States alone, but can rather, by reason of the scale and effects, be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality, as set out in that Article, this Regulation does not go beyond what is necessary to achieve those objectives.</p> |  |          |

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| <b>Amendment 63<br/>Recital 23a (new)</b> |   |  |          |
|   | <i>(23a) The Union is currently responsible for 10 % of the world's emission of greenhouse gases. The climate-neutrality objective is limited to emissions from Union production. A coherent climate policy also involves controlling emissions from consumption and energy and resource imports.</i> |  |          |
| <b>Amendment 64<br/>Recital 23b (new)</b> |   |  |          |
|   | <i>(23b) The climate footprint of the Union's consumption is an essential tool to develop in order to improve the overall consistency of the Union's climate objectives.</i>  |  |          |
| <b>Amendment 65<br/>Recital 23c (new)</b> |   |  |          |
|   | <i>(23c) A Union climate policy that is fully efficient should address carbon leakage and develop the appropriate tools, such as a carbon border adjustment mechanism, to cope with it and protect Union standards and the frontrunners of Union industries.</i>                                      |  |          |

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| <b>Amendment 66<br/>Recital 23d (new)</b> |  |  |          |
|   | <p><i>(23d) Imports of agricultural products and foodstuffs from third countries have risen continuously in recent years. That trend dictates that an assessment should be made as to which products imported from third countries are to be subject to requirements comparable to those applicable to Union farmers where the origins of these requirements lie within the objectives of Union policies to reduce the impact of climate change. The Commission should submit a report and communication on that topic to the European Parliament and the Council by 30 June 2021.</i></p> |  |          |

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| <b>Amendment 67<br/>Recital 23e (new)</b> |  |  |          |
|   | <p><i>(23e) In its Communication ‘The European Green Deal’, the Commission highlighted the need to accelerate the shift to sustainable and smart mobility as a priority policy towards climate neutrality. To ensure the transition towards sustainable and smart mobility, the Commission has indicated that it will adopt a comprehensive strategy on sustainable and smart mobility in 2020 with ambitious measures aimed at significantly reducing CO<sub>2</sub> and pollutant emissions across all modes of transport, including by boosting the uptake of clean vehicles and alternative fuels for road, maritime and aviation, increasing the share of more sustainable transport modes such as rail and inland waterways, and improving efficiency across the whole transport system, incentivising more sustainable consumer choices and low-emission practices, and investing</i></p> |  |          |



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|  | <i>in low- and zero-emissions solutions, including infrastructure.</i>  |  |          |
| <b>Amendment 68<br/>Recital 23 f (new)</b> |   |  |          |
|  | <i>(23f) Transport infrastructure could play a key role in accelerating the transformation to sustainable and smart mobility by catering for a modal shift to more sustainable transport modes, in particular for freight transport. At the same time, climate-change events, such as rising water levels, extreme weather conditions, drought and rising temperatures, can result in infrastructure damages, operational disruptions, pressures on supply chain capacity and efficiency, and consequently have negative implication for European mobility. Therefore, the completion of the Trans European Transport Networks (TEN-T) core network by 2030 and the completion of the complementary TEN-T network by 2040 is of the utmost importance, while taking into account the obligations set out in Union law on addressing the</i> |  |          |

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|   | <p><i>greenhouse gas emissions of projects during their whole life cycle. Furthermore, the Commission should consider proposing a legislative framework to increase the risk-management, resilience and climate adaptation of transport infrastructure.</i></p>  |  |          |
| <p><b>Amendment 69</b><br/><b>Recital 23g (new)</b></p> |  |  |          |
|   | <p><i>(23g) The connectivity of the European railway network, in particular international connections, to make passenger transport by rail more attractive for medium- and long-distance travels and improvements to the capacity of railways and inland waterways for freight, should be at the core of the Union's legislative action.</i></p> |  |          |

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| <b>Amendment 70<br/>Recital 23h (new)</b> |   |  |          |
|   | <p><i>(23h) It is important to ensure that there are sufficient investments in developing appropriate infrastructure for zero-emission mobility, including intermodal platforms and reinforcing the role of the Connecting Europe Facility (CEF) in supporting the transition towards smart, sustainable and safe mobility in the Union.</i></p>  |  |          |
| <b>Amendment 71<br/>Recital 23i (new)</b> |   |  |          |
|   | <p><i>(23i) In line with the Union's effort to shift road transport to rail in order to put the most CO<sub>2</sub>-efficient mode of transport in the lead while considering the upcoming European Year of rail in 2021, a particular legislative emphasis should be put on creating a true Single European Railway Area by removing all administrative burdens and protectionist national laws by 2024.</i></p> |  |          |

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| <b>Amendment 72<br/>Recital 23j (new)</b> |   |  |          |
|   | <p><i>(23j) In order to the achieve the objective of climate neutrality by 2050, the Commission should also strengthen the specific legislation on CO<sub>2</sub> emissions performance standards for cars, vans and trucks, provide specific measures to pave the way for the electrification of road transport, and take initiatives to ramp up the production and deployment of sustainable alternative fuels.</i></p> |  |          |
| <b>Amendment 73<br/>Recital 23k (new)</b> |   |  |          |
|   | <p><i>(23k) In its resolution of 28 November 2019 on the 2019 UN Climate Change Conference in Madrid, Spain (COP 25), the European Parliament noted that the current global targets and measures envisaged by the International Maritime Organisation and the International Civil Aviation Organisation, even if implemented in full, would fall short of the necessary emission reductions, and</i></p>                  |  |          |

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|  | <p><i>that significant further action at European and global level consistent with the economy-wide objective of net-zero greenhouse gas emissions is needed.</i></p>   |  |          |
| <p><b>Amendment 158</b><br/><b>Recital 23l (new)</b></p> |   |  |          |
|  | <p><i>(23l) The Commission should intensify its efforts towards a well-functioning internal energy market as it is an important component of the energy transition and will help to make it financially viable. The development of smart and digital electricity and gas networks should therefore be given top priority in the multiannual financial framework MFF. COVID-19 recovery programmes should also support the development of transnational energy grids. Effective and swift decision-making procedures are needed to support transnational grid developments, notably in future-oriented and hydrogen-compatible gas infrastructure.</i></p> |  |          |

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| HAVE ADOPTED THIS<br>REGULATION:  |   |  |          |
| <b>Amendment 74<br/>Article 1</b>   |   |  |          |
| <p style="text-align: center;"><i>Article 1</i></p> <p style="text-align: center;"><b>Subject matter and scope</b></p> <p>This Regulation establishes a framework for the irreversible and gradual reduction of greenhouse gas emissions and enhancement of removals by natural or other sinks in the Union.</p>  | <p style="text-align: center;"><i>Article 1</i></p> <p style="text-align: center;"><b>Subject matter and scope</b></p> <p>This Regulation establishes a framework for the irreversible, <b><i>predictable and swift</i></b> reduction of greenhouse gas emissions and enhancement of removals by natural or other sinks in the Union <b><i>in line with the Union’s climate and environmental objectives.</i></b></p> | <p style="text-align: center;"><i>Article 1</i></p> <p style="text-align: center;"><b>Subject matter and scope</b></p> <p>This Regulation establishes a framework for the irreversible and gradual reduction of <u>anthropogenic</u> greenhouse gas emissions <u>by sources</u> and enhancement of removals by [...] sinks in the Union.</p>   |          |
| <p>This Regulation sets out a binding objective of climate neutrality in the Union by 2050 in pursuit of the long-term temperature goal set out in Article 2 of the Paris Agreement, and provides a framework for achieving progress in pursuit of the global adaptation goal established in Article 7 of the Paris Agreement. It also sets out a binding Union net</p> | <p>This Regulation sets out a binding objective of climate neutrality in the Union by 2050 <b><i>at the latest</i></b> in pursuit of the long-term temperature goal set out in Article 2 of the Paris Agreement, and provides a framework for achieving progress in pursuit of the global adaptation goal established in Article 7 of the Paris Agreement.</p>  | <p>This Regulation sets out a binding objective of climate neutrality in the Union by 2050 in pursuit of the long-term temperature goal set out in Article 2 of the Paris Agreement, and provides a framework for achieving progress in pursuit of the global adaptation goal established in Article 7 of the Paris Agreement. <b><i>[It also sets out a binding Union net</i></b></p> |          |

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| greenhouse gas emission reduction target for 2030.   |  | <u>greenhouse gas emission reduction target for 2030.</u>  |          |
| This Regulation applies to anthropogenic emissions and removals by natural or other sinks of the greenhouse gases listed in Part 2 of Annex V to Regulation (EU) 2018/1999.  | This Regulation applies to anthropogenic emissions and removals by natural or other sinks of the greenhouse gases listed in Part 2 of Annex V to Regulation (EU) 2018/1999.  | This Regulation applies to anthropogenic emissions <u>by sources</u> and removals by [...] sinks of the greenhouse gases listed in Part 2 of Annex V to Regulation (EU) 2018/1999.   |          |
| <b>Amendments 75 and 159<br/>Article 2</b>   |  |  |          |
| <p style="text-align: center;"><i>Article 2</i></p> <p style="text-align: center;"><b>Climate-neutrality objective</b></p> <p>1. Union-wide emissions and removals of greenhouse gases regulated in Union law shall be balanced at the latest by 2050, thus reducing emissions to net zero by that date.</p> | <p style="text-align: center;"><i>Article 2</i></p> <p style="text-align: center;"><b>Climate-neutrality objective</b></p> <p>1. Union-wide <i>anthropogenic</i> emissions <i>by sources</i> and removals <i>by sinks</i> of greenhouse gases regulated in Union law shall be balanced <i>in the Union</i> at the latest by 2050, thus <i>achieving</i> net zero <i>greenhouse gas emissions</i> by that date. <i>Each Member State shall achieve net zero greenhouse gas emissions by 2050 at the latest.</i></p> | <p style="text-align: center;"><i>Article 2</i></p> <p style="text-align: center;"><b>Climate-neutrality objective</b></p> <p>1. Union-wide emissions and removals of greenhouse gases regulated in Union law shall be balanced at the latest by 2050, thus reducing emissions to net zero by that date.</p> |          |

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| <p>2. The relevant Union institutions and the Member States shall take the necessary measures at Union and national level respectively, to enable the collective achievement of the climate-neutrality objective set out in paragraph 1, taking into account the importance of promoting fairness and solidarity among Member States.</p> | <p>2. The relevant Union institutions and the Member States shall take the necessary measures <i>based on the best available, up-to-date science and provide support</i> at Union and <i>at national, regional and local</i> level respectively, to enable the achievement of the climate-neutrality objective <i>in the Union and in all Member States as</i> set out in paragraph 1, taking into account the importance of promoting fairness and solidarity <i>and a just transition</i> among Member States, <i>social and economic cohesion, the protection of vulnerable Union citizens and the importance of managing, restoring, protecting and enhancing marine and terrestrial biodiversity, ecosystems and carbon sinks.</i></p> | <p>2. The relevant Union institutions and the Member States shall take the necessary measures at Union and national level respectively, to enable the collective achievement of the climate-neutrality objective set out in paragraph 1, taking into account the importance of promoting <u>both</u> fairness and solidarity among Member States <u>and cost-effectiveness in achieving this objective.</u></p> |          |
|   | <p>2a. <i>As from 1 January 2051, removals of greenhouse gases by sinks shall exceed anthropogenic emissions in the Union and all Member States.</i></p>  |   |          |
|   | <p>2b. <i>By 31 May 2023, the Commission shall, following a detailed impact assessment and</i></p>  |   |          |



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|                     | <p><i>taking into account the greenhouse gas budget referred to in Article 3(2a), explore options for setting a Union 2040 target for greenhouse gas emissions reductions compared to 1990, and shall present legislative proposals, where appropriate, to the European Parliament and to the Council.</i></p> <p><i>When exploring options for the 2040 target for climate, the Commission shall consult with the ECCC and take into account the criteria set out in Article 3(3).</i></p> |  |          |
|                     | <p><i>2c. No later than 12 months after the adoption of the 2040 target for climate, the Commission shall assess how all of the Union legislation relevant for the fulfilment of that target would need to be amended and shall consider taking the necessary measures, including the adoption of legislative proposals, in accordance with the Treaties.</i></p>   |  |          |
|                     | <p><i>2d. By December 2020, the Commission shall prepare a plan setting out the measures to be</i></p>  |  |          |

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|  | <p><i>taken at Union level in order to ensure that the appropriate resources are mobilised to enable the necessary investments to achieve a climate-neutral Union economy. The plan shall review current compensation mechanisms for lower income Member States, taking into account increased burden associated with elevated climate ambitions, support from Recovery and Resilience facility, InvestEU programmes and the Just Transition Fund.</i></p> |  |   |
|  |  | <p><u>3.</u> (deleted)</p>                                       |   |
|  |  | <p><u>4.</u> (deleted)</p>                                       |   |
| <p><b>Amendments 100, 148 and 150</b><br/><b>Article 2a</b></p>  |  |  |   |
| <p style="text-align: center;"><i>‘Article 2a</i><br/><b>2030 climate target</b></p> <p><b>1.</b> In order to reach the climate-neutrality objective set out in Article 2(1), the binding Union 2030 climate target shall be a reduction of net greenhouse gas</p> | <p style="text-align: center;"><i>Article 2a</i><br/><b>2030 climate target</b></p> <p><b>1.</b> <i>The Union’s</i> 2030 target <i>for climate</i> shall be <i>an emissions</i> reduction of <b>60</b> % compared to 1990.</p>   |  | <p><i>In the Council’s pGA, the content of Art. 2a (1) and (2) of the COM amending proposal are inserted in square brackets in Art. 3(1) and first subparagraph of Art. 3(2).</i></p> |

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| emissions (emissions after deduction of removals) by at least 55% compared to 1990 levels by 2030.  |  |  |          |
| 2. By 30 June 2021, the Commission shall review relevant Union legislation in order to enable the achievement of the target set out in paragraph 1 of this Article and the climate-neutrality objective set out in Article 2(1) and consider taking the necessary measures, including the adoption of legislative proposals, in accordance with the Treaties.”; | 2. By 30 June 2021, the Commission shall <i>assess how all of the Union legislation relevant for the fulfilment of the Union’s 2030 target for climate and other relevant Union legislation promoting the circular economy and contributing to reduce greenhouse gas emissions would need to be amended</i> in order to enable the achievement of the <i>emission reductions</i> target <i>referred to</i> in paragraph 1 of this Article and <i>to achieve</i> the climate-neutrality-objective set out in Article 2(1), and <i>take</i> the necessary measures, including the adoption of legislative proposals, in accordance with the Treaties. <i>The Commission shall in particular evaluate the options for aligning emissions from all sectors, including aviation and maritime transport, with the 2030 target for climate and the 2050 climate-neutrality objective in</i> |  |          |

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|                     | <p><i>order to reduce these emissions to net zero by 2050 at the latest and shall present legislative proposals, where appropriate, to the European Parliament and to the Council. The Commission shall mobilise adequate resources for all investments necessary to reach the targets referred to in this paragraph.</i></p>  |  |          |
|                     | <p><i>2a. The Commission shall base its proposals referred to in paragraph 2 on a comprehensive impact assessment covering environmental, economic and social effects, reflecting the post-COVID-19 economic situation and paying special attention to the sectoral reduction and removal potentials, and the impact of Brexit on Union emissions. The Commission shall assess the cumulative impact of amending the Union legislation implementing the Union's 2030 target, as set out in paragraph 1, on different industry sectors.</i></p> |  |          |
|                     | <p><i>2b. When making its proposals referred to in paragraph 2 for the</i></p>   |  |          |

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|  | <p><i>revision of relevant 2030 climate and energy legislation, the Commission shall ensure a cost-efficient and fair balance between the ETS and the effort sharing sector, and between national targets in the effort sharing sector, and shall in any case not simply assume an additional effort for each Member State that corresponds to 15 % more ambition. The Commission shall assess the impacts of the introduction of more European measures that could complement existing measures, such as market-based measures that include a strong solidarity mechanism.</i></p> |  |          |
| <p><b>Amendment 76</b><br/><b>Article 2b (new)</b></p> |   |  |          |
|  | <p style="text-align: center;"><i>Article 2b</i></p> <p><i>Member State climate advisory bodies and European Climate Change Council</i></p> <p><i>1. By 30 June 2021, all Member States shall notify the Commission of their national</i></p>   |  |          |

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|                     | <p><i>independent climate advisory body, responsible for, but not limited to, providing scientific expert advice on national climate policy. If no such body exists, Member States shall be encouraged to establish such a body.</i></p> <p><i>To support the scientific independence and autonomy of the national independent climate advisory body, Member States shall be encouraged to take appropriate measures enabling the body to operate in a fully transparent manner with its findings being made publicly available and notify these measures to the Commission.</i></p> |  |          |
|                     | <p><i>2. By 30 June 2022, the Commission shall, in cooperation with these national climate advisory bodies, set up the European Climate Change Council (ECCC), as a permanent, independent, inter-disciplinary scientific advisory panel on climate change, which shall be</i></p>   |  |          |

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|                     | <p><i>guided by the latest scientific findings as expressed by the IPCC. The ECCC shall complement the work of the European Environment Agency (EEA), and the Union's existing research institutions and agencies. In order to avoid any duplication of work, the EEA shall serve as secretariat of the ECCC, while preserving the budgetary and administrative independence of the ECCC.</i></p> |  |          |
|                     | <p><i>3. Members of the ECCC shall serve for a term of five years, renewable once. The ECCC shall be composed of a scientific committee of maximum of 15 senior experts ensuring a full range of expertise required for the activities listed in paragraph 4. The scientific committee shall be independently responsible for drawing up the scientific advice of the ECCC.</i></p>               |  |          |

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|                     | <p><b>4. <i>The activities of the scientific committee shall include:</i></b></p> <p><b><i>(a) assessing the consistency of existing and proposed Union trajectories, greenhouse gas budget and climate targets against the Union's and international climate commitments;</i></b></p> <p><b><i>(b) assessing the likelihood of staying within the Union greenhouse gas budget and achieving climate neutrality under existing and planned measures;</i></b></p> <p><b><i>(c) assessing the consistency of Union measures to reduce greenhouse gas emissions with the objectives set out in Article 2;</i></b></p> <p><b><i>(d) identifying actions and opportunities to reduce greenhouse gas emissions and increase the carbon sequestration potential; and</i></b></p> |  |          |



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|                     | <i>(e) identifying consequences of inaction or insufficient action.</i>  |  |          |
|                     | <i>5. In carrying out the activities referred to in paragraph 4, the ECCC shall ensure the proper consultation of the national independent climate advisory bodies.</i>  |  |          |
|                     | <p><i>6. A management board shall support the work of the scientific committee. The management board shall consist of one member from each national independent climate advisory body notified to the Commission as set out in paragraph 1, two representatives selected by the Commission, two representatives selected by the European Parliament, and the chair of the secretariat who shall be appointed by the EEA.</i></p> <p><i>The management board shall meet two times a year and is responsible for the set-up and monitoring of the activities of the ECCC. The European</i></p> |  |          |

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|                     | <p><i>Parliament and the Council shall appoint the management board by common accord, on the basis of a proposal by the Commission. The chair of the management board is elected among its members.</i></p> <p><i>The responsibilities of the management board are:</i></p> <p><i>(a) adoption of the annual work programme on a proposal by the scientific committee, and ensuring its consistency with the mandate of the ECCC;</i></p> <p><i>(b) appointment of the members of the scientific committee, ensuring the composition of the scientific committee provides the range of expertise required for the activities of the work programme;</i></p> <p><i>(c) approval of the ECCC's budget; and</i></p> <p><i>(d) coordination with national climate advisory bodies.</i></p> |  |          |

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|                     | <p><i>7. Members of the scientific committee shall be designated on a personal basis by the management board. The chair of the scientific committee is elected amongst its members. The scientific committee shall adopt by a two-thirds majority its rules for procedure which shall ensure its full scientific independence and autonomy.</i></p> <p><i>Candidates for membership of the scientific committee shall be identified through an open evaluation process. The professional experience of applicants for the scientific committee meeting the eligibility requirements set out in the call shall be subject to a comparative evaluation based on the following selection criteria:</i></p> <p><i>(a) scientific excellence;</i></p> <p><i>(b) experience in carrying out scientific assessments and/or providing scientific advice in the fields of expertise;</i></p> |  |          |

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|                     | <p><i>(c) broad expertise in the field of climate and environment sciences or other scientific fields relevant for the achievement of the Union's climate objectives;</i></p> <p><i>(d) experience in peer reviewing scientific work;</i></p> <p><i>(e) professional experience in an inter-disciplinary environment in an international context.</i></p> <p><i>The composition of the scientific committee shall ensure a balance of gender, disciplinary and sectoral expertise as well as regional distribution.</i></p> |  |          |
|                     | <p><i>8. The ECCC shall, on an annual basis, report its findings under paragraph 4 to the Commission, the European Parliament and the Council. Where necessary the ECCC shall make recommendations to the Commission to ensure the achievement of the objectives of this Regulation. The ECCC shall ensure that it follows a fully transparent process and that its</i></p>   |  |          |

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|  | <p><i>reports are made available to the public. The Commission shall consider the reports and any recommendations and issue a formal response to the ECCC three months after their reception, at the latest. The response to these reports and recommendations shall be made available to the public.</i></p>   |   |   |
| <b>Amendments 77, 123 and 145<br/>Article 3</b>  |   |   |   |
| <p style="text-align: center;"><i>Article 3</i></p> <p><b>Trajectory for achieving climate neutrality</b></p> <p>1. The Commission is empowered to adopt delegated acts in accordance with Article 9 to supplement this Regulation by setting out a trajectory at Union level to achieve the climate-neutrality objective set out in Article 2(1) until 2050. At the latest within six months after each global stocktake referred to in Article 14 of the Paris</p> | <p style="text-align: center;"><i>Article 3</i></p> <p><b>Trajectory for achieving climate neutrality</b></p> <p>1. <i>By 31 May 2023, the Commission shall assess the options for establishing an indicative trajectory at Union level to achieve the objective set out in Article 2(1) starting from the Union 2030 target for climate referred to in Article 2a(1) and taking into account the intermediate binding 2040 target for climate referred to in Article</i></p> | <p style="text-align: center;"><i>Article 3</i></p> <p style="text-align: center;"><u>Intermediate climate targets</u></p> <p>1. <u>[In order to reach the climate-neutrality objective set out in Article 2(1), the binding Union 2030 climate target shall be a reduction of net greenhouse gas emissions (emissions after deduction of removals) by at least 55% compared to 1990 levels by 2030.]</u></p> | <p><i>The Council position follows a different logic: provisions on a trajectory appear under Art. 7 (-1) and (-2) while Art. 3 refers to intermediate targets.</i></p> |

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| Agreement, the Commission shall review the trajectory.                                       | <i>2(2b) and shall make, if appropriate, a legislative proposal to this effect.</i>  |   |          |
|  | <i>1a. Once the trajectory referred to in paragraph 1 is established, the Commission shall review the trajectory no later than six months after each global stocktake referred to in Article 14 of the Paris Agreement, starting with the global stocktake in 2028. The Commission shall make a legislative proposal to adjust the trajectory where it considers such an adjustment appropriate as a result of the review.</i> |   |          |
| 2. The trajectory shall start from the Union's 2030 climate target set out in Article 2a(1). | <i>2. When making legislative proposals for setting a trajectory in accordance with paragraph 1, the Commission shall take into account the Union greenhouse gas budget setting out the total remaining quantity of greenhouse gas emissions as CO<sub>2</sub> equivalent that could be emitted until 2050 at the latest without putting at risk the Union's commitments under the Paris Agreement.</i>                        | <i>2. <u>By 30 June 2021, the Commission shall review relevant Union legislation in order to enable the achievement of the target set out in paragraph 1 of this Article and the climate-neutrality objective set out in Article 2(1) and consider taking the necessary measures, including the adoption of</u></i> |          |

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|                     |  | <p><u>legislative proposals, in accordance with the Treaties.]</u></p> <p><u>Within the framework of this and future reviews, the Commission shall assess in particular the availability under Union law of adequate instruments and incentives for mobilising the investments needed, and propose measures as necessary.</u></p>   |          |
|                     | <p><b>2a. The Commission shall set out the Union greenhouse gas budget in a report and shall submit this report to the Parliament and the Council by 31 December 2021. The Commission shall make that report and its underpinning methodology publicly available</b></p> | <p><u>2a. With a view to achieving the climate neutrality objective as set out in Article 2 (1), a Union-wide climate target for 2040 shall be set. To this end, at the latest within six months after the first global stocktake as referred to in Article 14 of the Paris Agreement, the Commission shall make a proposal, as appropriate, to amend this Regulation to include the Union’s 2040 climate target, taking into account the findings of the assessments referred to in Articles 5 and 6 and the outcomes of the global stocktake.</u></p> |          |

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| 3. When setting a trajectory in accordance with paragraph 1, the Commission shall consider the following: | 3. When <i>making legislative proposals for setting or adjusting the</i> trajectory in accordance with <i>paragraphs 1 and 1a respectively</i> , the Commission shall <i>take into account</i> the following <i>criteria</i> : | 3. When <u>proposing the Union's climate target for 2040</u> in accordance with paragraph <u>2a</u> , the Commission shall consider the following: |          |
|   | <i>(-a) the best available and most recent scientific evidence, including the latest reports of the IPCC, IPBES, ECCC and, where possible, Member State independent climate advisory bodies;</i>                               |  |          |
|   | <i>(-aa) the social, economic and environmental costs of inaction or insufficient action;</i>  |  |          |
|   | <i>(-ab) the need to ensure a just and socially fair transition for all;</i>   |  |          |
| (a) cost-effectiveness and economic efficiency;   |  | (a) cost-effectiveness and economic efficiency;  |          |
| (b) competitiveness of the Union's economy;   | (b) competitiveness of the Union's economy, <i>in particular</i>   | (b) competitiveness of the Union's economy;  |          |



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|   | <i>SMEs and sectors most exposed to carbon leakage;</i>  |   |          |
|   | <i>(ba) the carbon footprint of end products and consumption in the Union;</i>   |   |          |
| (c) best available technology;                                      | (c) best available, <i>cost effective, safe and scalable technologies, respecting the concept of technological neutrality and avoiding possible lock in effects;</i> | (c) best available technology;                                      |          |
| (d) energy efficiency, energy affordability and security of supply; | (d) energy efficiency <i>and the energy efficiency first principle</i> , energy affordability, <i>reduction of energy poverty</i> and security of supply;            | (d) energy efficiency, energy affordability and security of supply; |          |
|   | <i>(da) the need to phase out fossil fuels and ensure their substitution by sustainably produced renewable energy, materials and products;</i>                       |   |          |
| (e) fairness and solidarity between and within Member States;       | (e) fairness and solidarity between and within Member States <i>and regions;</i>   | (e) fairness and solidarity between and within Member States;       |          |

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| (f) the need to ensure environmental effectiveness and progression over time;  | (f) the need to ensure environmental effectiveness and progression over time;  | (f) the need to ensure environmental effectiveness and progression over time;  |          |
|  | <i>(fa) the need to ensure environmental sustainability, including the need to tackle the biodiversity crisis while restoring degraded ecosystems and prevent irreversible damage to ecosystems to achieve the Union biodiversity targets;</i> |  |          |
|  | <i>(fb) ensuring stable, long lasting and climate effective natural sinks over time;</i>   |  |          |
| (g) investment needs and opportunities;  | (g) investment needs and opportunities <i>for innovation consistent with Regulation (EU) 2020/... [Taxonomy Regulation] while taking into account the risk of stranded assets.</i>   | (g) investment needs and opportunities;  |          |
| (h) the need to ensure a just and socially fair transition;                    |  | (h) the need to ensure a just and socially fair transition;                    |          |
| (i) international developments and efforts undertaken to achieve the long-term |  | (i) international developments and efforts undertaken to achieve the long-term |          |

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| objectives of the Paris Agreement and the ultimate objective of the United Nations Framework Convention on Climate Change; |   | objectives of the Paris Agreement and the ultimate objective of the United Nations Framework Convention on Climate Change;  |          |
| (j) the best available and most recent scientific evidence, including the latest reports of the IPCC.                      |   | (j) the best available and most recent scientific evidence, including the latest reports of the IPCC.   |          |
|  | <i>3a. By ... [1 year after the entry into force of this Regulation] the Commission shall issue, following an in-depth dialogue with all relevant stakeholders within a relevant sector, a sectorial decarbonisation roadmap towards climate neutrality by 2050 at the latest for the sector concerned.</i> |   |          |
| <b>Article 3 paragraph 5 (new)</b>   |   |   |          |
|  |   | <u>5. Within six months after the second global stocktake, the Commission may propose to revise the Union's climate target for 2040 in accordance with Article 9a of this Regulation.</u> |          |

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| <b>Article 3 paragraph 6 (new)</b> |   |  |          |
|                                    |   | <p>6. <u>The provisions of this Article shall be kept under review in the light of international developments and efforts undertaken to achieve the long-term objectives of the Paris Agreement, including with regard to the outcomes of international discussions on common time frames for nationally determined contributions.</u></p> |          |

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| <b>Amendments 78 and 146<br/>Article 4</b>   |   |  |          |
| <i>Article 4</i><br><b>Adaptation to climate change</b>  | <i>Article 4</i><br><b>Adaptation to climate change</b>   | <i>Article 4</i><br><b>Adaptation to climate change</b>  |          |
|  | <i>-1a. By 31 January 2021 and every 5 years thereafter, the Commission shall adopt an updated EU Strategy on adaptation to climate change. The updated EU Strategy shall aim to ensure that adaptation policies are prioritised, integrated and implemented in a consistent way across Union policies, international commitments, trade agreements and international partnerships.</i> |  |          |
| 1. The relevant Union institutions and the Member States shall ensure continuous progress in enhancing adaptive capacity, strengthening resilience and reducing vulnerability to climate change in accordance with Article 7 of the Paris Agreement. | 1. The relevant Union institutions and the Member States <i>shall endeavour to meet national and Union objectives for climate adaptation as set out in the EU Strategy on adaptation to climate change, and</i> shall ensure continuous progress in enhancing adaptive capacity, strengthening  | 1. The relevant Union institutions and the Member States shall ensure continuous progress in enhancing adaptive capacity, strengthening resilience and reducing vulnerability to climate change in accordance with Article 7 of the Paris Agreement. |          |

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|                                     | <p>resilience and reducing vulnerability to climate change, <i>including for both marine and terrestrial ecosystems</i>, in accordance with Article 7 of the Paris Agreement, <i>and integrate adaptation into relevant socioeconomic and environmental policies and actions. They shall focus, in particular, on the most vulnerable and impacted populations and economic sectors, identify shortcomings in this regard in consultation with civil society, and implement remedies.</i></p> |  |          |
| <b>Article 4 paragraph 1a (new)</b> |   |  |          |
|                                     |   | <p>1a. <u>The relevant Union institutions and the Member States shall also ensure that policies on adaptation in the Union and in the Member States are mutually supportive, provide co-benefits for sectoral policies, and work towards better integration of adaptation to climate change into all policy areas.</u></p> |          |

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| <p>2. Member States shall develop and implement adaptation strategies and plans that include comprehensive risk management frameworks, based on robust climate and vulnerability baselines and progress assessments.</p> | <p>2. <i>By 31 December 2021 and every 5 years thereafter</i>, Member States shall <b>adopt</b> and implement adaptation strategies and plans <b>at national and regional level</b> that include comprehensive <b>local</b> risk management frameworks, <b>taking into account local needs and specificities</b>, based on robust climate and vulnerability baselines <b>and indicators</b>, and progress assessments, <b>guided by the best available and up-to-date scientific evidence. Those strategies and plans shall include measures in line with the national and Union objectives on climate adaptation. In particular, those strategies shall take into consideration vulnerable and impacted groups, communities and ecosystems, and shall include measures for the management, restoration and protection of marine and terrestrial ecosystems to enhance their resilience. In their strategies, Member States shall take into account the particular vulnerability of agriculture and food systems, food</b></p> | <p>2. Member States shall develop and implement adaptation strategies and plans [...], based on robust climate and vulnerability baselines and progress assessments.</p> |          |

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|                     | <i>security, and promote nature-based solutions and ecosystem-based adaptation.</i>  |  |          |
|                     | <i>2a. The Commission shall ask beneficiaries of Union financial instruments, including projects supported by the European Investment Bank, to carry out a climate adaptation stress test for projects that are deemed particularly vulnerable to climate change impacts. By ... [six months after entry into force of this Regulation] the Commission shall adopt delegated acts to supplement this Regulation which set out the detailed criteria for the stress test, including the list of the sectors, projects and regions concerned, and the turnover threshold of the beneficiaries, while ensuring no excessive administrative burden. The Commission shall provide guidance to beneficiaries, based on the EU Strategy on adaptation to climate change and on data from the European Environment Agency on how to align an</i> |  |          |



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|   | <i>investment project with climate adaptation requirements.</i>   |  |          |
| <b>Amendment 161<br/>Article 4a (new)</b> |   |  |          |
|   | <i>Article 4a</i><br><br><i>Consistency of finance flows with a pathway towards a climate-neutral and resilient society</i><br><br><i>1. The relevant Union institutions and Member States shall ensure continuous progress on making public and private finance flows consistent with a pathway towards a climate-neutral and resilient society in accordance with point c of Article 2(1) of the Paris Agreement, taking account of the Union climate objectives set out in Article 2 of this Regulation.</i> |  |          |
|   | <i>2. By 1 June 2021 and in regular intervals thereafter the Commission shall, as part of the assessments referred to in Article 5, present a report to the European Parliament and the Council assessing how all relevant Union</i>  |  |          |

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|                     | <p><i>legislation, including the multiannual financial frameworks of the Union and all specific regulations relating to funds and instruments under the Union budget, would need to be amended, to include binding and enforceable provisions, to ensure the consistency of public and private finance flows with the Union climate objectives set out in Article 2 of this Regulation. That assessment shall be accompanied by legislative proposals, where appropriate.</i></p> |  |          |
|                     | <p><i>3. The Commission shall disclose annually which part of the Union's expenditure complies with the taxonomy categories as set out in Regulation (EU) 2020/... [Taxonomy Regulation].</i></p>   |  |          |
|                     | <p><i>4. In light of reaching the Union climate objectives set out in Article 2, the Union institutions and all Member States shall phase out all direct and indirect fossil fuel subsidies, and mobilise sustainable</i></p>   |  |          |

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|   | <i>investment accordingly. The phasing out of these subsidies shall not impact on efforts to combat energy poverty .</i>  |  |          |
| <b>Amendment 80<br/>Article 5</b>   |   |  |          |
| <p style="text-align: center;"><i>Article 5</i></p> <p style="text-align: center;"><b>Assessment of Union progress and measures</b></p> <p>1. By 30 September 2023, and every 5 years thereafter, the Commission shall assess, together with the assessment foreseen under Article 29(5) of Regulation (EU) 2018/1999:</p> <p>(a) the collective progress made by all Member States towards the achievement of the climate-neutrality objective set out in Article 2(1) as expressed by the trajectory referred to in Article 3(1);</p> | <p style="text-align: center;"><i>Article 5</i></p> <p style="text-align: center;"><b>Assessment of Union progress and measures</b></p> <p>1. By 30 September 2023, and every 2 years thereafter, the Commission shall assess, together with the assessment foreseen under Article 29(5) of Regulation (EU) 2018/1999:</p> <p>(a) <i>the progress made by each Member State and</i> the collective progress made by all Member States towards the achievement of the <i>Union climate objectives</i> set out in Article 2 as expressed by the trajectory <i>to be established as</i> referred to in Article 3(1); <i>where the trajectory is not available, the assessment shall be made on the basis of the criteria</i></p> | <p style="text-align: center;"><i>Article 5</i></p> <p style="text-align: center;"><b>Assessment of Union progress and measures</b></p> <p>1. By 30 September 2023, and every 5 years thereafter, the Commission shall assess, together with the assessment foreseen under Article 29(5) of Regulation (EU) 2018/1999:</p> <p>(a) the collective progress made by all Member States towards the achievement of the climate-neutrality objective set out in Article 2(1) [...];</p> |          |

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| <p>(b) the collective progress made by all Member States on adaptation as referred to in Article 4.</p> <p>The Commission shall submit the conclusions of that assessment, together with the State of the Energy Union Report prepared in the respective calendar year in accordance with Article 35 of Regulation (EU) 2018/1999, to the European Parliament and to the Council.</p> | <p><i>set out in Article 3(3) and the 2030 climate target;</i></p> <p>(b) <i>the progress made by each Member State and</i> the collective progress made by all Member States on adaptation as referred to in Article 4.</p> <p>The Commission shall submit <i>those assessments and their</i> conclusions, together with the State of the Energy Union Report prepared in the respective calendar year in accordance with Article 35 of Regulation (EU) 2018/1999, to the European Parliament and to the Council, <i>and shall make them publicly available.</i></p> | <p>(b) the collective progress made by all Member States on adaptation as referred to in Article 4.</p> <p>The Commission shall submit the conclusions of that assessment, together with the State of the Energy Union Report prepared in the respective calendar year in accordance with Article 35 of Regulation (EU) 2018/1999, to the European Parliament and to the Council.</p> |          |
| <p>2. By 30 September 2023, and every 5 years thereafter, the Commission shall review:</p> <p>(a) the consistency of Union measures with the climate-neutrality objective set out in Article 2(1) as expressed by the</p>   | <p>2. By 30 September 2023, and every 2 years thereafter, the Commission shall review:</p> <p>(a) the consistency of Union measures <i>and policies, including sectoral legislation, the Union's external action and the Union's budget</i>, with the <i>Union climate</i></p>  | <p>2. By 30 September 2023, and every 5 years thereafter, the Commission shall review:</p> <p>(a) the consistency of Union measures with the climate-neutrality objective set out in Article 2(1)[...];</p>   |          |

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| <p>trajectory referred to in Article 3(1);</p> <p>(b) the adequacy of Union measures to ensure progress on adaptation as referred to in Article 4.</p>  | <p><i>objectives</i> set out in Article 2 as expressed by the trajectory <i>to be established as</i> referred to in Article 3(1); <i>where the trajectory is not available, the assessment shall be made on the basis of the criteria set out in Article 3(3) and the 2030 climate target;</i></p> <p>(b) the adequacy of Union measures <i>and policies, including sectoral legislation, the Union's external action and the Union's budget</i>, to ensure progress on adaptation as referred to in Article 4.</p> | <p>(b) the <u>consistency</u> of Union measures <u>with ensuring</u> progress on adaptation as referred to in Article 4.</p>   |          |
| <p>3. Where, based on the assessment referred to in paragraphs 1 and 2, the Commission finds that Union measures are inconsistent with the climate-neutrality objective set out in Article 2(1) or inadequate to ensure progress on adaptation as referred to in Article 4, or that the progress towards either the climate-neutrality objective or on adaptation as referred to in</p> | <p>3. Where, based on the assessment referred to in paragraphs 1 and 2, the Commission finds that Union measures <i>and policies</i> are inconsistent with the <i>Union climate objectives</i> set out in Article 2 or inadequate to ensure progress on adaptation as referred to in Article 4, or that the progress towards either <i>the Union climate objectives set out in Article 2</i> or on adaptation as referred to in Article 4 is</p>  | <p>3. Where, based on the assessment referred to in paragraphs 1 and 2, the Commission finds that Union measures are inconsistent with the climate-neutrality objective set out in Article 2(1) or <u>inconsistent with ensuring</u> progress on adaptation as referred to in Article 4, or that the progress towards either the climate-neutrality objective or on adaptation as referred to in</p> |          |

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| <p>Article 4 is insufficient, it shall take the necessary measures in accordance with the Treaties, at the same time as the review of the trajectory referred to in Article 3(1).</p>  | <p>insufficient, it shall <i>as soon as possible</i> take the necessary measures in accordance with the Treaties <i>for remedying this inconsistency, or at the latest</i> at the same time as the review of the trajectory referred to in Article 3(1a).</p>  | <p>Article 4 is insufficient, it shall take the necessary measures in accordance with the Treaties [...].</p>  |          |
| <p>4. The Commission shall assess any draft measure or legislative proposal in light of the climate-neutrality objective set out in Article 2(1) as expressed by the trajectory referred to in Article 3(1) before adoption, and include this analysis in any impact assessment accompanying these measures or proposals, and make the result of that assessment public at the time of adoption.</p> | <p>4. The Commission shall assess <i>the consistency of</i> any draft measure, <i>including but not limited to any legislative and budgetary proposal, with the Union climate objectives</i> set out in Article 2 <i>and align the draft measure with these objectives</i> before adoption. <i>That analysis shall be included</i> in any impact assessment accompanying these measures or proposals. <i>Once the trajectory referred to in Article 3(1) and the greenhouse gas budget referred to in Article 3(2a) are established, they shall underpin the assessment. The Commission shall</i> make that assessment <i>and its results directly accessible to the public as soon as the assessment is finalised and, in</i></p> | <p>4. The Commission shall assess any draft measure or legislative proposal in light of the climate-neutrality objective set out in Article 2(1) [...] before adoption, and include this analysis in any impact assessment accompanying these measures or proposals, and make the result of that assessment public at the time of adoption. <u>The Commission shall also assess whether that draft measure or legislative proposal is consistent with ensuring progress on adaptation as referred to in Article 4.</u></p> |          |

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|   | <p><i>any event, before adoption of the associated measure or proposal.</i></p> <p><i>4a. The Commission shall use the assessment referred to in paragraph 4 to promote the exchange of best practices and to identify actions to contribute to the achievement of the objectives of this Regulation.</i></p>   |  |          |
| <b>Amendment 81</b><br><b>Article 6</b>   |   |  |          |
| <p style="text-align: center;"><i>Article 6</i></p> <p><b>Assessment of national measures</b></p> <p>1. By 30 September 2023, and every 5 years, thereafter the Commission shall assess:</p> <p>(a) the consistency of national measures identified, on the basis of the National Energy and Climate Plans or the Biennial Progress Reports submitted in accordance with Regulation (EU) 2018/1999, as relevant for the achievement of the climate-neutrality objective set out in Article 2(1) with that objective</p> | <p style="text-align: center;"><i>Article 6</i></p> <p><b>Assessment of national measures</b></p> <p>1. By 30 September 2023, and every 2 years, thereafter, the Commission shall assess:</p> <p>(a) the consistency of national measures identified, on the basis of the National Energy and Climate Plans, <i>national long-term strategies</i> or Progress Reports submitted in accordance with Regulation (EU) 2018/1999, as relevant for the achievement of the <i>Union climate objectives</i> set out in Article 2 with <i>these objectives</i> as</p> | <p style="text-align: center;"><i>Article 6</i></p> <p><b>Assessment of national measures</b></p> <p>1. By 30 September 2023, and every 5 years, thereafter the Commission shall assess:</p> <p>(a) the consistency of national measures identified, on the basis of the National Energy and Climate Plans or the Biennial Progress Reports submitted in accordance with Regulation (EU) 2018/1999, as relevant for the achievement of the climate-neutrality objective set out in Article 2(1) with that objective [...];</p> |          |

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| <p>as expressed by the trajectory referred to in Article 3(1);</p> <p>(b) the adequacy of relevant national measures to ensure progress on adaptation as referred to in Article 4.</p> <p>The Commission shall submit the conclusions of that assessment, together with the State of the Energy Union Report prepared in the respective calendar year in accordance with Article 35 of Regulation (EU) 2018/1999, to the European Parliament and to the Council.</p> | <p>expressed by the trajectory <i>to be established as</i> referred to in Article 3(1); <i>where the trajectory is not available, the assessment shall be made on the basis of the criteria set out in Article 3(3) and the 2030 climate target;</i></p> <p>(b) the adequacy <i>and effectiveness</i> of relevant national measures to ensure progress on adaptation as referred to in Article 4.</p> <p>The Commission shall submit <i>those assessments and their</i> conclusions, together with the State of the Energy Union Report prepared in the respective calendar year in accordance with Article 35 of Regulation (EU) 2018/1999, to the European Parliament and to the Council, <i>and shall make them publicly available.</i></p> | <p>(b) the <u>consistency</u> of relevant national measures <u>with ensuring</u> progress on adaptation as referred to in Article 4, <u>taking into account the national adaptation strategies referred to in Article 4(2).</u></p> <p>The Commission shall submit the conclusions of that assessment, together with the State of the Energy Union Report prepared in the respective calendar year in accordance with Article 35 of Regulation (EU) 2018/1999, to the European Parliament and to the Council.</p> |          |
| <p>2. Where the Commission finds, under due consideration of the collective progress assessed in accordance with Article 5(1), that a Member State's measures</p>  | <p>2. Where the Commission finds, under due consideration of the <i>progress made by each Member State and the</i> collective progress assessed in accordance with Article</p>   | <p>2. Where the Commission finds, under due consideration of the collective progress assessed in accordance with Article 5(1), that a Member State's measures are</p>   |          |



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| <p>are inconsistent with that objective as expressed by the trajectory referred to in Article 3(1) or inadequate to ensure progress on adaptation as referred to in Article 4, it may issue recommendations to that Member State. The Commission shall make such recommendations publicly available.</p> | <p>5(1), that a Member State's measures are inconsistent with <i>the Union climate objectives</i>, as expressed by the trajectory referred to in Article 3(1) <i>once the trajectory is established</i>, or inadequate to ensure progress on adaptation as referred to in Article 4, it <i>shall</i> issue recommendations to that Member State. The Commission shall make such recommendations publicly available.</p> | <p>inconsistent with that objective [...] or <u>inconsistent with ensuring</u> progress on adaptation as referred to in Article 4, it may issue recommendations to that Member State. The Commission shall make such recommendations publicly available.</p> |          |
|  | <p><i>2b. The Commission shall include in the recommendation referred to in paragraph 2 of this Article proposals to ensure progress on adaptation as referred to in Article 4. Those proposals may include, as appropriate, potential additional technical, innovation- or know-how related, financial, or other necessary support.</i></p>  |  |          |
| <p>3. Where a recommendation is issued in accordance with paragraph 2, the following principles shall apply:</p>   | <p>3. Where a recommendation is issued in accordance with paragraph 2, the following principles shall apply:</p>  | <p>3. Where a recommendation is issued in accordance with paragraph 2, the following principles shall apply:</p>   |          |

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| <p>(a) the Member State concerned shall take due account of the recommendation in a spirit of solidarity between Member States and the Union and between Member States;</p> <p>(b) the Member State concerned shall set out, in its first progress report submitted in accordance with Article 17 of Regulation (EU) 2018/1999, in the year following the year in which the recommendation was issued, how it has taken due account of the recommendation. If the Member State concerned decides not to address a recommendation or a substantial part thereof, that Member State shall provide the Commission its reasoning;</p> <p>(c) the recommendations should be complementary to the latest</p> | <p>(a) the Member State concerned shall, <i>within six months of receipt of the recommendation, notify the Commission of the measures it intends to adopt in order to</i> take due account of the recommendation, in a spirit of solidarity between Member States and the Union and between Member States, <i>and pursuant to the principle of sincere cooperation;</i></p> <p>(b) the Member State concerned shall set out, <i>within 18 months of receipt of the recommendation</i> how it has taken due account of the recommendation <i>and the measures it has adopted in response; this information shall be included in the progress report submitted in that year in accordance with Article 17 of Regulation EU 2018/1999;</i></p> <p>(c) the recommendations should be complementary to the latest country-specific recommendations</p> | <p>(a) the Member State concerned shall take due account of the recommendation in a spirit of solidarity between Member States and the Union and between Member States;</p> <p>(b) the Member State concerned shall set out, in its first progress report submitted in accordance with Article 17 of Regulation (EU) 2018/1999, in the year following the year in which the recommendation was issued, how it has taken due account of the recommendation. If the Member State concerned decides not to address a recommendation or a substantial part thereof, that Member State shall provide the Commission its reasoning;</p> <p>(c) the recommendations should be complementary to the latest</p> |          |

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| country-specific recommendations issued in the context of the European Semester. | issued in the context of the European Semester.  | country-specific recommendations issued in the context of the European Semester.  |          |
|  | <p><i>3a. Within three months of submission of the progress report referred to in point (b) of paragraph 3, the Commission shall assess whether the measures adopted by the Member State concerned adequately address the issues raised in the recommendation. That assessment and its results shall be made public at the time of its adoption.</i></p> |   |          |
| <b>Article 7 paragraph -2 (new)</b>  |  |   |          |
|  |  | <p style="text-align: center;"><i>Article 7</i></p> <p style="text-align: center;"><b>Common provisions on Commission assessment</b></p> <p><u>-2. The Commission shall base its first and second assessment referred to in Articles 5 and 6 on an indicative, linear trajectory which sets out the pathway for the reduction of net emissions at Union level linking the Union's 2030 target for climate as referred to in Article 3(1), the Union's climate</u></p> |          |

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|   |   | <p><u>target for 2040, when adopted, and the climate-neutrality-objective as set out in Article 2(1).</u></p> <p><i>[The trajectory shall start from the Union’s 2030 climate target set out in Article 2a(1).]</i></p>               |   |
| <b>Article 7 paragraph -1 (new)</b>   |   |   |   |
|   |   | <p><u>-1. The Commission shall base any assessment thereafter on an indicative, linear trajectory linking the Union’s climate target for 2040, when adopted, and the climate-neutrality objective as set out in Article 2(1).</u></p> |   |
| <b>Amendment 82<br/>Article 7</b>   |   |   |   |
| <p style="text-align: center;"><i>Article 7</i></p> <p style="text-align: center;"><b>Common provisions on Commission assessment</b></p> <p>1. In addition to the national measures referred to in Article 6(1)(a), the Commission shall base its assessment referred to in Articles 5 and 6 on at least the following:</p> | <p style="text-align: center;"><i>Article 7</i></p> <p style="text-align: center;"><b>Common provisions on Commission assessment</b></p> <p>1. In addition to the national measures referred to in Article 6(1)(a), the Commission shall base its assessment referred to in Articles 5 and 6 on at least the following:</p> | <p>1. In addition to the national measures referred to in Article 6(1)(a), the Commission shall base its assessment referred to in Articles 5 and 6 on at least the following:</p>  | <p>In general, there are broad similarities between EP and Council positions.</p> <p>Council: “reported and projected” are the most appropriate. More information needed on “estimates on the costs of inaction or delayed action” from EP position. Who will carry out this assessment? Consider it better to highlight IPCC and</p> |

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| <p>(a) information submitted and reported under Regulation (EU) 2018/1999;</p> <p>(b) reports of the European Environment Agency (EEA);</p> <p>(c) European statistics and data, including data on losses from adverse climate impacts, where available; and</p> <p>(d) best available scientific evidence, including the latest reports of the IPCC; and</p> <p>(e) any supplementary information on environmentally sustainable investment, by the Union and Member States, including, when available, investment consistent with</p> | <p>(a) information submitted and reported under Regulation (EU) 2018/1999;</p> <p>(b) reports of the European Environment Agency (EEA) <i>and the Joint Research Centre (JRC)</i>;</p> <p>(c) European <i>and global</i> statistics and data, including data on <i>observed and projected</i> losses from adverse climate impacts <i>and estimates on the costs of inaction or delayed action</i>, where available; and</p> <p>(d) best available <i>and up-to-date</i> scientific evidence, including the latest reports of the IPCC, <i>UNEP, IPBES, ECCC and, where possible, Member States national independent climate advisory bodies</i>; and</p> <p>(e) any supplementary information on environmentally sustainable investment, by the Union and Member States, including, when available, investment consistent with</p> | <p>(a) information submitted and reported under Regulation (EU) 2018/1999;</p> <p>(b) reports of the European Environment Agency (EEA) <u>and the Commission’s Joint Research Centre (JRC)</u>;</p> <p>(c) European statistics and data, including <u>those from the European Earth observation programme Copernicus and data on reported and projected</u> losses from adverse climate impacts, where available; and</p> <p>(d) best available scientific evidence, including the latest reports of the IPCC, <u>the IPBES and other international organisations</u>; and</p> <p>(e) any supplementary information on environmentally sustainable investment, by the Union and Member States, including, when available, investment consistent with</p> | <p>IPBES and just group the others. Meaning of “Member States national independent climate advisory bodies”? what is meant by this?</p> <p>EC: Commission’s Joint Research Centre (JRC) might be most correct. “Global” may not be the best word but international situation will be taken into account. Will check on “reported and projected”. Agree with idea behind cost of inaction, so should be ok to add it. Addition of up to date is also ok. Broaden list of organisations should be ok.</p> <p>EP: “global” could be changed to “international”. Link between “Member States national independent climate advisory bodies” and ECCC discussion.</p> <p>Council: does “best available” already include “up to date” information?</p> |

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| Regulation (EU) 2020/...<br>[Taxonomy Regulation].   | Regulation (EU) 2020/...<br>[Taxonomy Regulation].  | Regulation (EU) 2020/852<br>[Taxonomy Regulation].   |          |
| 2. The EEA shall assist the Commission in the preparation of the assessment referred to in Articles 5 and 6, in accordance with its annual work programme.   | 2. The EEA shall assist the Commission in the preparation of the assessment referred to in Articles 5 and 6, in accordance with its annual work programme.  | 2. The EEA shall assist the Commission in the preparation of the assessment referred to in Articles 5 and 6, in accordance with its annual work programme.   |          |
| <b>Amendment 83</b><br><b>Article 8</b>  |   |  |          |
| <p style="text-align: center;"><i>Article 8</i></p> <p style="text-align: center;"><b>Public participation</b></p> <p>The Commission shall engage with all parts of society to enable and empower them to take action towards a climate-neutral and climate-resilient society. The Commission shall facilitate an inclusive and accessible process at all levels, including at national, regional and local level and with social partners, citizens and civil society, for the exchange of best practice and to identify actions to contribute to the achievement of the objectives of this Regulation. In addition, the Commission may also draw on the multilevel climate and</p> | <p style="text-align: center;"><i>Article 8</i></p> <p style="text-align: center;">Public participation <i>and transparency</i></p> <p><b>1.</b> The Commission <i>and Member States</i> shall engage with all parts of society, <i>including local and regional governments</i>, to enable and empower them to take action towards a <i>socially just</i>, climate-neutral and climate-resilient society, <i>including through the European Climate Pact set out in paragraph 2</i>. The Commission <i>and Member States</i> shall facilitate an inclusive, accessible <i>and transparent</i> process at all levels, including at national, regional and local level and with social partners,</p> | <p style="text-align: center;"><i>Article 8</i></p> <p style="text-align: center;"><b>Public participation</b></p> <p>The Commission shall engage with all parts of society to enable and empower them to take action towards a <u>just and socially fair transition to a climate-neutral and climate-resilient society</u>. The Commission shall facilitate an inclusive and accessible process at all levels, including at national, regional and local level and with social partners, <u>the business community</u>, citizens and civil society, for the exchange of best practice and to identify actions to contribute to the achievement of the objectives of this Regulation. In</p> |          |

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| energy dialogues as set up by Member States in accordance with Article 11 of Regulation (EU) 2018/1999. | <i>academia</i> , citizens and civil society, for the exchange of best practice and to identify actions to contribute to the achievement of the objectives of this Regulation. In addition, the Commission may also draw on the multilevel climate and energy dialogues as set up by Member States in accordance with Article 11 of Regulation (EU) 2018/1999.                                | addition, the Commission may also draw on the multilevel climate and energy dialogues as set up by Member States in accordance with Article 11 of Regulation (EU) 2018/1999. |          |
|   | <b>2. The Commission shall establish a European Climate Pact with the purpose of engaging citizens, social partners and stakeholders in the elaboration of Union-level climate policies and fostering dialogue and the diffusion of science-based information about climate change and its social and gender equality aspects, as well as sharing best practices for climate initiatives.</b> |  |          |
|   | <b>3. Member States shall ensure, when taking measures to achieve the climate-neutrality objective set out in Article 2(1),</b>   |  |          |

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|   | <i>that citizens, civil society and social partners are informed and consulted throughout the legislative process. In that regard, Member States shall operate in a transparent manner.</i> |  |          |
| <b>Amendment 143<br/>Article 8a (new)</b> |   |  |          |
|   | <i>Article 8a</i><br><br><i>The Union shall end protection of investments in fossil fuels in the context of the modernisation of the Energy Charter Treaty.</i>                             |  |          |



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| <b>Amendments 84 and 175/rev<br/>Article 9</b>  |   |  |          |
| <p style="text-align: center;"><i>Article 9</i></p> <p><b>Exercise of the delegation</b></p> <p>1. The power to adopt delegated acts referred to in Article 3(1) is conferred on the Commission subject to the conditions laid down in this Article.</p>  | <i>deleted</i>  | <i>(Article deleted)</i>   |          |
| <p>2. The power to adopt delegated acts referred to in Article 3(1) shall be conferred on the Commission for an indeterminate period of time from ...[OP: date of entry into force of this Regulation].</p>   |   |  |          |
| <p>3. The delegation of power referred to in Article 3(1) may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in</p> |   |  |          |

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| the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.  |   |  |          |
| 4. Before adopting a delegated act, the Commission shall consult experts designated by each Member State in accordance with the principles laid down in the Interinstitutional Agreement of 13 April 2016 on Better Law-Making.  |   |  |          |
| 5. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.  |   |  |          |
| 6. A delegated act adopted pursuant to Article 3 shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of two months of notification of that act to the European Parliament and to the Council or if, before the expiry of |   |  |          |

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| that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council. |  |  |          |
| <b>Amendment 85<br/>Article 9a (new)</b>  |  |  |          |
|   | <p><i>Article 9a</i></p> <p><b>Review</b></p> <p><i>The Commission shall, six months after each global stocktake as referred to in Article 14 of the Paris Agreement, conduct a review of all elements of this Regulation, in the light of the best available and most recent scientific evidence, including the latest findings and recommendations of the IPCC and of the ECCC, international developments and efforts to limit the increase in temperature to 1,5 °C, and submit a report to the European Parliament and the Council,</i></p> | <p><u>Article 9a</u></p> <p><b>Review</b></p> <p><u>Within six months after each global stocktake under the Paris Agreement, the Commission shall submit a report to the European Parliament and to the Council, together with the conclusions of the assessments referred to in Articles 5 and 6, on the operation of this Regulation, taking into account the need to ensure progress towards the achievement of the climate-neutrality objective as referred to in Article 2(1) and to ensure consistency with progress on adaptation as referred to in Article</u></p> |          |

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|   | <i>accompanied, if appropriate, by legislative proposals.</i>   | 4. <u>The Commission may make proposals to the European Parliament and to the Council to amend this Regulation where appropriate.</u> |          |
| <b>Amendment 86</b><br><b>Article 10 – paragraph 1 – point 1</b><br>Regulation (EU) 2018/1999<br>Article 1 – paragraph 1 – point a  |   |   |          |
| <p style="text-align: center;"><i>Article 10</i></p> <p><b>Amendments to Regulation (EU) 2018/1999</b></p> <p>Regulation (EU) 2018/1999 is amended as follows:</p> <p>(1) in Article 1(1), point (a) is replaced by the following:</p> <p>‘(a) implement strategies and measures designed to meet the Union’s climate-neutrality objective as set out in Article 2 of Regulation .../... [Climate Law], the objectives and targets of the Energy Union, and for the first ten-year period, from 2021 to 2030, in particular the</p> | <p>(a) implement strategies and measures designed to meet the <b><i>objectives and targets of the Energy Union and the long-term Union greenhouse gas emissions commitments consistent with the Paris Agreement, in particular the Union climate objectives</i></b> as set out in Article 2 of Regulation .../...</p> |   |          |

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| Union's 2030 targets for energy and climate;';   | [Climate Law], and for the first ten-year period, from 2021 to 2030, in particular the Union's 2030 targets for energy and climate;  |  |          |
| (2) in Article 2, point 7 is replaced by the following:<br>'(7) 'projections' means forecasts of anthropogenic greenhouse gas emissions by sources and removals by sinks or developments of the energy system, including at least quantitative estimates for a sequence of six future years ending with 0 or 5 immediately following the reporting year;'; |  |  |          |
| <b>Amendment 87</b><br><b>Article 10 – paragraph 1 – point 2 a (new)</b><br>Regulation (EU) 2018/1999<br>Article 2 – point 11  |  |  |          |
|  | <i>(2a) in Article 2, point 11 is replaced by the following:</i><br><br>'(11) 'the Union's 2030 targets for energy and climate' means the Union-wide binding target of domestic reduction in economy-wide greenhouse gas emissions to be achieved by 2030 <i>pursuant to</i> |  |          |

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|  | <p><i>Article 2(3) of Regulation (EU) .../... [Climate Law], the Union-level binding target for the share of renewable energy consumed in the Union in 2030 pursuant to Article 3(1) of Directive (EU) 2018/2001, the Union-level headline target for improving energy efficiency in 2030 pursuant to Article 1(1) of Directive 2012/27/EU, and the 15% electricity interconnection target for 2030;</i></p> |  |          |
| <p><b>Amendment 88</b><br/> <b>Article 10 – paragraph 1 – point 2 b (new)</b><br/> Regulation (EU) 2018/1999<br/> Article 2 – point 62 a (new)</p> |  |  |          |
|  | <p><i>(2b) in Article 2, the following point is added:</i></p> <p><i>‘(62a) ‘public concerned’ means the public affected or likely to be affected by, or having an interest in, the environmental decision-making procedures referred to in Chapters 2 and 3; for the purposes of this definition, non-governmental organisations promoting environmental</i></p>  |  |          |

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|  | <i>protection and meeting any requirements under national law shall be deemed to have an interest.'</i>  |  |          |
| <b>Amendment 89</b><br><b>Article 10 – paragraph 1 – point 3</b><br>Regulation (EU) 2018/1999<br>Article 3 – paragraph 2 – point f   |  |  |          |
| <p>(3) in Article 3(2), point (f) is replaced by the following:</p> <p>‘(f) an assessment of the impacts of the planned policies and measures to meet the objectives referred to in point (b) of this paragraph, including their consistency with Union’s climate-neutrality objective set out in Article 2 of Regulation .../... [Climate Law], the long-term greenhouse gas emission reduction objectives under the Paris Agreement and the long-term strategies as referred to in Article 15;’;</p> | <p>(f) an assessment of the impacts of the planned policies and measures to meet the objectives referred to in point (b) of this paragraph, including their consistency with <i>Union climate objectives</i> set out in Article 2 of Regulation .../... [Climate Law], the long-term greenhouse gas emission reduction objectives under the Paris Agreement and the long-term strategies as referred to in Article 15;</p> |  |          |

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| <b>Amendment 90</b><br><b>Article 10 – paragraph 1 – point 3 a (new)</b><br>Regulation (EU) 2018/1999<br>Article 4 – paragraph 1 – point a – point 1 – introductory part   |  |  |          |
|  | <p><i>(3a) in Article 4(1), the introductory part of point (a)(1) is replaced by the following:</i></p> <p>‘(1) with respect to greenhouse gas emissions and removals and with a view to contributing to the achievement of the Union <i>climate objectives set out in Article 2 of Regulation .../... [Climate Law];</i>’</p> |  |          |
| <b>Amendment 91</b><br><b>Article 10 – paragraph 1 – point 4</b><br>Regulation (EU) 2018/1999<br>Article 8 – paragraph 2 – point e   |  |  |          |
| <p>(4) in Article 8(2), the following point (e) is added:</p> <p>‘(e) the manner in which existing policies and measures and planned policies and measures contribute to the achievement of the Union’s climate-neutrality objective set out in Article 2 of Regulation .../... [Climate Law].’;</p> | <p>(e) the manner in which existing policies and measures and planned policies and measures contribute to the achievement of the <i>Union climate objectives</i> set out in Article 2 of Regulation .../... [Climate Law].;</p>  |  |          |



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| <p>(5) Article 11 is replaced by the following:</p> <p style="text-align: center;"><i>‘Article 11</i></p> <p style="text-align: center;"><b>Multilevel climate and energy dialogue</b></p> <p>Each Member State shall establish a multilevel climate and energy dialogue pursuant to national rules, in which local authorities, civil society organisation, business community, investors and other relevant stakeholders and the general public are able actively to engage and discuss the achievement of the Union’s climate-neutrality objective set out in Article 2 of Regulation .../... [Climate Law] and the different scenarios envisaged for energy and climate policies, including for the long term, and review progress, unless it already has a structure which serves the same purpose. Integrated national energy and climate plans may be discussed within the framework of such a dialogue.’;</p> |   |  |          |

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| <b>Amendment 92</b><br><b>Article 10 – paragraph 1 – point 5 a (new)</b><br>Regulation (EU) 2018/1999<br>Article 11 a (new) |  |  |          |
|   | <p><i>(5a) the following Article is inserted:</i></p> <p style="text-align: center;"><i>‘Article 11a<br/>Access to justice</i></p> <p><i>1. Member States shall ensure that, in accordance with their national laws, members of the public concerned who have a sufficient interest or who claim the impairment of a right where administrative procedural law of a Member State requires such a right to be a precondition have access to a review procedure before a court of law or other independent and impartial body established by law with a view to challenging the substantive or procedural legality of decisions, acts or omissions subject to Article 10 of Regulation (EU) 2018/1999.</i></p> |  |          |
|   | <p><i>2. Member States shall determine the stage at which</i></p>  |  |          |

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|                     | <i>decisions, acts or omissions may be challenged.</i>   |  |          |
|                     | <i>3. Member States shall determine what constitutes a sufficient interest and impairment of a right, consistent with the objective of giving the public concerned wide access to justice. To that end, non-governmental organisation covered by the definition in Article 2(62a) shall be deemed as having a sufficient interest or having rights capable of being impaired for the purpose of paragraph 1 of this Article.</i> |  |          |
|                     | <i>4. This Article shall not exclude the possibility of a preliminary review procedure before an administrative authority and shall not affect the requirement of exhaustion of administrative review procedures prior to recourse to judicial review procedures, where such a requirement exists under national law. Any such procedure shall be</i>  |  |          |

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|   | <i>fair, equitable, timely and not prohibitively expensive.</i>   |  |          |
|   | 5. <i>Member States shall ensure that practical information is made available to the public on access to administrative and judicial review procedures.'</i>  |  |          |
| <b>Amendment 93</b><br><b>Article 10 – paragraph 1 – point 5 b (new)</b><br>Regulation (EU) 2018/1999<br>Article 15 – paragraph 1 |   |  |          |
|   | <i>(5b) in Article 15, paragraph 1 is replaced by the following:</i><br>‘1. By 1 January 2020, and subsequently by 1 January 2029 and every 10 years thereafter, each Member State shall prepare and submit to the Commission its long-term strategy <i>with a 2050 and 30 years perspective</i> . Member States should, where necessary, update those strategies every five years.’; |  |          |

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| <p><b>Amendment 94</b><br/> <b>Article 10 – paragraph 1 – point 6</b><br/> Regulation (EU) 2018/1999<br/> Article 15 – paragraph 3 – point c</p>  |   |   |          |
| <p>(6) In Article 15(3), point (c) is replaced by the following:</p> <p>‘(c) achieving long-term greenhouse gas emission reductions and enhancements of removals by sinks in all sectors in accordance with the Union's climate-neutrality objective set out in Article 2 of Regulation .../... [Climate Law];’</p> | <p>(c) achieving long-term greenhouse gas emission reductions <b><i>in all sectors of the economy</i></b> and enhancements of removals by sinks, <b><i>in the context of the necessity, according to the Intergovernmental Panel on Climate Change (IPCC), to reduce the Union’s greenhouse gas emissions in a cost-effective manner and enhance removals by sinks in pursuit of the temperature goals in the Paris Agreement so as to achieve a balance between anthropogenic emissions by sources and removals by sinks of greenhouse gases within the Union at the latest by 2050 and achieve negative emissions thereafter as referred to in Article 2 of Regulation .../... [Climate Law];</i></b></p> | <p>(6) In Article 15(3), point (c) is replaced by the following:</p> <p>‘(c) achieving long-term greenhouse gas emission reductions and enhancements of removals by sinks in all sectors in accordance with the Union's climate-neutrality objective set out in Article 2 of Regulation .../... [Climate Law], <u>in the context of necessary reductions and enhancements of removals by sinks according to the Intergovernmental Panel for Climate Change (IPCC) to reduce the Union’s greenhouse gas emissions in a cost-effective manner and enhance removals by sinks in pursuit of the temperature goals in the Paris Agreement so as to achieve a balance between anthropogenic emissions by sources and removals by sinks of greenhouse gases within the</u></p> |          |

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|  |   | <u>Union and, as appropriate, achieve negative emissions thereafter;</u> |          |
| <b>Amendment 95</b><br><b>Article 10 – paragraph 1 – point 7 – point a</b><br>Regulation (EU) 2018/1999<br>Annex I – Part I – section A – point 3.1.1. – point i   |   |  |          |
| <p>(7) Annex I, Part 1, is amended as follows:</p> <p>(a) in section A, point 3.1.1., point (i) is replaced by the following:</p> <p>‘(i) Policies and measures to achieve the target set under Regulation (EU) 2018/842 as referred in point 2.1.1 and policies and measures to comply with Regulation (EU) 2018/841, covering all key emitting sectors and sectors for the enhancement of removals, with an outlook to the climate-neutrality objective set out in Article 2 of Regulation .../... [Climate Law];’</p> | <p>(i) Policies and measures to achieve the target set under Regulation (EU) 2018/842 as referred in point 2.1.1 and policies and measures to comply with Regulation (EU) 2018/841, covering all key emitting sectors and sectors for the enhancement of removals, with an outlook to the <i>Union climate objectives</i> set out in Article 2 of Regulation .../... [Climate Law];</p> |  |          |

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| <b>Amendment 96</b><br><b>Proposal for a regulation</b><br><b>Article 10 – paragraph 1 – point 7 – point b</b><br>Regulation (EU) 2018/1999<br>Annex I – Part I – section B – point 5.5.  |   |  |          |
| (b) in Section B, the following point 5.5. is added:<br><br>‘5.5. The contribution of planned policies and measures to the achievement of the Union’s climate-neutrality objective set out in Article 2 of Regulation .../... [Climate Law]’; | 5.5. The contribution of planned policies and measures to the achievement of the <i>Union climate objectives</i> set out in Article 2 of Regulation .../... [Climate Law];  |  |          |
| <b>Amendment 97</b><br><b>Article 10 – paragraph 1 – point 7 a (new)</b><br>Regulation (EU) 2018/1999<br>Annex IV – point 2.1.1.  |   |  |          |
|   | <i>(7a) in Annex IV, point 2.1.1. is replaced by the following:</i><br>‘2.1.1. Projected <i>cumulative</i> emissions <i>for the period 2021-2050, with a view to contributing to the achievement of the Union greenhouse gas budget referred to in Article 3(2a) of Regulation.../... [Climate Law];</i> ’; |  |          |

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| <b>Article 10 paragraph 7a (new)</b> |   |   |          |
|                                      |   | <p>(7a) <u>Article 45 is replaced by the following:</u></p> <p><u>The Commission shall report to the European Parliament and to the Council within six months of each global stocktake agreed under Article 14 of the Paris Agreement on the operation of this Regulation, its contribution to governance of the Energy Union, its contribution to the long-term goals of the Paris Agreement, progress towards the achievement of the 2030 climate and energy targets and Union’s climate-neutrality objective set out in Article 2(1) of Regulation .../... [Climate Law], additional Energy Union objectives and the conformity of the planning, reporting and monitoring provisions laid down in this Regulation with other Union law or decisions relating to the UNFCCC and the Paris Agreement. The Commission reports may be accompanied by</u></p> |          |



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|  |   | <u>legislative proposals where appropriate.</u>                  |          |
| <b>Amendment 98</b><br><b>Article 10 – paragraph 1 – point 8</b><br>Regulation (EU) 2018/1999<br>Annex VI – point c – point viii   |   |  |          |
| <p>(8) in Annex VI, point (viii) of point (c) is replaced by the following:</p> <p>‘(viii) an assessment of the contribution of the policy or measure to the achievement of the Union’s climate-neutrality objective set out in Article 2 of Regulation .../... [Climate Law] and to the achievement of the long-term strategy referred to in Article 15;’</p> | <p>(viii) an assessment of the contribution of the policy or measure to the achievement of the <b><i>Union climate objectives</i></b> set out in Article 2 of Regulation .../... [Climate Law] and to the achievement of the long-term strategy referred to in Article 15;.</p> |  |          |

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| <b>Amendment 99<br/>Article 10 a (new)</b> |   |  |          |
|  | <i>Article 10a</i><br><br><i>Amendments to Regulation<br/>(EU) 2018/842<br/>In Regulation (EU) 2018/842 of<br/>the European Parliament and of<br/>the Council<sup>1a</sup>, the following<br/>paragraphs are inserted into<br/>Article 5:</i> |  |          |
|  | <i>‘5a. In any transactions made<br/>under the provision referred to in<br/>Article 5(5), annual emissions<br/>allocation minimum price is set at<br/>EUR 100 for each tonne of CO<sub>2</sub><br/>equivalent</i>                             |  |          |
|  | <i>5b. Member States shall inform<br/>the Commission of any actions<br/>taken pursuant to this paragraph,<br/>and communicate, by 31 March<br/>2025 their intention to use<br/>provisions referred to in Article<br/>5(5).</i>                |  |          |
|  | <i>5c. At the latest by 30 June<br/>2025, the Commission shall assess<br/>for all Member States the intention<br/>to use provisions referred to in<br/>Article 5(5), and make publicly</i>  |  |          |

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|  | <p><i>available the budgetary impact of the use of such provisions.’.</i></p> <hr/> <p><i><sup>1a</sup> Regulation (EU) 2018/842 of the European Parliament and of the Council of 30 May 2018 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement and amending Regulation (EU) No 525/2013 (OJ L 56, 19.6.2018, p. 26).</i></p> |  |          |
| <b>Article 11</b>  |  |  |          |
| <p style="text-align: center;"><i>Article 11</i></p> <p style="text-align: center;"><b>Entry into force</b></p> <p>This Regulation shall enter into force on the twentieth day following that of its publication in the <i>Official Journal of the European Union</i>.</p> |  |  |          |

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| <p>This Regulation shall be binding in its entirety and directly applicable in all Member States.</p> <p>Done at Brussels,</p> <p><i>For the European Parliament<br/>The President</i></p> <p><i>For the Council<br/>The President</i></p> |   |  |          |