



EUROPEAN PARLIAMENT

2014 - 2019

Committee on the Environment, Public Health and Food Safety

2014/0011(COD)

16.12.2014

AMENDMENTS

12 - 228

Draft report
Ivo Belet
(PE541.353v02-00)

on the proposal for a decision of the European Parliament and of the Council concerning the establishment and operation of a market stability reserve for the Union greenhouse gas emission trading scheme and amending Directive 2003/87/EC

Proposal for a decision
(COM(2014)0020 – C8-0016/2014 – 2014/0011(COD))

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PE544.331v01-00

EN

United in diversity

EN

AM_Com_LegReport

Amendment 12
Jadwiga Wiśniewska

Proposal for a decision

—

Proposal for rejection

***The European Parliament rejects the
Commission proposal.***

Or. pl

Amendment 13
João Ferreira, Luke Ming Flanagan, Teresa Rodriguez-Rubio, Pablo Echenique

Draft legislative resolution
Citation 4 a (new)

Draft legislative resolution

Amendment

***- having regard to the fact that the
European Union scheme for greenhouse
gas emission allowance trading has failed,
having proved ineffective in achieving the
emission reduction targets; having regard
to the need to adopt alternatives to carbon
trading, replacing a market-based
approach with a fairer and more effective
regulatory approach;***

Or. pt

Amendment 14
João Ferreira, Luke Ming Flanagan, Teresa Rodriguez-Rubio, Pablo Echenique

Draft legislative resolution
Citation 5 a (new)

Draft legislative resolution

Amendment

***- having regard to the fact that the
European Union scheme for greenhouse***

*gas emission allowance trading is
weakening and undermining the adoption
of other environmental regulations;*

Or. pt

Amendment 15

João Ferreira, Luke Ming Flanagan, Teresa Rodriguez-Rubio, Pablo Echenique

Draft legislative resolution

Citation 6

Draft legislative resolution

Amendment

*– having regard to the report of the
Committee on the Environment, Public
Health and Food Safety and the opinion
of the Committee on Industry, Research
and Energy (A8 0000/2014),*

deleted

Or. pt

Amendment 16

João Ferreira, Luke Ming Flanagan, Teresa Rodriguez-Rubio, Pablo Echenique

Draft legislative resolution

Paragraph 1

Draft legislative resolution

Amendment

1. *Adopts* its position at first reading
hereinafter set out;

1. *Rejects* its position at first reading
hereinafter set out;

Or. pt

Amendment 17

Andrzej Grzyb, Elżbieta Katarzyna Łukacijewska

Proposal for a decision

Citation 4 a (new)

Text proposed by the Commission

Amendment

having regard to the European Council conclusions of 23 and 24 October 2014 on the 2030 Climate and Energy Policy Framework;

Or. en

Amendment 18

Peter Liese, Sirpa Pietikäinen, Dubravka Šuica, Bendt Bendtsen, Alojz Peterle

Proposal for a decision

Recital 1 a (new)

Text proposed by the Commission

Amendment

(1a) In the light of the need to maintain the incentives in the EU's Emissions Trading System during the negotiations on the Energy Efficiency Directive (2012/27/EU) the European Commission came forward with a declaration to examine options, including among others permanent withholding of the necessary amount of allowances, for action with a view to adopting as soon as possible further appropriate structural measures to strengthen the ETS during phase 3, and make it more effective.

Or. en

Amendment 19

Valentinas Mazuronis

Proposal for a decision

Recital 2

Text proposed by the Commission

Amendment

(2) The report from the Commission to the European Parliament and the Council on

(2) The report from the Commission to the European Parliament and the Council on

the state of the European carbon market in 2012⁷ identified the need for measures in order to tackle structural supply-demand imbalances. The impact assessment on the 2030 climate and energy policy framework⁸ indicates that this imbalance is expected to continue, and would not be sufficiently addressed by adapting the linear trajectory to a more stringent target within this framework. A change in the linear factor only changes gradually the cap. Accordingly, the surplus would also only gradually decline, such that the market would have to continue to operate for more than a decade with a surplus of around 2 billion allowances or more. In order to address this problem and to make the European Emission Trading System more resilient to imbalances, a market stability reserve should be established. To ensure regulatory certainty as regards auction supply in phase 3 and allow for some lead-time adjusting to the introduction of the design change, the market stability reserve should be established as of phase 4 starting in 2021. In order to preserve a maximum degree of predictability, clear rules should be set for placing allowances into the reserve and releasing them from the reserve. Where the conditions are met, beginning in 2021, allowances corresponding to 12% of the number of allowances in circulation in year $x-2$ should be put into the reserve. A corresponding number of allowances should be released from the reserve when the total number of allowances in circulation is lower than 400 million.

⁷ COM(2012) 652 final.

Insert reference.

the state of the European carbon market in 2012⁷ identified the need for measures in order to tackle structural supply-demand imbalances. The impact assessment on the 2030 climate and energy policy framework⁸ indicates that this imbalance is expected to continue, and would not be sufficiently addressed by adapting the linear trajectory to a more stringent target within this framework. A change in the linear factor only changes gradually the cap. Accordingly, the surplus would also only gradually decline, such that the market would have to continue to operate for more than a decade with a surplus of around 2 billion allowances or more. In order to address this problem and to make the European Emission Trading System more resilient to imbalances, a market stability reserve should be established. To ensure regulatory certainty as regards auction supply in phase 3 and allow for some lead-time adjusting to the introduction of the design change, the market stability reserve should be established as of phase 4 starting in 2021. In order to preserve a maximum degree of predictability, clear rules should be set for placing allowances into the reserve and releasing them from the reserve. Where the conditions are met, beginning in 2021, allowances corresponding to 12% of the number of allowances in circulation in year $x-1$ should be put into the reserve. A corresponding number of allowances should be released from the reserve when the total number of allowances in circulation is lower than 400 million.

⁷ COM(2012) 652 final.

⁸ Insert reference.

Or. It

Justification

Back-loading of emission allowances needs to be based on the newest data. In other words, the time lag between analysis of the allowance market and activation of the reserve should be shortened to one year, as this would also enable the true state of the market to be reflected more accurately.

Amendment 20 **Bas Eickhout**

Proposal for a decision **Recital 2**

Text proposed by the Commission

(2) The report from the Commission to the European Parliament and the Council on the state of the European carbon market in **2102**⁷ identified the need for measures in order to tackle structural supply-demand imbalances. The impact assessment on the 2030 climate and energy policy framework⁸ indicates that this imbalance is expected to continue, and would not be sufficiently addressed by adapting the linear trajectory to a more stringent target within this framework. A change in the linear factor only changes gradually the cap. Accordingly, the surplus would also only gradually decline, such that the market would have to continue to operate for more than a decade with a surplus of around 2 billion allowances or more. In order to address this problem and to make the European Emission Trading System more resilient to imbalances, a market stability reserve should be established. ***To ensure regulatory certainty as regards auction supply in phase 3 and allow for some lead-time adjusting to the introduction of the design change, the market stability reserve should be established as of phase 4 starting in 2021.*** In order to preserve a maximum degree of predictability, clear rules should be set for placing allowances into the reserve and

Amendment

(2) The report from the Commission to the European Parliament and the Council on the state of the European carbon market in **2012**⁷ identified the need for measures in order to tackle structural supply-demand imbalances. The impact assessment on the 2030 climate and energy policy framework⁸ indicates that this imbalance is expected to continue, and would not be sufficiently addressed by adapting the linear trajectory to a more stringent target within this framework. A change in the linear factor only changes gradually the cap. Accordingly, the surplus would also only gradually decline, such that the market would have to continue to operate for more than a decade with a surplus of around 2 billion allowances or more. In order to address this problem and to make the European Emission Trading System more resilient to imbalances, a market stability reserve should be established. In order to preserve a maximum degree of predictability, clear rules should be set for placing allowances into the reserve and releasing them from the reserve.

releasing them from the reserve. *Where the conditions are met, beginning in 2021, allowances corresponding to 12% of the number of allowances in circulation in year x-2 should be put into the reserve. A corresponding number of allowances should be released from the reserve when the total number of allowances in circulation is lower than 400 million.*

⁷ COM(2012)652 final.

⁸ Insert reference.

⁷ COM(2012)652 final.

⁸ Insert reference.

Or. en

Amendment 21

Merja Kyllönen, Josu Juaristi Abaunz, Stefan Eck, Kateřina Konečná

Proposal for a decision

Recital 2

Text proposed by the Commission

(2) The report from the Commission to the European Parliament and the Council on the state of the European carbon market in 2102⁷ identified the need for measures in order to tackle structural supply-demand imbalances. The impact assessment on the 2030 climate and energy policy framework⁸ indicates that this imbalance is expected to continue, and would not be sufficiently addressed by adapting the linear trajectory to a more stringent target within this framework. A change in the linear factor only changes gradually the cap. Accordingly, the surplus would also only gradually decline, such that the market would have to continue to operate for more than a decade with a surplus of around 2 billion allowances or more. In order to address this problem and to make the European Emission Trading System more resilient to imbalances, a market stability reserve should be established. To

Amendment

(2) The report from the Commission to the European Parliament and the Council on the state of the European carbon market in 2102⁷ identified the need for measures in order to tackle structural supply-demand imbalances. The impact assessment on the 2030 climate and energy policy framework⁸ indicates that this imbalance is expected to continue, and would not be sufficiently addressed by adapting the linear trajectory to a more stringent target within this framework. A change in the linear factor only changes gradually the cap. Accordingly, the surplus would also only gradually decline, such that the market would have to continue to operate for more than a decade with a surplus of around 2 billion allowances or more. In order to address this problem and to make the European Emission Trading System more resilient to imbalances, a market stability reserve should be established. To

ensure regulatory certainty as regards auction supply in phase 3 and allow for some lead-time adjusting to the introduction of the design change, the market stability reserve should be established as of *phase 4 starting in 2021*. In order to preserve a maximum degree of predictability, clear rules should be set for placing allowances into the reserve and releasing them from the reserve. Where the conditions are met, beginning in **2021**, allowances corresponding to **12%** of the number of allowances in circulation in year x-2 should be put into the reserve. A corresponding number of allowances should be released from the reserve when the total number of allowances in circulation is lower than 400 million.

⁷ COM(2012)652 final.

⁸ Insert reference.

allow for some lead-time adjusting to the introduction of the design change, the market stability reserve should be established as of **2017**. In order to preserve a maximum degree of predictability, clear rules should be set for placing allowances into the reserve and releasing them from the reserve. Where the conditions are met, beginning in **2017**, allowances corresponding to **33%** of the number of allowances in circulation in year x-1 **minus 833 million** should be put into the reserve. A corresponding number of allowances should be released from the reserve when the total number of allowances in circulation is lower than 400 million.

⁷ COM(2012)652 final.

⁸ Insert reference.

Or. en

Justification

1. Typing error. 2. Shifting the start of the reform from 2021 to 2017 in order to secure the full functioning of the EU ETS and to prevent further mutual negative interaction between the three targets for 2030 from 2020. 3. More flexible mechanism for operating the reserve which provides faster draining of big surpluses in case of big deficit. 4. Reducing the time between detection of the surplus and adapting the auctions.

Amendment 22

Ian Duncan

Proposal for a decision

Recital 2

Text proposed by the Commission

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Amendment

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⁷ COM(2012)652 final.

⁸ Insert reference.

order to tackle structural supply-demand imbalances. The impact assessment on the 2030 climate and energy policy framework⁸ indicates that this imbalance is expected to continue, and would not be sufficiently addressed by adapting the linear trajectory to a more stringent target within this framework. A change in the linear factor only changes gradually the cap. Accordingly, the surplus would also only gradually decline, such that the market would have to continue to operate for more than a decade with a surplus of around 2 billion allowances or more. In order to address this problem and to make the European Emission Trading System more resilient to imbalances, a market stability reserve should be established. The market stability reserve should be established as of *the beginning of the year 2017*. In order to preserve a maximum degree of predictability, clear rules should be set for placing allowances into the reserve and releasing them from the reserve. Where the conditions are met, beginning in **2017**, allowances corresponding to 12% of the number of allowances in circulation in year x-1 should be put into the reserve. A corresponding number of allowances should be released from the reserve when the total number of allowances in circulation is lower than 400 million.

⁷ COM(2012)652 final.

⁸ Insert reference.

Or. en

Amendment 23 **Jan Huitema**

Proposal for a decision
Recital 2

Text proposed by the Commission

(2) The report from the Commission to the European Parliament and the Council on the state of the European carbon market in 2102⁷ identified the need for measures in order to tackle structural supply-demand imbalances. The impact assessment on the 2030 climate and energy policy framework⁸ indicates that this imbalance is expected to continue, and would not be sufficiently addressed by adapting the linear trajectory to a more stringent target within this framework. A change in the linear factor only changes gradually the cap. Accordingly, the surplus would also only gradually decline, such that the market would have to continue to operate for more than a decade with a surplus of around 2 billion allowances or more. In order to address this problem and to make the European Emission Trading System more resilient to imbalances, a market stability reserve should be established. ***To ensure regulatory certainty as regards auction supply in phase 3 and allow for some lead-time adjusting to the introduction of the design change***, the market stability reserve should be established as of ***phase 4 starting in 2021***. In order to preserve a maximum degree of predictability, clear rules should be set for placing allowances into the reserve and releasing them from the reserve. Where the conditions are met, ***beginning in 2021***, allowances corresponding to 12% of the number of allowances in circulation in year x-2 should be put into the reserve. A corresponding number of allowances should be released from the reserve when the total number of allowances in circulation is lower than 400 million.

Amendment

(2) The report from the Commission to the European Parliament and the Council on the state of the European carbon market in 2102⁷ identified the need for measures in order to tackle structural supply-demand imbalances. The impact assessment on the 2030 climate and energy policy framework⁸ indicates that this imbalance is expected to continue, and would not be sufficiently addressed by adapting the linear trajectory to a more stringent target within this framework. A change in the linear factor only changes gradually the cap. Accordingly, the surplus would also only gradually decline, such that the market would have to continue to operate for more than a decade with a surplus of around 2 billion allowances or more. In order to address this problem and to make the European Emission Trading System more resilient to imbalances, a market stability reserve should be established. The market stability reserve should be established as of ***January 2017***. In order to preserve a maximum degree of predictability, clear rules should be set for placing allowances into the reserve and releasing them from the reserve. Where the conditions are met allowances corresponding to 12% of the number of allowances in circulation in year x-1 should be put into the reserve. A corresponding number of allowances should be released from the reserve when the total number of allowances in circulation is lower than 400 million.

⁷ COM(2012)652 final.

⁸ Insert reference.

⁷ COM(2012)652 final.

⁸ Insert reference.

Or. en

Amendment 24
Jadwiga Wiśniewska

Proposal for a decision
Recital 2

Text proposed by the Commission

(2) The report from the Commission to the European Parliament and the Council on the state of the European carbon market in 2102⁷ identified the need for measures in order to tackle structural supply-demand imbalances. The impact assessment on the 2030 climate and energy policy framework⁸ indicates that this imbalance is expected to continue, and would not be sufficiently addressed by adapting the linear trajectory to a more stringent target within this framework. A change in the linear factor only changes gradually the cap. Accordingly, the surplus would also only gradually decline, such that the market would have to continue to operate for more than a decade with a surplus of around 2 billion allowances or more. In order to address this problem and to make the European Emission Trading System more resilient to imbalances, a market stability reserve should be established. To ensure regulatory certainty as regards auction supply in phase 3 and allow for some lead-time adjusting to the introduction of the design change, the market stability reserve should be established **as of** phase 4 starting in 2021. In order to preserve a maximum degree of predictability, clear rules should be set for placing allowances into the reserve and releasing them from the reserve. Where the

Amendment

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conditions are met, beginning in **2021**, allowances corresponding to **12%** of the number of allowances in circulation in year **x-2** should be put into the reserve. A corresponding number of allowances should be released from the reserve when the total number of allowances in circulation is lower than **400** million.

⁷ COM(2012) 652 final.

⁸ Insert reference.

reserve. Where the conditions are met, beginning in **2023**, allowances corresponding to **9%** of the number of allowances in circulation in year **x-1** should be put into the reserve. A corresponding number of allowances should be released from the reserve when the total number of allowances in circulation is lower than **700** million.

⁷ COM(2012) 652 final.

⁸ Insert reference.

Or. pl

Amendment 25

Andrzej Grzyb, Jerzy Buzek, Elżbieta Katarzyna Łukacijewska

Proposal for a decision

Recital 2

Text proposed by the Commission

(2) The report from the Commission to the European Parliament and the Council on the state of the European carbon market in 2102⁷ identified the need for measures in order to tackle structural supply-demand imbalances. The impact assessment on the 2030 climate and energy policy framework⁸ indicates that this imbalance is expected to continue, and would not be sufficiently addressed by adapting the linear trajectory to a more stringent target within this framework. A change in the linear factor only changes gradually the cap. Accordingly, the surplus would also only gradually decline, such that the market would have to continue to operate for more than a decade with a surplus of around 2 billion allowances or more. In order to address this problem and to make the European Emission Trading System more resilient to imbalances, a market stability reserve should be established. To

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⁷ COM(2012) 652 final.

⁸ Insert reference.

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⁷ COM(2012) 652 final.

⁸ Insert reference.

Or. en

Justification

The MSR shall be consistent with phase 4 of ETS therefore the reference value for placing of the allowances into the MSR shall reflect the amount of the allowances at the beginning of the phase in 2021. The implementation of x-1 rule implies the MSR should be operational as of 2022.

Amendment 26

Seb Dance, Paul Brannen

Proposal for a decision

Recital 2

Text proposed by the Commission

(2) The report from the Commission to the European Parliament and the Council on the state of the European carbon market in 2102⁷ identified the need for measures in order to tackle structural supply-

Amendment

(2) To ensure the market stability reserve has a quick and significant impact on the European Emissions Trading System, a market stability reserve should be established as of 1 July 2016. Without

demand imbalances. The impact assessment on the 2030 climate and energy policy framework⁸ indicates that this imbalance is expected to continue, and would not be sufficiently addressed by adapting the linear trajectory to a more stringent target within this framework. A change in the linear factor only changes gradually the cap. Accordingly, the surplus would also only gradually decline, such that the market would have to continue to operate for more than a decade with a surplus of around 2 billion allowances or more. In order to address this problem and to make the European Emission Trading System more resilient to imbalances, a market stability reserve should be established. To ensure regulatory certainty as regards auction supply in phase 3 and allow for some lead-time adjusting to the introduction of the design change, the market stability reserve should be established as of phase 4 starting in 2021. In order to preserve a maximum degree of predictability, clear rules should be set for placing allowances into the reserve and releasing them from the reserve. Where the conditions are met, beginning *in 2021*, allowances corresponding to *12%* of the number of allowances in circulation in year x-2 should be put into the reserve. A corresponding number of allowances should be released from the reserve when the total number of allowances in circulation is lower than *400* million.

early introduction, projections show that the amount of surplus allowances would not fall below the current levels until 2025. In order to preserve a maximum degree of predictability, clear rules should be set for placing allowances into the reserve and releasing them from the reserve. Where the conditions are met, beginning *as of 1 July 2016*, allowances corresponding to *20%* of the number of allowances in circulation in year x-1 should be put into the reserve. A corresponding number of allowances should be released from the reserve when the total number of allowances in circulation is lower than *300* million.

⁷ COM(2012) 652 final.

⁸ Insert reference.

Or. en

Amendment 27

Gerben-Jan Gerbrandy, Fredrick Federley, Catherine Bearder

Proposal for a decision
Recital 2

Text proposed by the Commission

(2) The report from the Commission to the European Parliament and the Council on the state of the European carbon market in 2102⁷ identified the need for measures in order to tackle structural supply-demand imbalances. The impact assessment on the 2030 climate and energy policy framework⁸ indicates that this imbalance is expected to continue, and would not be sufficiently addressed by adapting the linear trajectory to a more stringent target within this framework. A change in the linear factor only changes gradually the cap. Accordingly, the surplus would also only gradually decline, such that the market would have to continue to operate for more than a decade with a surplus of around 2 billion allowances or more. In order to address this problem and to make the European Emission Trading System more resilient to imbalances, a market stability reserve should be established. ***To ensure regulatory certainty as regards auction supply in phase 3 and allow for some lead-time adjusting to the introduction of the design change, the market stability reserve should be established as of phase 4 starting in 2021.*** In order to preserve a maximum degree of predictability, clear rules should be set for placing allowances into the reserve and releasing them from the reserve. Where the conditions are met, beginning in **2021**, allowances corresponding to **12%** of the number of allowances in circulation in year x-2 should be put into the reserve. A corresponding number of allowances should be released from the reserve when the total number of allowances in circulation is lower than 400 million.

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⁷ COM(2012)652 final.

⁸ Insert reference.

⁷ COM(2012)652 final.

⁸ Insert reference.

Or. en

Amendment 28

Norbert Lins, Jens Gieseke, Birgit Collin-Langen

Proposal for a decision

Recital 2

Text proposed by the Commission

(2) The report from the Commission to the European Parliament and the Council on the state of the European carbon market in 2102⁷ identified the need for measures in order to tackle structural supply-demand imbalances. The impact assessment on the 2030 climate and energy policy framework⁸ indicates that this imbalance is expected to continue, and would not be sufficiently addressed by adapting the linear trajectory to a more stringent target within this framework. A change in the linear factor only changes gradually the cap. Accordingly, the surplus would also only gradually decline, such that the market would have to continue to operate for more than a decade with a surplus of around 2 billion allowances or more. In order to address this problem and to make the European Emission Trading System more resilient to imbalances, a market stability reserve should be established. To ensure regulatory certainty as regards auction supply in phase 3 and allow for some lead-time adjusting to the introduction of the design change, the market stability reserve should be established as of phase 4 starting in 2021. In order to preserve a maximum degree of predictability, clear rules should be set for placing allowances into the reserve and releasing them from the reserve. Where the

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⁷ COM(2012)652 final.

⁸ Insert reference.

conditions are met, beginning in 2021, allowances corresponding to 12% of the number of allowances in circulation in year x-1 should be put into the reserve. A corresponding number of allowances should be released from the reserve when the total number of allowances in circulation is lower than 400 million.

⁷ COM(2012)652 final.

⁸ Insert reference.

Or. en

Amendment 29 **Sirpa Pietikäinen**

Proposal for a decision **Recital 2**

Text proposed by the Commission

(2) The report from the Commission to the European Parliament and the Council on the state of the European carbon market in 2102⁷ identified the need for measures in order to tackle structural supply-demand imbalances. The impact assessment on the 2030 climate and energy policy framework⁸ indicates that this imbalance is expected to continue, and would not be sufficiently addressed by adapting the linear trajectory to a more stringent target within this framework. A change in the linear factor only changes gradually the cap. Accordingly, the surplus would also only gradually decline, such that the market would have to continue to operate for more than a decade with a surplus of around 2 billion allowances or more. In order to address this problem and to make the European Emission Trading System more resilient to imbalances, a market stability reserve should be established. To ensure regulatory certainty as regards

Amendment

(2) The report from the Commission to the European Parliament and the Council on the state of the European carbon market in 2102⁷ identified the need for measures in order to tackle structural supply-demand imbalances. The impact assessment on the 2030 climate and energy policy framework⁸ indicates that this imbalance is expected to continue, and would not be sufficiently addressed by adapting the linear trajectory to a more stringent target within this framework. A change in the linear factor only changes gradually the cap. Accordingly, the surplus would also only gradually decline, such that the market would have to continue to operate for more than a decade with a surplus of around 2 billion allowances or more. In order to address this problem and to make the European Emission Trading System more resilient to imbalances, a market stability reserve should be established. To ensure regulatory certainty as regards

auction supply in phase 3 and allow for some lead-time adjusting to the introduction of the design change, the market stability reserve should be established as of phase 4 starting in 2021. In order to preserve a maximum degree of predictability, clear rules should be set for placing allowances into the reserve and releasing them from the reserve. Where the conditions are met, beginning in 2021, allowances corresponding to **12%** of the number of allowances in circulation in year **x-2** should be put into the reserve. A corresponding number of allowances should be released from the reserve when the total number of allowances in circulation is lower than **400** million.

⁷ COM(2012)652 final.

⁸ Insert reference.

auction supply in phase 3 and allow for some lead-time adjusting to the introduction of the design change, the market stability reserve should be established as of phase 4 starting in 2021. In order to preserve a maximum degree of predictability, clear rules should be set for placing allowances into the reserve and releasing them from the reserve. Where the conditions are met, beginning in 2021, allowances corresponding to **30%** of the number of allowances in circulation in year **x-1** should be put into the reserve. A corresponding number of allowances should be released from the reserve when the total number of allowances in circulation is lower than **200** million.

⁷ COM(2012)652 final.

⁸ Insert reference.

Or. en

Amendment 30 **Alberto Cirio**

Proposal for a decision **Recital 2**

Text proposed by the Commission

(2) The report from the Commission to the European Parliament and the Council on the state of the European carbon market in 2102⁷ identified the need for measures in order to tackle structural supply-demand imbalances. The impact assessment on the 2030 climate and energy policy framework⁸ indicates that this imbalance is expected to continue, and would not be sufficiently addressed by adapting the linear trajectory to a more stringent target within this framework. A change in the linear factor only changes gradually the cap. Accordingly, the surplus would also

Amendment

(2) The report from the Commission to the European Parliament and the Council on the state of the European carbon market in 2102⁷ identified the need for measures in order to tackle structural supply-demand imbalances. The impact assessment on the 2030 climate and energy policy framework⁸ indicates that this imbalance is expected to continue, and would not be sufficiently addressed by adapting the linear trajectory to a more stringent target within this framework. A change in the linear factor only changes gradually the cap. Accordingly, the surplus would also

only gradually decline, such that the market would have to continue to operate for more than a decade with a surplus of around 2 billion allowances or more. In order to address this problem and to make the European Emission Trading System more resilient to imbalances, a market stability reserve should be established. To ensure regulatory certainty as regards auction supply in phase 3 and allow for some lead-time adjusting to the introduction of the design change, the market stability reserve should be established as of phase 4 starting in 2021. In order to preserve a maximum degree of predictability, clear rules should be set for placing allowances into the reserve and releasing them from the reserve. Where the conditions are met, beginning in 2021, allowances corresponding to 12% of the number of allowances in circulation *in* year *x-2* should be put into the reserve. A corresponding number of allowances should be released from the reserve when the total number of allowances in circulation is lower than **400** million.

⁷ COM(2012)652 final.

⁸ Insert reference.

only gradually decline, such that the market would have to continue to operate for more than a decade with a surplus of around 2 billion allowances or more. In order to address this problem and to make the European Emission Trading System more resilient to imbalances, a market stability reserve should be established. To ensure regulatory certainty as regards auction supply in phase 3 and allow for some lead-time adjusting to the introduction of the design change, the market stability reserve should be established as of phase 4 starting in 2021. In order to preserve a maximum degree of predictability, clear rules should be set for placing allowances into the reserve and releasing them from the reserve. Where the conditions are met, beginning in 2021, allowances corresponding to 12% of the number of allowances in circulation *at the end of* year *x-1* should be put into the reserve. A corresponding number of allowances should be released from the reserve when the total number of allowances in circulation is lower than **800** million.

⁷ COM(2012)652 final.

⁸ Insert reference.

Or. en

Justification

Aimed at raising the thresholds

Amendment 31

Eleonora Evi, Marco Affronte, Piernicola Pedicini, Dario Tamburrano, David Borrelli

Proposal for a decision

Recital 2

(2) The report from the Commission to the European Parliament and the Council on the state of the European carbon market in 2102¹ identified the need for measures in order to tackle structural supply-demand imbalances. The impact assessment on the 2030 climate and energy policy framework² indicates that this imbalance is expected to continue, and would not be sufficiently addressed by adapting the linear trajectory to a more stringent target within this framework. A change in the linear factor only changes gradually the cap. Accordingly, the surplus would also only gradually decline, such that the market would have to continue to operate for more than a decade with a surplus of around 2 billion allowances or more. In order to address this problem and to make the European Emission trading System more resilient to imbalances, a market stability reserve should be established. To ensure regulatory certainty as regards auction supply in phase 3 and allow for some lead-time adjusting to the introduction of the design change, the market stability reserve should be established as ***of phase 4 starting in 2021***. In order to preserve a maximum degree of predictability, clear rules should be set for placing allowances into the reserve and releasing them from the reserve. Where the conditions are met, beginning in ***2021***, allowances corresponding to ***12% of the*** number of allowances in circulation in year ***x-2*** should be put into the reserve. ***A corresponding number of*** allowances should be released from the reserve when the total number of allowances in circulation is lower than ***400*** million.

⁸ Insert reference.

(2) The report from the Commission to the European Parliament and the Council on the state of the European carbon market in 2102¹ identified the need for measures in order to tackle structural supply-demand imbalances. The impact assessment on the 2030 climate and energy policy framework² indicates that this imbalance is expected to continue, and would not be sufficiently addressed by adapting the linear trajectory to a more stringent target within this framework. A change in the linear factor only changes gradually the cap. Accordingly, the surplus would also only gradually decline, such that the market would have to continue to operate for more than a decade with a surplus of around 2 billion allowances or more. In order to address this problem and to make the European Emission trading System more resilient to imbalances, a market stability reserve should be established. To ensure regulatory certainty as regards auction supply in phase 3 and allow for some lead-time adjusting to the introduction of the design change, the market stability reserve should be established as ***soon as possible***. In order to preserve a maximum degree of predictability, clear rules should be set for placing allowances into the reserve and releasing them from the reserve. Where the conditions are met, beginning in ***2016***, allowances corresponding to ***25% of the*** number of allowances in circulation in year ***x-1*** should be put into the reserve. ***50 million*** allowances should be released from the reserve when the total number of allowances in circulation is lower than ***300*** million.

⁸ Insert reference.

Or. it

Amendment 32

Peter Liese, Sirpa Pietikäinen, Dubravka Šuica, Karl-Heinz Florenz, Bendt Bendtsen, Alojz Peterle

Proposal for a decision

Recital 2

Text proposed by the Commission

(2) The report from the Commission to the European Parliament and the Council on the state of the European carbon market in 2102⁷ identified the need for measures in order to tackle structural supply-demand imbalances. The impact assessment on the 2030 climate and energy policy framework⁸ indicates that this imbalance is expected to continue, and would not be sufficiently addressed by adapting the linear trajectory to a more stringent target within this framework. A change in the linear factor only changes gradually the cap. Accordingly, the surplus would also only gradually decline, such that the market would have to continue to operate for more than a decade with a surplus of around 2 billion allowances or more. In order to address this problem and to make the European Emission Trading System more resilient to imbalances, a market stability reserve should be established. To ensure regulatory certainty as regards auction supply in phase 3 and allow for some lead-time adjusting to the introduction of the design change, the market stability reserve should be established as of **phase 4 starting in 2021**. In order to preserve a maximum degree of predictability, clear rules should be set for placing allowances into the reserve and releasing them from the reserve. Where the conditions are met, beginning in **2021**, allowances corresponding to 12% of the number of allowances in circulation in year x-2 should be put into the reserve. A corresponding number of allowances

Amendment

(2) The report from the Commission to the European Parliament and the Council on the state of the European carbon market in 2102⁷ identified the need for measures in order to tackle structural supply-demand imbalances. The impact assessment on the 2030 climate and energy policy framework⁸ indicates that this imbalance is expected to continue, and would not be sufficiently addressed by adapting the linear trajectory to a more stringent target within this framework. A change in the linear factor only changes gradually the cap. Accordingly, the surplus would also only gradually decline, such that the market would have to continue to operate for more than a decade with a surplus of around 2 billion allowances or more, **thereby preventing the ETS from delivering the necessary investment signal to reduce CO₂ emissions in a cost efficient manner**. In order to address this problem and to make the European Emission Trading System more resilient to imbalances, a market stability reserve should be established. To ensure regulatory certainty as regards auction supply in phase 3 and allow for some lead-time adjusting to the introduction of the design change, the market stability reserve should be established as of **2017**. In order to preserve a maximum degree of predictability, clear rules should be set for placing allowances into the reserve and releasing them from the reserve. Where the conditions are met, beginning in **2017**, allowances corresponding to 12% of the number of

should be released from the reserve when the total number of allowances in circulation is lower than 400 million.

⁷ COM(2012)652 final.

⁸ Insert reference.

allowances in circulation in year x-2 should be put into the reserve. A corresponding number of allowances should be released from the reserve when the total number of allowances in circulation is lower than 400 million.

⁷ COM(2012)652 final.

⁸ Insert reference.

Or. en

Amendment 33

Massimo Paolucci, Renata Briano, Simona Bonafè, Caterina Chinnici, Enrico Gasbarra, Paolo De Castro

Proposal for a decision

Recital 2

Text proposed by the Commission

(2) The report from the Commission to the European Parliament and the Council on the state of the European carbon market in 2102¹ identified the need for measures in order to tackle structural supply-demand imbalances. The impact assessment on the 2030 climate and energy policy framework² indicates that this imbalance is expected to continue, and would not be sufficiently addressed by adapting the linear trajectory to a more stringent target within this framework. A change in the linear factor only changes gradually the cap. Accordingly, the surplus would also only gradually decline, such that the market would have to continue to operate for more than a decade with a surplus of around 2 billion allowances or more. In order to address this problem and to make the European Emission trading System more resilient to imbalances, a market stability reserve should be established. ***To ensure regulatory certainty as regards auction supply in phase 3 and allow for***

Amendment

(2) The report from the Commission to the European Parliament and the Council on the state of the European carbon market in 2102¹ identified the need for measures in order to tackle structural supply-demand imbalances. The impact assessment on the 2030 climate and energy policy framework² indicates that this imbalance is expected to continue, and would not be sufficiently addressed by adapting the linear trajectory to a more stringent target within this framework. A change in the linear factor only changes gradually the cap. Accordingly, the surplus would also only gradually decline, such that the market would have to continue to operate for more than a decade with a surplus of around 2 billion allowances or more. In order to address this problem and to make the European Emission trading System more resilient to imbalances, a market stability reserve should be established ***during phase 3, so as to establish the benefits thereof before the launch of***

some lead-time adjusting to the introduction of the design change, the market stability reserve should be established as of phase 4 starting in 2021. In order to preserve a maximum degree of predictability, clear rules should be set for placing allowances into the reserve and releasing them from the reserve. Where the conditions are met, beginning in **2021**, allowances corresponding to 12% of the number of allowances in circulation in year **x-2** should be put into the reserve. A corresponding number of allowances should be released from the reserve when the total number of allowances in circulation is lower than 400 million.

⁷ COM(2012) 652 *final*.

⁸ Insert reference.

phase 4 in 2021. In order to preserve a maximum degree of predictability, clear rules should be set for placing allowances into the reserve and releasing them from the reserve. Where the conditions are met, beginning in **2017**, allowances corresponding to 12% of the number of allowances in circulation in year **x-1** should **therefore** be put into the reserve. A corresponding number of allowances should be released from the reserve when the total number of allowances in circulation is lower than 400 million.

⁷ COM(2012)0652.

⁸ Insert reference.

Or. it

Justification

In order to enhance its effectiveness and rebalance the EU ETS system more rapidly, the reserve should enter into force before the launch of phase 4 with a swifter response time (year x-1/year x) than that proposed by the Commission.

Amendment 34

Matthias Groote, Claudiu Ciprian Tănăsescu, Theresa Griffin, Jytte Guteland, Pavel Poc, Giorgos Grammatikakis, Nessa Childers, Jo Leinen, Nicola Caputo, Miriam Dalli

Proposal for a decision

Recital 2

Text proposed by the Commission

(2) The report from the Commission to the European Parliament and the Council on the state of the European carbon market in 2102⁷ identified the need for measures in order to tackle structural supply-demand imbalances. The impact assessment on the 2030 climate and energy policy

Amendment

(2) The report from the Commission to the European Parliament and the Council on the state of the European carbon market in 2102⁷ identified the need for measures in order to tackle structural supply-demand imbalances. The impact assessment on the 2030 climate and energy policy

framework⁸ indicates that this imbalance is expected to continue, and would not be sufficiently addressed by adapting the linear trajectory to a more stringent target within this framework. A change in the linear factor only changes gradually the cap. Accordingly, the surplus would also only gradually decline, such that the market would have to continue to operate for more than a decade with a surplus of around 2 billion allowances or more. In order to address this problem and to make the European Emission Trading System more resilient to imbalances, a market stability reserve should be established. To ensure *regulatory certainty as regards auction supply in phase 3 and allow for some lead-time adjusting to the introduction of the design change, the market stability reserve should be established as of phase 4 starting in 2021*. In order to preserve a maximum degree of predictability, clear rules should be set for placing allowances into the reserve and releasing them from the reserve. Where the conditions are met, beginning in **2021**, allowances corresponding to **12%** of the number of allowances in circulation in year $x-2$ should be put into the reserve. A corresponding number of allowances should be released from the reserve when the total number of allowances in circulation is lower than **400** million.

⁷ COM(2012)652 final.

⁸ Insert reference.

framework⁸ indicates that this imbalance is expected to continue, and would not be sufficiently addressed by adapting the linear trajectory to a more stringent target within this framework. A change in the linear factor only changes gradually the cap. Accordingly, the surplus would also only gradually decline, such that the market would have to continue to operate for more than a decade with a surplus of around 2 billion allowances or more. In order to address this problem and to make the European Emission Trading System more resilient to imbalances, a market stability reserve should be established. To ensure *the market stability reserve has a quick and significant impact on the European Emission Trading System it should be established as of 2017*. *Without early establishment of the reserve, projections show that the amount of surplus allowances would not fall below current levels until 2025*. In order to preserve a maximum degree of predictability, clear rules should be set for placing allowances into the reserve and releasing them from the reserve. Where the conditions are met, beginning in **2017**, allowances corresponding to **20%** of the number of allowances in circulation in year $x-1$ should be put into the reserve. A corresponding number of allowances should be released from the reserve when the total number of allowances in circulation is lower than **300** million.

⁷ COM(2012)652 final.

⁸ Insert reference.

Or. en

Amendment 35
Christofer Fjellner

Proposal for a decision
Recital 2 a (new)

Text proposed by the Commission

Amendment

(2a) By 1 January 2017, the Commission should review the provisions for free allocation, in view of effectively preventing carbon leakage, introducing a more dynamic methodology that prevents over-allocation and incentivising carbon-efficient growth. While the market stability reserve helps to overcome the structural imbalance of supply and demand that stems from free allocation based on historical activity levels, it does not incentivise carbon efficient growth, nor prevent carbon leakage. The review should ensure that best performers do not have direct or indirect additional costs, but receive full free allocation of technically achievable benchmarks.

Or. en

Amendment 36
Gerben-Jan Gerbrandy, Fredrick Federley, Catherine Bearder

Proposal for a decision
Recital 2 a (new)

Text proposed by the Commission

Amendment

(2a) The allowances that were backloaded from 2014-2016 in accordance with Decision No 1359/2013/EU of the European Parliament and of the Council and Commission Regulation (EU) No 176/2014, should be directly placed into the market stability reserve, in order to provide stability and a clear signal with regard to the auctioned amounts of allowances.

Or. en

Amendment 37
Jadwiga Wiśniewska

Proposal for a decision
Recital 2 a (new)

Text proposed by the Commission

Amendment

(2a) In the European Council conclusions of 21 March 2014 it is stated that ‘Europe needs a strong and competitive industrial base, in terms of both production and investment, as a key driver for economic growth and jobs’. In its 2012 communication on ‘A Stronger European Industry for Growth and Economic Recovery’^{1a} the Commission set the goal of raising the share of industry in GDP from 16% to 20% by 2020. Two years later, in its communication entitled ‘For a European Industrial Renaissance’^{1b}, the Commission acknowledged that the share had fallen in the meantime and was around 15%. It is important that the ETS market stability reserve does not become another factor undermining industrial competitiveness in the EU.

^{1a} COM(2012)0582.

^{1b} COM(2014)0014.

Or. pl

Amendment 38
Massimo Paolucci, Renata Briano, Simona Bonafè, Caterina Chinnici, Enrico Gasbarra, Paolo De Castro

Proposal for a decision
Recital 2 a (new)

Text proposed by the Commission

Amendment

(2a) The auctioning of the allowances back-loaded to 2019 and 2020 in accordance with Commission Regulation (EU) No 176/2014 of 25 February 2014 amending Regulation (EU) No 1031/2010, so as to determine in particular the greenhouse gas emission allowance volumes to be auctioned in 2013-2020,^{1a} would be counterproductive. Accordingly, the back-loaded allowances should be placed in the market stability reserve when it becomes operational.

^{1a} OJ L 56, 26.2.2014, p 11.

Or. it

Amendment 39

Merja Kyllönen, Josu Juaristi Abaunz, Stefan Eck, Kateřina Konečná

Proposal for a decision

Recital 3

Text proposed by the Commission

Amendment

(3) Furthermore, in addition to the establishment of the market stability reserve, a few consequential amendments should be made to Directive 2003/87/EC to ensure consistency and smooth operation of the ETS. In particular, the operation of Directive 2003/87/EC may lead to large volumes of allowances to be auctioned at the end of each trading period which can undermine market stability. Accordingly, in order to avoid an imbalanced market situation of supply of allowances at the end of one trading period and the beginning of the next with possibly disruptive effects for the market, provision should be made for the auctioning of part of any large increase of supply at the end of one trading period

(3) Furthermore, in addition to the establishment of the market stability reserve, a few consequential amendments should be made to Directive 2003/87/EC to ensure consistency and smooth operation of the ETS. In particular, the operation of Directive 2003/87/EC may lead to large volumes of allowances to be auctioned at the end of each trading period which can undermine market stability. Accordingly, in order to avoid an imbalanced market situation of supply of allowances at the end of one trading period and the beginning of the next with possibly disruptive effects for the market, provision should be made for the auctioning of part of any large increase of supply at the end of one trading period

in the first two years of the next period.

in the first two years of the next period.

Moreover, in order to avoid an imbalanced market situation of supply of allowances, the backloaded allowances should be placed directly into the market stability reserve.

Or. en

Justification

Transfer of the backloaded allowances directly into the reserve will significantly speed up the process of reform and will have a positive effect on the stability of the market, which will not be unnecessarily exposed to short-term supplyshocks, favourable only for speculators.

Amendment 40

Seb Dance, Theresa Griffin, Paul Brannen

Proposal for a decision

Recital 3

Text proposed by the Commission

(3) Furthermore, in addition to the establishment of the market stability reserve, a few consequential amendments should be made to Directive 2003/87/EC to ensure consistency and smooth operation of the ETS. In particular, the operation of Directive 2003/87/EC may lead to large volumes of allowances to be auctioned at the end of each trading period which can undermine market stability. Accordingly, in order to avoid an imbalanced market situation of supply of allowances ***at the end of one trading period and the beginning of the next*** with possibly disruptive effects for the market, provision should be made for ***the auctioning*** of part of any large increase ***of*** supply at the end of one trading ***period in the first two years of the next*** period.

Amendment

(3) Furthermore, in addition to the establishment of the market stability reserve, a few consequential amendments should be made to Directive 2003/87/EC to ensure consistency and smooth operation of the ETS. In particular, the operation of Directive 2003/87/EC may lead to large volumes of allowances to be auctioned at the end of each trading period which can undermine market stability. Accordingly, in order to avoid an imbalanced market situation of supply of allowances with possibly disruptive effects for the market, provision should be made for ***cancelling*** of part of any large increase ***in*** supply at the end of one trading period.

Or. en

Amendment 41
Sirpa Pietikäinen

Proposal for a decision
Recital 3

Text proposed by the Commission

(3) Furthermore, in addition to the establishment of the market stability reserve, a few consequential amendments should be made to Directive 2003/87/EC to ensure consistency and smooth operation of the ETS. In particular, the operation of Directive 2003/87/EC may lead to large volumes of allowances to be auctioned at the end of each trading period which can undermine market stability. Accordingly, in order to avoid an imbalanced market situation of supply of allowances at the end of one trading period and the beginning of the next with possibly disruptive effects for the market, provision should be made for ***the auctioning of part of*** any large increase of supply at the end of one trading ***period in the first two years of the next*** period.

Amendment

(3) Furthermore, in addition to the establishment of the market stability reserve, a few consequential amendments should be made to Directive 2003/87/EC to ensure consistency and smooth operation of the ETS. In particular, the operation of Directive 2003/87/EC may lead to large volumes of allowances to be auctioned at the end of each trading period which can undermine market stability. Accordingly, in order to avoid an imbalanced market situation of supply of allowances at the end of one trading period and the beginning of the next with possibly disruptive effects for the market, provision should be made for ***cancelling*** any large increase of supply at the end of one trading period.

Or. en

Amendment 42
Eleonora Evi, Marco Affronte, Piernicola Pedicini, Dario Tamburrano, David Borrelli

Proposal for a decision
Recital 3

Text proposed by the Commission

(3) Furthermore, in addition to the establishment of the market stability reserve, a few consequential amendments should be made to Directive 2003/87/EC to ensure consistency and smooth operation of the ETS. In particular, the operation of

Amendment

(3) Furthermore, in addition to the establishment of the market stability reserve, a few consequential amendments should be made to Directive 2003/87/EC to ensure consistency and smooth operation of the ETS. In particular, the operation of

Directive 2003/87/EC may lead to large volumes of allowances to be auctioned at the end of each trading period which can undermine market stability. Accordingly, in order to avoid an imbalanced market situation of supply of allowances at the end of one trading period and the beginning of the next with possibly disruptive effects for the market, provision should be made for the **auctioning** of part of any large increase of supply at the end of one trading period **in the first two years of the next period**.

Directive 2003/87/EC may lead to large volumes of allowances to be auctioned at the end of each trading period which can undermine market stability. Accordingly, in order to avoid an imbalanced market situation of supply of allowances at the end of one trading period and the beginning of the next with possibly disruptive effects for the market, provision should be made for the **cancellation** of **at least** part of any large increase of supply at the end of one trading period.

Or. it

Amendment 43
Françoise Grossetête

Proposal for a decision
Recital 3 a (new)

Text proposed by the Commission

Amendment

(3a) As the European Council conclusions of 23 and 24 October 2014 confirm, Member States have agreed that EU ETS "existing measures will continue after 2020 to prevent the risk of carbon leakage due to climate policy". The Commission should ensure that the functioning of the market stability reserve does not work against measures to prevent the risk of carbon leakage from industrial sectors exposed to the risk of carbon leakage.

Or. en

Justification

To maintain EU industrial competitiveness, the MSR must not work against provisions for protection of sectors exposed to a significant risk of carbon leakage.

Amendment 44
Ian Duncan

Proposal for a decision
Recital 3 a (new)

Text proposed by the Commission

Amendment

(3a) The European Council conclusions of 23 and 24 October 2014 on the 2030 Climate and Energy Policy Framework give clear guidance on the continuation of free allocations and carbon leakage provisions after 2020 and in this context, the Commission should improve transparency in the calculations concerning the Cross-Sectoral Correction Factor (CSCF) and further analyse the impact of the application of the CSCF subsequent to 2020 and, if appropriate should propose measures to ensure support for industries exposed to any potential loss of competitiveness arising from the application of the CSCF.

Or. en

Amendment 45
Sirpa Pietikäinen

Proposal for a decision
Recital 3 a (new)

Text proposed by the Commission

Amendment

(3a) A large surplus decreases the carbon price signal and does not provide the necessary certainty investors require to invest in the transition towards a low-carbon economy, including energy supply. A stronger carbon price signal is necessary to avoid locking the EU into high carbon capital and investment. The establishment of the market stability reserve is not expected to avoid such lock in. Therefore, by 31 December 2015, the

Commission should make a proposal for an EU-wide Emissions Performance Standard for the power sector by 31 December 2016, with the aim of the proposed act entering into force by 2018. Such a proposal should minimise any negative impact on the EU's competitiveness while taking into account the potential environmental benefits.

Or. en

Amendment 46

Andrzej Grzyb, Jerzy Buzek, Elżbieta Katarzyna Łukacijewska

Proposal for a decision

Recital 3 a (new)

Text proposed by the Commission

Amendment

(3a) In order to prevent excessive price increases resulting from the application of the market stability reserve mechanism and to avoid a rapid increase in electricity prices as well as to reduce the threat of carbon leakage, a safety buffer in a form of the price control mechanism should be part of the market stability reserve. The price control mechanism as an integral part of the market stability reserve should introduce a price threshold of max. EUR 20, above which the placing of allowances in the reserve should be suspended until the price of an allowance falls below such threshold.

Or. en

Justification

The addition of the price mechanism to market stability reserve should prevent from an excessive allowances price increase as a safety buffer and provide a higher transparency important for making an investment decision in the long term.

Amendment 47
Seb Dance, Paul Brannen

Proposal for a decision
Recital 3 a (new)

Text proposed by the Commission

Amendment

(3a) Allowances that are backloaded in accordance with Decision No 1359/2013/EU of the European Parliament and of the Council ^{1a} and Commission Regulation (EU) No 176/2014^{1b} should be cancelled in order to limit large fluctuations of the carbon price in the future and in order to prevent the flooding of an already oversupplied market in 2019 and 2020.

^{1a} **Decision No 1359/2013/EU of the European Parliament and of the Council of 17 December 2013 amending Directive 2003/87/EC clarifying provisions on the timing of auctions of greenhouse gas allowances (OJ L 343, 19.12.2013, p. 1.)**

^{1b} **Commission Regulation (EU) No 176/2014 of 25 February 2014 amending Regulation (EU) No 1031/2010 in particular to determine the volumes of greenhouse gas emission allowances to be auctioned in 2013-20 (OJ L 56, 26.2.2014, p. 11).**

Or. en

Amendment 48
Annie Schreijer-Pierik

Proposal for a decision
Recital 3 a (new)

Text proposed by the Commission

Amendment

(3a) The Commission Regulation (EU) No 176/2014 has back-loaded 900 million

allowances to the end of the ETS phase 3. The impact of the auctioning of these back-loaded allowances in 2019 and 2020 would run counter to the desired effect of the current proposal for a market stability reserve. Therefore, the backloaded allowances should not be auctioned but instead taken up in the market stability reserve.

Or. en

Amendment 49

Norbert Lins, Jens Gieseke, Birgit Collin-Langen

Proposal for a decision

Recital 3 a (new)

Text proposed by the Commission

Amendment

(3a) In the light of the ETS reform that is envisaged by the introduction of the market stability reserve, and in particular, the reduction in the surplus of allowances, the auctioning of the allowances back-loaded to 2019 and 2020 in accordance with Commission Regulation (EU) No 176/2014^{1a}, would be counterproductive. Accordingly, the back-loaded allowances should be withheld and their purpose determined within the review of Directive 2003/87/EC.

^{1a} *Commission Regulation (EU) No 176/2014 of 25 February 2014 amending Regulation (EU) No 1031/2010 in particular to determine the volumes of greenhouse gas emission allowances to be auctioned in 2013-2020 (OJ L 56, 26.2.2014, p. 11).*

Or. en

Amendment 50
Jens Gieseke, Markus Pieper

Proposal for a decision
Recital 3 a (new)

Text proposed by the Commission

Amendment

(3a) Due to indirect costs relating to greenhouse gas emissions passed on in electricity prices, the Commission should consider a review of the lists of sectors and subsectors deemed to be exposed to a significant risk of carbon leakage in Annex II of the state aid guidelines 2012/C158/04 for electricity price compensation. The review should aim at ensuring consistency with eligible sectors listed under Section 3.7.2 of the state aid guidelines 2014/C200/01 for environmental protection and energy because of risks to their competitive position due to high electro-intensity. Sectors or subsectors exposed to a risk of carbon leakage, in which the sum of indirect additional costs would lead to a particularly high increase of production costs, calculated as a proportion of the gross value added, of at least 30% should also be taken into account in order to fully compensate for these costs.

Or. en

Amendment 51
Alberto Cirio

Proposal for a decision
Recital 3 a (new)

Text proposed by the Commission

Amendment

(3a) The European Parliament in its resolution of 4 February 2014 on the Action Plan for a competitive and sustainable steel industry in Europe

stressed that "the application of the cross-sectoral correction factor, which demonstrates that for industry the target is not achievable even with the best available technologies currently applied in Europe, with the result that even the most efficient installations in Europe may have additional costs". In order to avoid a dilution of the provisions of Article 10a of Directive 2003/87/EC, the application of the uniform cross-sectoral reduction factor should be suspended.

Or. en

Justification

Aimed at reducing the burden deriving from the application of the cross-sectoral reduction factor

Amendment 52
Miroslav Mikolášik

Proposal for a decision
Recital 3 a (new)

Text proposed by the Commission

Amendment

(3a) In its resolution of 4 February 2014 (2013/2177(INI)) the European Parliament "stresses that the Commission should address more concretely and in detail the issue of carbon leakage, that the 2030 climate and energy policy targets must be technically and economically feasible for EU industries and that best performers should have no direct or indirect additional costs resulting from climate policies". It also "stresses that the provisions for carbon leakage should provide 100% free allocation of technically achievable benchmarks, with no reduction factor for carbon leakage sectors". It is of paramount importance that the Commission reviews the

functioning of Directive 2003/87/EC, in this respect.

Or. en

Amendment 53

Peter Liese, Dubravka Šuica, Karl-Heinz Florenz, Miroslav Mikolášik, Bendt Bendtsen, György Hölvényi, Alojz Peterle

Proposal for a decision

Recital 3 a (new)

Text proposed by the Commission

Amendment

(3a) The European Council conclusions of 23 and 24 October 2014 on the 2030 Climate and Energy Policy Framework give clear guidance on the continuation of free allocations and carbon leakage provisions after 2020, stating that "the most efficient installations in the sectors at risk of losing international competitiveness should not face undue carbon costs leading to carbon leakage" and that "future allocations will ensure better alignment with changing production levels in different sectors" and "at the same time, incentives for industry to innovate will be fully preserved and administrative complexity will not be increased." The conclusions further underline that both direct and indirect costs for the respective industry sectors will be taken into account as well as the need for affordable energy prices. It is of paramount importance that the Commission reviews the functioning of Directive 2003/87/EC, in that respect.

Or. en

Amendment 54

Elisabetta Gardini, Françoise Grossetête, Aldo Patriciello, Giovanni La Via

Proposal for a decision
Recital 3 a (new)

Text proposed by the Commission

Amendment

(3a) In line with the European Council conclusions of 23 and 24 October 2014 on the 2030 Climate and Energy Policy Framework, and given the considerable efforts necessary to combat climate change and to adapt to its inevitable effects, and also given both the direct and indirect costs that the ETS entails for companies, it is appropriate that the entirety of the revenues generated from the auctioning of allowances be used primarily to compensate for indirect costs passed on in electricity prices as well as to reduce greenhouse gas emissions.

Or. en

Amendment 55

Matthias Groote, Claudiu Ciprian Tănăsescu, Theresa Griffin, Jytte Guteland, Seb Dance, Guillaume Balas, Nicola Caputo, Nessa Childers, Pavel Poc, Jo Leinen

Proposal for a decision
Recital 3 a (new)

Text proposed by the Commission

Amendment

(3a) Allowances that are backloaded in accordance with Decision No 1359/2013/EU of the European Parliament and of the Council^{1a} and Commission Regulation (EU) No 176/2014^{1b} should be cancelled in order to limit large fluctuations of the carbon price in the future and in order to prevent the flooding of an already oversupplied market in 2019 and 2020.

^{1a} ***Decision No 1359/2013/EU of the European Parliament and of the Council of 17 December 2013 amending Directive***

2003/87/EC clarifying provisions on the timing of auctions of greenhouse gas allowances (OJ L 343, 19.12.2013, p. 1).

^{1b} Commission Regulation (EU) No 176/2014 of 25 February 2014 amending Regulation (EU) No 1031/2010 in particular to determine the volumes of greenhouse gas emission allowances to be auctioned in 2013-20 (OJ L 56, 26.2.2014, p. 11).

Or. en

Justification

Backloading as devised by Commission Regulation 176/2017 and Decision No 1359/2013/EU of the European Parliament and of the Council would set the European Trading Scheme back several years. Close to 1.7 billion allowances could be flooding an already oversupplied market in 2019 and 2020.

Amendment 56
Mark Demesmaeker

Proposal for a decision
Recital 3 a (new)

Text proposed by the Commission

Amendment

(3a) Clear conditions must be established for retaining the back-loaded allowances in the market stability reserve, in particular providing for use of these allowances in tackling carbon leakage in the period after 2020.

Or. nl

Amendment 57
Massimo Paolucci, Renata Briano, Simona Bonafè, Caterina Chinnici, Enrico Gasbarra, Paolo De Castro, Nicola Caputo

Proposal for a decision
Recital 3 a (new)

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Text proposed by the Commission

Amendment

(3a) In pursuing the goal of creating a single energy market, it is necessary to overcome the distortions caused by the current funding mechanism in favour of sectors or sub-sectors deemed to be at significant risk of carbon leakage owing to the knock-on effect on electricity prices of greenhouse gas emissions costs. Further amendments to Directive 2003/87/EC are therefore necessary and the Commission should accordingly propose harmonised arrangements at EU level, different from the mechanism currently governed by state aid rules, which could enter into force at the start of phase 4 in 2021.

Or. it

Justification

To complete the single energy market, it is essential to overcome existing distortions of competition, including those relating to the application of Directive 2003/87/EC as regards compensation payments.

Amendment 58
Jens Gieseke, Markus Pieper

Proposal for a decision
Recital 3 b (new)

Text proposed by the Commission

Amendment

(3b) In its conclusions of 21 March 2014 the European Council emphasised that Europe needs a strong and competitive industrial base as a key driver for economic growth and jobs and that industrial competitiveness concerns should be systematically mainstreamed across all EU policy areas. The European Council invited the Council and the

Commission rapidly to develop measures to prevent potential carbon leakage and called for long-term planning security for industrial investment in order to ensure the competitiveness of Europe's energy-intensive industries. It also stressed that a coherent European energy and climate policy must address the issue of high energy costs – in particular for energy-intensive industries – and ensure affordable energy prices.

Or. de

Amendment 59

Andrzej Grzyb, Jerzy Buzek, Elżbieta Katarzyna Łukacijewska

Proposal for a decision

Recital 3 b (new)

Text proposed by the Commission

Amendment

(3b) The European Council conclusions of 23 and 24 October 2014 on the 2030 Climate and Energy Policy Framework give clear guidance on the continuation of free allocations to the energy sector in Member States with GDP per capita below 60% of the EU average. The ETS reform that is envisaged by the introduction of the market stability reserve should be carried out without prejudice to optional transitional free allocations no more than 40% of the allowances allocated under paragraph 2.9 of the European Council conclusions of 23 and 24 October 2014 aimed at promoting real investments modernising the energy sector, while avoiding distortions of the internal energy market.

Or. en

Justification

Optional free allocation for energy sector shall be fully immune from the impact of market stability reserve.

Amendment 60

Seb Dance, Theresa Griffin, Paul Brannen

Proposal for a decision

Recital 3 b (new)

Text proposed by the Commission

Amendment

(3b) The establishment of the market stability reserve does not affect the allocation of free allowances to industry at risk of carbon leakage and only tackles the volume of allowances that are auctioned. Any genuine risk of carbon leakage should fully be addressed as part of the wider structural reform of the Emission Trading System in preparation for 2021. Until 2020, industry sectors which have been defined as being at risk of carbon leakage and which meet the relevant benchmarks, are protected by provisions in place which guarantee 100% free allowances. Guarantees to extend the existing carbon leakage measures have already been given in the Conclusions of the October 2014 European Council.

Or. en

Amendment 61

Norbert Lins, Jens Gieseke, Birgit Collin-Langen

Proposal for a decision

Recital 3 b (new)

Text proposed by the Commission

Amendment

(3b) It is of paramount importance that the Commission reviews the functioning

of Directive 2003/87/EC, regarding in particular the continuation of free allocations and carbon leakage provisions after 2020.

Or. en

Amendment 62
Annie Schreijer-Pierik

Proposal for a decision
Recital 3 b (new)

Text proposed by the Commission

Amendment

(3b) The current carbon leakage regime has the side-effect of penalising EU industry when its production grows and does not fully reward the most carbon efficient installations because of the cross sectoral correction factor. A more accurate system should be considered together with the review of the carbon leakage regime.

Or. en

Amendment 63
Elisabetta Gardini, Françoise Grossetête, Aldo Patriciello, Giovanni La Via

Proposal for a decision
Recital 3 b (new)

Text proposed by the Commission

Amendment

(3b) Certain installations which have been determined to be exposed to a significant risk of carbon leakage for costs related to greenhouse gas emissions passed on in electricity prices should be compensated through harmonised financial measures, including measures relating to the use of the revenues generated from the auctioning of allowances.

Amendment 64

Matthias Groote, Claudiu Ciprian Tănăsescu, Theresa Griffin, Seb Dance, Nessa Childers, Miriam Dalli, Jo Leinen, Giorgos Grammatikakis

Proposal for a decision

Recital 3 b (new)

Text proposed by the Commission

Amendment

(3b) The European Council Conclusions of 23 and 24 October 2014 on the 2030 Climate and Energy Policy Framework give clear guidance on the continuation of free allocations and carbon leakage provisions after 2020. It is important that the competitiveness of European industries at genuine risk of carbon leakage is protected. Proportionate measures should, therefore, be put in place in order to shelter such industries from any negative impact on their competitiveness. Such measures should reflect the carbon price prevailing at the time of their introduction in order to ensure their effectiveness and to respect environmental integrity. It is, therefore, important that the Commission review the functioning of Directive 2003/87/EC in this respect.

Or. en

Amendment 65

Mark Demesmaeker

Proposal for a decision

Recital 3 b (new)

Text proposed by the Commission

Amendment

(3b) The European Council conclusions of 23 and 24 October 2014 on the 2030

Climate and Energy Policy Framework give clear guidance on the continuation of free allocations and carbon leakage provisions after 2020, stating that ‘the most efficient installations in the sectors at risk of losing international competitiveness should not face undue carbon costs leading to carbon leakage’ and that ‘future allocations will ensure better alignment with changing production levels in different sectors’ and ‘at the same time, incentives for industry to innovate will be fully preserved and administrative complexity will not be increased.’ In this connection it is of crucial importance that the Commission reviews the operation of Directive 2003/87/EC in these areas and if necessary steers it towards a harmonised framework for tackling carbon leakage after 2020.

Or. nl

Amendment 66

Massimo Paolucci, Renata Briano, Simona Bonafè, Caterina Chinnici, Enrico Gasbarra, Paolo De Castro, Nicola Caputo

Proposal for a decision

Recital 3 b (new)

Text proposed by the Commission

Amendment

(3b) EU-harmonised measures different from the current state aid mechanism should be put in place so as to secure a fully level playing field, and to offset, in all Member States, carbon costs passed on through electricity bills.

Or. xm

Justification

To complete the single energy market, it is essential to overcome existing distortions of

competition, including those relating to the application of Directive 2003/87/EC as regards compensation payments.

Amendment 67
Jens Gieseke, Markus Pieper

Proposal for a decision
Recital 3 c (new)

Text proposed by the Commission

Amendment

(3c) Given the costs relating to greenhouse gas emissions passed on to final consumers via electricity prices, the Commission should consider forms of compensation other than financial measures, which are not working well. Among the measures to consider would be that of reserving a sufficient proportion of the Union-wide quantity of allowances for the sectors and subsectors deemed to be exposed to a significant risk of carbon leakage.

Or. de

Amendment 68
Andrzej Grzyb, Jerzy Buzek, Elżbieta Katarzyna Łukacijewska

Proposal for a decision
Recital 3 c (new)

Text proposed by the Commission

Amendment

(3c) The European Council conclusions of 23 and 24 October 2014 on the 2030 Climate and Energy Policy Framework give clear guidance on the continuation of free allocations and carbon leakage provisions after 2020, stating that "the most efficient installations in the sectors at risk of losing international competitiveness should not face undue carbon costs leading to carbon leakage" and that "future allocations will ensure

better alignment with changing production levels in different sectors" and "at the same time, incentives for industry to innovate will be fully preserved and administrative complexity will not be increased." The conclusions further underline that both direct and indirect costs for the respective industry sectors will be taken into account as well as the need for affordable energy prices. It is of paramount importance that the Commission reviews the functioning of Directive 2003/87/EC, in that respect.

Or. en

Amendment 69
Sirpa Pietikäinen

Proposal for a decision
Recital 4

Text proposed by the Commission

(4) The Commission should review the functioning of the market stability reserve in relation to its operation in the light of experience of its application. The review of the functioning of the market stability reserve should in particular consider whether the rules on placing allowances in the reserve are appropriate with regard to the aim pursued to tackle structural supply-demand imbalances.

Amendment

(4) The Commission should review the functioning of the market stability reserve in relation to its operation in the light of experience of its application. The review of the functioning of the market stability reserve should in particular consider whether the rules on placing allowances in the reserve are appropriate with regard to the aim pursued to tackle structural supply-demand imbalances, ***and consider whether the current allowance price provides an appropriate incentive for low carbon investment. Where the allowance price is not at the required level, such a review should also consider the need for the establishment of an EU-wide emissions performance standard for the power sector.***

Or. en

Amendment 70

Andrzej Grzyb, Jerzy Buzek, Elżbieta Katarzyna Łukacijewska

Proposal for a decision

Recital 4

Text proposed by the Commission

(4) The Commission should review the functioning of the market stability reserve in relation to its operation in the light of experience of its application. The review of the functioning of the market stability reserve should in particular consider whether the rules on placing allowances in the reserve are appropriate with regard to the **aim pursued to tackle structural supply-demand imbalances**.

Amendment

(4) The Commission should review the functioning of the market stability reserve in relation to its operation in the light of experience of its application. The review of the functioning of the market stability reserve should in particular consider whether the rules on placing **and releasing** allowances in **and from** the reserve are appropriate with regard to the **current economic situation. Costs for consumers resulting from the development of CO₂ prices should be duly taken into account. In that context the state of global climate change negotiations and possible ETS links with other carbon markets should be taken into account.**

Or. en

Justification

The functioning of market stability reserve should strictly correlate with the current economic situation (economic and technical development). There is strong possibility that introduction of MSR will result in significant increases in CO₂ prices. According to European Council conclusions (23-24 October 2014) affordable energy prices should be ensured. Moreover, the decision concerning the establishment and operation of a MSR and possible future review of MSR should take into account the state of global climate negotiations (UNFCCC) and future dynamics in linking carbon markets with EU ETS.

Amendment 71

Jadwiga Wiśniewska

Proposal for a decision

Recital 4

Text proposed by the Commission

(4) The Commission should review the functioning of the market stability reserve in relation to its operation in the light of experience of its application. The review of the functioning of the market stability reserve should in particular consider whether the rules on placing allowances in the reserve are appropriate with regard to the aim pursued to tackle structural supply-demand imbalances.

Amendment

(4) The Commission should review the functioning of the market stability reserve in relation to its operation in the light of experience of its application. The review of the functioning of the market stability reserve should in particular consider whether the rules on placing **and releasing** allowances in **and from** the reserve are appropriate with regard to the aim pursued to tackle structural supply-demand imbalances, **taking into account at the same time the impact of the reserve on the economic situation and energy prices for households.**

Or. pl

Amendment 72

Eleonora Evi, Marco Affronte, Piernicola Pedicini, Dario Tamburrano, David Borrelli

Proposal for a decision

Recital 4

Text proposed by the Commission

(4) The Commission should review the **functioning of the market stability reserve in relation to its operation in** the light of experience **of its application**. The **review of the functioning of the market stability reserve** should in particular **consider** whether the **rules on placing allowances** in the **reserve are appropriate** with **regard to the aim pursued to tackle structural supply-demand imbalances**.

Amendment

(4) The Commission should **begin as soon as possible to** review the **operation of Directive 87/2003** in the light of experience **and taking into account** the **operational anomalies deemed necessary to avoid carbon leakage and to act artificially on the allowance exchange market**. **That review** should consider in particular whether the **'cap & trade' system responds to the measures necessary to achieve the reduction of greenhouse gas emissions in the industrial sectors concerned, the feasibility of introducing price adjustment mechanisms for imports and exports to and from countries with no greenhouse gas emission regulations and of establishing establish a CO2 price at Union level,**

given that greenhouse gases cannot be considered tangible property.

Or. it

Amendment 73

Peter Liese, Sirpa Pietikäinen, Dubravka Šuica, Karl-Heinz Florenz, Bendt Bendtsen, Alojz Peterle

Proposal for a decision

Recital 4

Text proposed by the Commission

(4) The Commission should review the functioning of the market stability reserve in relation to its operation in the light of experience of its application. The review of the functioning of the market stability reserve should in particular consider whether the rules on placing allowances in the reserve are appropriate with regard to the aim pursued to tackle structural supply-demand imbalances.

Amendment

(4) The Commission should review the functioning of the market stability reserve in relation to its operation in the light of experience of its application. The review of the functioning of the market stability reserve should in particular consider whether the rules on placing allowances in the reserve are appropriate with regard to the aim pursued to tackle structural supply-demand imbalances. ***The review should be carried out in 2021.***

Or. en

Amendment 74

Annie Schreijer-Pierik

Proposal for a decision

Recital 4 a (new)

Text proposed by the Commission

Amendment

(4a) The Committee on the Environment, Public Health and Food Safety of the European Parliament decided in its meeting of 24 September 2014 to prolong the current carbon leakage provisions for the period 2015-2019.

Or. en

Amendment 75

Andrzej Grzyb, Jerzy Buzek, Elżbieta Katarzyna Łukacijewska

Proposal for a decision

Recital 4 a (new)

Text proposed by the Commission

Amendment

(4a) Back-loaded allowances in accordance with Regulation (EU) No 176/2014 should not be placed in the market stability reserve.

Or. en

Justification

Placing back-loaded allowances directly into the reserve would in fact mean the increase of the EU 2020 emission reduction target. Decision to increase the existing target can only be made unanimously by the European Council.

Amendment 76

Jan Huitema

Proposal for a decision

Recital 4 a (new)

Text proposed by the Commission

Amendment

(4a) The European Parliament resolution of 4 February 2014 (2013/2177(INI) stresses "that the Commission should address more concretely and in detail the issue of carbon leakage". The European Council conclusions of 23 and 24 October 2014 on the Climate and Energy Policy Framework give clear guidance on the continuation of free allocations and carbon leakage provisions stating that "the most efficient installations in the sectors at risk of losing international competitiveness should not face undue carbon costs leading to carbon leakage". The Commission should review Directive

2003/87/EC and in particular Article 10a in this respect and ensure that the best performing industries at risk get 100% free allowances on the basis of realistic benchmarks and actual production.

Or. en

Amendment 77
György Hölvényi

Proposal for a decision
Recital 4 a (new)

Text proposed by the Commission

Amendment

(4a) As the European Council conclusions of 23-24 October 2014 confirm, Member States have agreed that EU ETS 'existing measures will continue after 2020 to prevent the risk of carbon leakage due to climate policy'. The Commission should ensure that the functioning of the market stability reserve does not work against measures to prevent the risk of carbon leakage from industrial sectors exposed to the risk of carbon leakage.

Or. en

Justification

To maintain EU industrial competitiveness, the MSR must not work against provisions for protection of sectors exposed to a significant risk of carbon leakage. EUETS Article 10a(6) states that "Member States may also adopt financial measures in favour of sectors or subsectors determined to be exposed to a significant risk of carbon leakage". However the Council Conclusions of the 23rd of October go further and state in section 1.2 'existing measures will continue after 2020 to prevent the risk of carbon leakage due to climate policy'.

Amendment 78
György Hölvényi

Proposal for a decision
Recital 4 b (new)

Text proposed by the Commission

Amendment

(4b) The Commission Communication on Regulatory Fitness and Performance Programme (REFIT): State of Play and Outlook states "The challenge is to keep this legislation simple - not to go beyond what is strictly necessary to achieve policy goals and to avoid overlapping layers of regulation". Thus the Commission should ensure that measures within the ETS do not contradict each other.

Or. en

Justification

In line with the Commission's Better Regulation principles and to avoid regulatory complexity and overlapping measures, the implementation of the MSR must not overlap with provisions for protection of sectors exposed to a significant risk of carbon leakage, which are designed to ensure ETS functions whilst best maintaining EU industrial competitiveness.

Amendment 79

Andrzej Grzyb, Jerzy Buzek, Elżbieta Katarzyna Łukacijewska

Proposal for a decision
Recital 5

Text proposed by the Commission

Amendment

(5) Articles 10 **and** 13(2) of Directive 2003/87/EC should therefore be amended accordingly,

(5) Articles 10, 13(2) **and 29a** of Directive 2003/87/EC should therefore be amended accordingly ***without prejudice to the volumes of allowances that will be distributed among eligible Member States according to the European Council conclusions of 23 and 24 October 2014 on the 2030 Climate and Energy Policy Framework, namely:***

(a) optional transitional free allocations aimed at promoting real investments modernising the energy sector, while

avoiding distortions of the internal energy market;

(b) a new reserve of 2% of the EU ETS allowances that will be set aside to address particularly high additional investment needs in low income Member States (GDP per capita below 60% of the EU average in 2013 in EUR at market prices);

(c) 10% of the EU ETS allowances that will be auctioned by the Member States for the purposes of solidarity, growth and interconnections and which will be distributed among those countries whose GDP per capita did not exceed 90% of the EU average (in 2013).

Or. en

Justification

To guarantee that the market stability reserve (MSR) is fully in line with the decisions made by the European Council on the 2030 Climate and Energy Policy Framework, all volumes of allowances that will be distributed among Member States with a purpose of auctioning or giving them for free shall not be changed by this proposal. The amendment is also connected with the proposal of establishing price mechanism safety buffer into MSR. The addition of the price mechanism to MSR should prevent from an excessive allowances price increase as a safety buffer and provide higher transparency important for making an investment decisions in the long term.

Amendment 80

Elisabetta Gardini, Françoise Grossetête, Aldo Patriciello, Giovanni La Via

Proposal for a decision

Recital 5

Text proposed by the Commission

(5) *Articles 10 and 13(2) of Directive 2003/87/EC should therefore be amended accordingly,*

Amendment

(5) Directive 2003/87/EC should therefore be amended accordingly,

Or. en

Justification

There is no need to refer to specific articles which are to be amended.

Amendment 81
Bas Eickhout

Proposal for a decision
Recital 5 a (new)

Text proposed by the Commission

Amendment

(5a) The establishment of the market stability reserve applies only to the volume of allowances to be auctioned, and hence does not affect the allocation of free allowances to installations in sectors or subsectors which are exposed to a significant risk of carbon leakage. In order to prevent carbon leakage and to finance renewable and energy efficiency technologies in industrial sectors, the NER300 facility should be renewed and expanded in the context of a forthcoming review of Directive 2003/87/EC.

Or. en

Amendment 82
Alberto Cirio

Proposal for a decision
Recital 5 a (new)

Text proposed by the Commission

Amendment

(5a) As the European Council conclusions of 23-24 October 2014 confirm, Member States have agreed that EU ETS 'existing measures will continue after 2020 to prevent the risk of carbon leakage due to climate policy'. The Commission should ensure that the

functioning of the market stability reserve does not work against measures to prevent the risk of carbon leakage from industrial sectors exposed to the risk of carbon leakage.

Or. en

Justification

Useful to recall the issue of carbon leakage

Amendment 83
Alberto Cirio

Proposal for a decision
Recital 5 b (new)

Text proposed by the Commission

Amendment

(5b) The Commission Communication on Regulatory Fitness and Performance Programme (REFIT): State of Play and Outlook states "The challenge is to keep this legislation simple - not to go beyond what is strictly necessary to achieve policy goals and to avoid overlapping layers of regulation". Thus the Commission should ensure that measures within the ETS do not contradict each other.

Or. en

Justification

The complexity of this issue should not translate into complex and maybe contradictory rules.

Amendment 84
Iratxe García Pérez

Proposal for a decision
Article 1 – title

Text proposed by the Commission

Amendment

Market stability reserve

Market stability reserve **and innovation fund**

Or. es

Amendment 85

Bas Eickhout

Proposal for a decision

Article 1 – paragraph 1

Text proposed by the Commission

Amendment

1. A market stability reserve is established, and shall operate from 1 **January 2021**.

1. A market stability reserve is established, and shall operate from 1 **July 2016**.

Or. en

Amendment 86

Ian Duncan

Proposal for a decision

Article 1 – paragraph 1

Text proposed by the Commission

Amendment

1. A market stability reserve is established, and shall operate from 1 January **2021**.

1. A market stability reserve is established, and shall operate from 1 January **2017**.

Or. en

Amendment 87

Merja Kyllönen, Josu Juaristi Abaunz, Stefan Eck, Kateřina Konečná

Proposal for a decision

Article 1 – paragraph 1

Text proposed by the Commission

Amendment

1. A market stability reserve is established, and shall operate from 1 January **2021**.

1. A market stability reserve is established, and shall operate from 1 January **2017**.

Or. en

Justification

Shifting the start of the reform from 2021 to 2017 in order to secure the full functioning of the EU ETS and to prevent further mutual negative interaction between the three targets for 2030 from 2020. Technically nothing hinders earlier start of the reform, it is only necessary to adjust the auction calendar. Earlier functioning of the reserve is optimal to solve the problem with backloaded allowances, whose direct transfer to the reserve is supported by a big number of the Member States.

Amendment 88
Jan Huitema

Proposal for a decision
Article 1 – paragraph 1

Text proposed by the Commission

Amendment

1. A market stability reserve is established, and shall operate from 1 January **2021**.

1. A market stability reserve is established, and shall operate from 1 January **2017**.

Or. en

Amendment 89
Jadwiga Wiśniewska

Proposal for a decision
Article 1 – paragraph 1

Text proposed by the Commission

Amendment

1. A market stability reserve is established, and shall operate from 1 January **2021**.

1. A market stability reserve is established, and shall operate from 1 January **2023**.

Or. pl

Amendment 90
Seb Dance, Paul Brannen

Proposal for a decision
Article 1 – paragraph 1

Text proposed by the Commission

1. A market stability reserve is established, and shall operate from 1 **January 2021**.

Amendment

1. A market stability reserve is established, and shall operate from 1 **July 2016**.

Or. en

Amendment 91
Andrzej Grzyb, Jerzy Buzek, Elżbieta Katarzyna Łukacijewska

Proposal for a decision
Article 1 – paragraph 1

Text proposed by the Commission

1. A market stability reserve is established, and shall operate from 1 January **2021**.

Amendment

1. A market stability reserve is established, and shall operate from 1 January **2022, on the condition that Directive 2003/87/EC is amended according to the European Council conclusions of 23 and 24 October 2014 on the 2030 Climate and Energy Policy Framework**.

Or. en

Justification

The Market Stability Reserve should not be established if the conditions laid down in the European Council conclusions of 23 and 24 October 2014 on the 2030 Climate and Energy Policy Framework are not met.

Amendment 92
Gerben-Jan Gerbrandy, Fredrick Federley, Catherine Bearder

Proposal for a decision
Article 1 – paragraph 1

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Text proposed by the Commission

Amendment

1. A market stability reserve is established, and shall operate from 1 January **2021**.

1. A market stability reserve is established, and shall operate from 1 January **2017**.

Or. en

Amendment 93
Markus Pieper

Proposal for a decision
Article 1 – paragraph 1

Text proposed by the Commission

Amendment

1. A market stability reserve is established, and shall operate from 1 January 2021.

1. ***With full respect to Commission Regulation (EU) 176/2014 of 25 February 2014 amending Regulation (EU) No 1031/2010 in particular to determine the volumes of greenhouse gas emission allowances to be auctioned in 2013-20*** a market stability reserve is established, and shall operate from ***the beginning of the next ETS trading period starting on*** 1 January 2021.

Or. en

Amendment 94
Peter Liese, Sirpa Pietikäinen, Dubravka Šuica, Karl-Heinz Florenz, Bendt Bendtsen, Alojz Peterle

Proposal for a decision
Article 1 – paragraph 1

Text proposed by the Commission

Amendment

1. A market stability reserve is established, and shall operate from 1 January **2021**.

1. A market stability reserve is established, and shall operate from 1 January **2017**.

Or. en

Amendment 95
Giovanni La Via

Proposal for a decision
Article 1 – paragraph 1

Text proposed by the Commission

Amendment

1. A market stability reserve is established,
and shall operate from 1 January **2021**.

1. A market stability reserve is established,
and shall operate from 1 January **2017**.

Or. en

Amendment 96
**Massimo Paolucci, Renata Briano, Simona Bonafè, Caterina Chinnici, Enrico Gasbarra,
Paolo De Castro, Nicola Caputo**

Proposal for a decision
Article 1 – paragraph 1

Text proposed by the Commission

Amendment

1. A market stability reserve is established,
and shall operate from 1 January **2021**.

1. A market stability reserve is established,
and shall operate from 1 January **2017**.

Or. it

Justification

In order to enhance its effectiveness and rebalance the EU ETS system more rapidly, the reserve should enter into force before the beginning of phase 4.

Amendment 97
**Matthias Groote, Claudiu Ciprian Tănăsescu, Theresa Griffin, Jytte Guteland,
Guillaume Balas, Nessa Childers, Miriam Dalli, Jo Leinen, Pavel Poc, Giorgos
Grammatikakis**

Proposal for a decision
Article 1 – paragraph 1

Text proposed by the Commission

Amendment

1. A market stability reserve is established,

1. A market stability reserve is established,

and shall operate from 1 January **2021**.

and shall operate from 1 January **2017**.

Or. en

Amendment 98

Ian Duncan

Proposal for a decision

Article 1 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. The Commission shall ensure that allowances back-loaded in accordance with Commission Regulation (EU) No 176/2014 ^{1a} are directly placed in the market stability reserve.

^{1a} Commission Regulation (EU) No 176/2014 of 25 February 2014 amending Regulation (EU) No 1031/2010 in particular to determine the volumes of greenhouse gas emission allowances to be auctioned in 2013-20 (OJ L 56, 26.2.2014, p. 11).

Or. en

Amendment 99

Andrzej Grzyb, Jerzy Buzek, Elżbieta Katarzyna Łukacijewska

Proposal for a decision

Article 1 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. Allowances put into the reserve shall not be cancelled.

Or. en

Justification

The aim of market stability reserve is to provide proper supply-demand rules as long as it functions taking into account economic situation. Once the allowances put into the reserve are cancelled it would create imbalance of the market stability reserve as only supply (and not supply-demand) instrument. Cancelling part of allowances would undermine European Council agreements (2008 and 2014).

Amendment 100

Gerben-Jan Gerbrandy, Fredrick Federley, Catherine Bearder

Proposal for a decision

Article 1 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. The backloaded allowances shall be directly placed into the market stability reserve.

Or. en

Amendment 101

Massimo Paolucci, Renata Briano, Simona Bonafè, Caterina Chinnici, Enrico Gasbarra, Paolo De Castro

Proposal for a decision

Article 1 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. The Commission shall ensure that the allowances back-loaded in accordance with Regulation (EU) No 176/2014 are placed in the market stability reserve as of 1 January 2021.

Or. it

Justification

In line with amendment 2.

Amendment 102
Mark Demesmaeker

Proposal for a decision
Article 1 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. The Commission shall ensure that allowances that are back-loaded to later years in accordance with Commission Regulation (EU) No 176/2014 are included in the market stability reserve on 1 January 2021 and that these allowances are used in particular for tackling carbon leakage.

Or. nl

Amendment 103
Gerben-Jan Gerbrandy, Fredrick Federley, Catherine Bearder

Proposal for a decision
Article 1 – paragraph 1 b (new)

Text proposed by the Commission

Amendment

1b. Allowances remaining in the new entrants' reserve at the end of the period, and allowances not allocated due to closures or under the derogation for the modernisation of the electricity sector shall be considered "unallocated allowances". All such unallocated allowances shall be directly placed in the market stability reserve.

Or. en

Amendment 104
Bas Eickhout

Proposal for a decision
Article 1 – paragraph 2

Text proposed by the Commission

2. The Commission shall publish the total number of allowances in circulation each year, by 15 May of the subsequent year. The total number of allowances in circulation for year x shall be the cumulative number of allowances issued in the period since 1 January 2008, including the number issued pursuant to Article 13(2) of Directive 2003/87/EC in that period and entitlements to use international credits exercised by installations under the EU emission trading system in respect of emissions up to 31 December of year x, minus the cumulative tonnes of verified emissions from installations under the EU emission trading system between 1 January 2008 and 31 December of year x, any allowances cancelled in accordance with Article 12(4) of Directive 2003/87/EC and the number of allowances in the reserve. No account shall be taken of emissions during the three-year period starting in 2005 and ending in 2007 and allowances issued in respect of those emissions. The first publication shall take place by 15 May **2017**.

Amendment

2. The Commission shall publish the total number of allowances in circulation each year, by 15 May of the subsequent year. The total number of allowances in circulation for year x shall be the cumulative number of allowances issued in the period since 1 January 2008, including the number issued pursuant to Article 13(2) of Directive 2003/87/EC in that period and entitlements to use international credits exercised by installations under the EU emission trading system in respect of emissions up to 31 December of year x, minus the cumulative tonnes of verified emissions from installations under the EU emission trading system between 1 January 2008 and 31 December of year x, any allowances cancelled in accordance with Article 12(4) of Directive 2003/87/EC and the number of allowances in the reserve. No account shall be taken of emissions during the three-year period starting in 2005 and ending in 2007 and allowances issued in respect of those emissions. The first publication shall take place by 15 May **2016**.

Or. en

Amendment 105

Merja Kyllönen, Josu Juaristi Abaunz, Stefan Eck, Kateřina Konečná

Proposal for a decision

Article 1 – paragraph 2

Text proposed by the Commission

2. The Commission shall publish the total number of allowances in circulation each year, by 15 May of the subsequent year. The total number of allowances in circulation for year x shall be the cumulative number of allowances issued in

Amendment

2. The Commission shall publish the total number of allowances in circulation each year, by 15 May of the subsequent year. The total number of allowances in circulation for year x shall be the cumulative number of allowances issued in

the period since 1 January 2008, including the number issued pursuant to Article 13(2) of Directive 2003/87/EC in that period and entitlements to use international credits exercised by installations under the EU emission trading system in respect of emissions up to 31 December of year x, minus the cumulative tonnes of verified emissions from installations under the EU emission trading system between 1 January 2008 and 31 December of year x, any allowances cancelled in accordance with Article 12(4) of Directive 2003/87/EC and the number of allowances in the reserve. No account shall be taken of emissions during the three-year period starting in 2005 and ending in 2007 and allowances issued in respect of those emissions. The first publication shall take place by 15 May **2017**.

the period since 1 January 2008, including the number issued pursuant to Article 13(2) of Directive 2003/87/EC in that period and entitlements to use international credits exercised by installations under the EU emission trading system in respect of emissions up to 31 December of year x, minus the cumulative tonnes of verified emissions from installations under the EU emission trading system between 1 January 2008 and 31 December of year x, any allowances cancelled in accordance with Article 12(4) of Directive 2003/87/EC and the number of allowances in the reserve. No account shall be taken of emissions during the three-year period starting in 2005 and ending in 2007 and allowances issued in respect of those emissions. The first publication shall take place by 15 May **2016**.

Or. en

Justification

Moving the first announcement because of shifting the start of the reform from 2021 to 2017 in order to secure the full functioning of the EU ETS and to prevent further mutual negative interaction between the three targets for 2030 from 2020. Technically nothing hinders earlier start of therefrom, it is only necessary to adjust the auction calendar. Earlier functioning of the reserve is optimal to solve the problem with backloaded allowances, whose direct transfer to the reserve is supported by a big number of the Member States.

Amendment 106

Massimo Paolucci, Renata Briano, Simona Bonafè, Caterina Chinnici, Enrico Gasbarra, Paolo De Castro

Proposal for a decision

Article 1 – paragraph 2

Text proposed by the Commission

2. The Commission shall publish the total number of allowances in circulation each year, by 15 May of the subsequent year. The total number of allowances in

Amendment

2. The Commission shall publish the total number of allowances in circulation each year, by 15 May of the subsequent year. The total number of allowances in

circulation for year x shall be the cumulative number of allowances issued in the period since 1 January 2008, including the number issued pursuant to Article 13(2) of Directive 2003/87/EC in that period and entitlements to use international credits exercised by installations under the EU emission trading system in respect of emissions up to 31 December of year x, minus the cumulative tonnes of verified emissions from installations under the EU emission trading system between 1 January 2008 and 31 December of year x, any allowances cancelled in accordance with Article 12(4) of Directive 2003/87/EC and the number of allowances in the reserve. No account shall be taken of emissions during the three-year period starting in 2005 and ending in 2007 and allowances issued in respect of those emissions. The first publication shall take place by 15 May 2017.

circulation for year x shall be the cumulative number of allowances issued in the period since 1 January 2008, including the number issued pursuant to Article 13(2) of Directive 2003/87/EC in that period and entitlements to use international credits exercised by installations under the EU emission trading system in respect of emissions up to 31 December of year x, minus the cumulative tonnes of verified emissions from installations under the EU emission trading system between 1 January 2008 and 31 December of year x, any allowances cancelled in accordance with Article 12(4) of Directive 2003/87/EC and the number of allowances in the reserve. No account shall be taken of emissions during the three-year period starting in 2005 and ending in 2007 and allowances issued in respect of those emissions. The first publication shall take place by 15 May 2016.

Or. it

Amendment 107
Ian Duncan

Proposal for a decision
Article 1 – paragraph 2

Text proposed by the Commission

2. The Commission shall publish the total number of allowances in circulation each year, by 15 May of the subsequent year. The total number of allowances in circulation for year x shall be the cumulative number of allowances issued in the period since 1 January 2008, including the number issued pursuant to Article 13(2) of Directive 2003/87/EC in that period and entitlements to use international credits exercised by installations under the EU emission trading system in respect of emissions up to 31 December of year x,

Amendment

2. The Commission shall publish the total number of allowances in circulation each year, by 15 May of the subsequent year. The total number of allowances in circulation for year x shall be the cumulative number of allowances issued in the period since 1 January 2008, including the number issued pursuant to Article 13(2) of Directive 2003/87/EC in that period and entitlements to use international credits exercised by installations under the EU emission trading system in respect of emissions up to 31 December of year x,

minus the cumulative tonnes of verified emissions from installations under the EU emission trading system between 1 January 2008 and 31 December of year x, any allowances cancelled in accordance with Article 12(4) of Directive 2003/87/EC and the number of allowances in the reserve. No account shall be taken of emissions during the three-year period starting in 2005 and ending in 2007 and allowances issued in respect of those emissions. The first publication shall take place by 15 May **2017**.

minus the cumulative tonnes of verified emissions from installations under the EU emission trading system between 1 January 2008 and 31 December of year x, any allowances cancelled in accordance with Article 12(4) of Directive 2003/87/EC and the number of allowances in the reserve. No account shall be taken of emissions during the three-year period starting in 2005 and ending in 2007 and allowances issued in respect of those emissions. The first publication shall take place by 15 May **2016**.

Or. en

Amendment 108
Jadwiga Wiśniewska

Proposal for a decision
Article 1 – paragraph 2

Text proposed by the Commission

2. The Commission shall publish the total number of allowances in circulation each year, by 15 May of the subsequent year. The total number of allowances in circulation for year x shall be the cumulative number of allowances issued in the period since 1 January 2008, including the number issued pursuant to Article 13(2) of Directive 2003/87/EC in that period and entitlements to use international credits exercised by installations under the EU emission trading system in respect of emissions up to 31 December of year x, minus the cumulative tonnes of verified emissions from installations under the EU emission trading system between 1 January 2008 and 31 December of year x, any allowances cancelled in accordance with Article 12(4) of Directive 2003/87/EC and the number of allowances in the reserve. No account shall be taken of emissions during the three-year period starting in

Amendment

2. The Commission shall publish the total number of allowances in circulation each year, by 15 May of the subsequent year. The total number of allowances in circulation for year x shall be the cumulative number of allowances issued in the period since 1 January 2008, including the number issued pursuant to Article 13(2) of Directive 2003/87/EC in that period and entitlements to use international credits exercised by installations under the EU emission trading system in respect of emissions up to 31 December of year x, minus the cumulative tonnes of verified emissions from installations under the EU emission trading system between 1 January 2008 and 31 December of year x, any allowances cancelled in accordance with Article 12(4) of Directive 2003/87/EC and the number of allowances in the reserve. No account shall be taken of emissions during the three-year period starting in

2005 and ending in 2007 and allowances issued in respect of those emissions. The first publication shall take place by 15 May **2017**.

2005 and ending in 2007 and allowances issued in respect of those emissions. The first publication shall take place by 15 May **2019**.

Or. pl

Amendment 109
Seb Dance, Paul Brannen

Proposal for a decision
Article 1 – paragraph 2

Text proposed by the Commission

2. The Commission shall publish the total number of allowances in circulation each year, by 15 May of the subsequent year. The total number of allowances in circulation for year x shall be the cumulative number of allowances issued in the period since 1 January 2008, including the number issued pursuant to Article 13(2) of Directive 2003/87/EC in that period and entitlements to use international credits exercised by installations under the EU emission trading system in respect of emissions up to 31 December of year x, minus the cumulative tonnes of verified emissions from installations under the EU emission trading system between 1 January 2008 and 31 December of year x, any allowances cancelled in accordance with Article 12(4) of Directive 2003/87/EC and the number of allowances in the reserve. No account shall be taken of emissions during the three-year period starting in 2005 and ending in 2007 and allowances issued in respect of those emissions. The first publication shall take place by 15 May **2017**.

Amendment

2. The Commission shall publish the total number of allowances in circulation each year, by 15 May of the subsequent year. The total number of allowances in circulation for year x shall be the cumulative number of allowances issued in the period since 1 January 2008, including the number issued pursuant to Article 13(2) of Directive 2003/87/EC in that period and entitlements to use international credits exercised by installations under the EU emission trading system in respect of emissions up to 31 December of year x, minus the cumulative tonnes of verified emissions from installations under the EU emission trading system between 1 January 2008 and 31 December of year x, any allowances cancelled in accordance with Article 12(4) of Directive 2003/87/EC and the number of allowances in the reserve. No account shall be taken of emissions during the three-year period starting in 2005 and ending in 2007 and allowances issued in respect of those emissions. The first publication shall take place by 15 May **2016**.

Or. en

Amendment 110

Andrzej Grzyb, Jerzy Buzek, Elżbieta Katarzyna Łukacijewska

Proposal for a decision

Article 1 – paragraph 2

Text proposed by the Commission

2. The Commission shall publish the total number of allowances in circulation each year, by 15 May of the subsequent year. The total number of allowances in circulation for year x shall be the cumulative number of allowances issued in the period since 1 January 2008, including the number issued pursuant to Article 13(2) of Directive 2003/87/EC in that period and entitlements to use international credits exercised by installations under the EU emission trading system in respect of emissions up to 31 December of year x, minus the cumulative tonnes of verified emissions from installations under the EU emission trading system between 1 January 2008 and 31 December of year x, any allowances cancelled in accordance with Article 12(4) of Directive 2003/87/EC and the number of allowances in the reserve. No account shall be taken of emissions during the three-year period starting in 2005 and ending in 2007 and allowances issued in respect of those emissions. The first publication shall take place by 15 May **2017**.

Amendment

2. The Commission shall publish the total number of allowances in circulation each year, by 15 May of the subsequent year. The total number of allowances in circulation for year x shall be the cumulative number of allowances issued in the period since 1 January 2008, including the number issued pursuant to Article 13(2) of Directive 2003/87/EC in that period and entitlements to use international credits exercised by installations under the EU emission trading system in respect of emissions up to 31 December of year x, minus the cumulative tonnes of verified emissions from installations under the EU emission trading system between 1 January 2008 and 31 December of year x, any allowances cancelled in accordance with Article 12(4) of Directive 2003/87/EC and the number of allowances in the reserve. No account shall be taken of emissions during the three-year period starting in 2005 and ending in 2007 and allowances issued in respect of those emissions. The first publication shall take place by 15 May **2020**.

Or. en

Justification

The date of first publication should be coherent with entry into operation of the MSR and should not be set up for more than 2 years before this date.

Amendment 111

Eleonora Evi, Marco Affronte, Piernicola Pedicini, Dario Tamburrano, David Borrelli

Proposal for a decision
Article 1 – paragraph 2

Text proposed by the Commission

2. The Commission shall publish the total number of allowances in circulation each year, by 15 May of the subsequent year. The total number of allowances in circulation for year x shall be the cumulative number of allowances issued in the period since 1 January 2008, including the number issued pursuant to Article 13(2) of Directive 2003/87/EC in that period and entitlements to use international credits exercised by installations under the EU emission trading system in respect of emissions up to 31 December of year x, minus the cumulative tonnes of verified emissions from installations under the EU emission trading system between 1 January 2008 and 31 December of year x, any allowances cancelled in accordance with Article 12(4) of Directive 2003/87/EC and the number of allowances in the reserve. No account shall be taken of emissions during the three-year period starting in 2005 and ending in 2007 and allowances issued in respect of those emissions. The first publication shall take place by 15 May **2017**.

Amendment

2. The Commission shall publish the total number of allowances in circulation each year, by 15 May of the subsequent year. The total number of allowances in circulation for year x shall be the cumulative number of allowances issued in the period since 1 January 2008, including the number issued pursuant to Article 13(2) of Directive 2003/87/EC in that period and entitlements to use international credits exercised by installations under the EU emission trading system in respect of emissions up to 31 December of year x, minus the cumulative tonnes of verified emissions from installations under the EU emission trading system between 1 January 2008 and 31 December of year x, any allowances cancelled in accordance with Article 12(4) of Directive 2003/87/EC and the number of allowances in the reserve. No account shall be taken of emissions during the three-year period starting in 2005 and ending in 2007 and allowances issued in respect of those emissions. The first publication shall take place by 15 May **2016**.

Or. it

Amendment 112
Giovanni La Via

Proposal for a decision
Article 1 – paragraph 2

Text proposed by the Commission

2. The Commission shall publish the total number of allowances in circulation each year, by 15 May of the subsequent year. The total number of allowances in

Amendment

2. The Commission shall publish the total number of allowances in circulation each year, by 15 May of the subsequent year. The total number of allowances in

circulation for year x shall be the cumulative number of allowances issued in the period since 1 January 2008, including the number issued pursuant to Article 13(2) of Directive 2003/87/EC in that period and entitlements to use international credits exercised by installations under the EU emission trading system in respect of emissions up to 31 December of year x, minus the cumulative tonnes of verified emissions from installations under the EU emission trading system between 1 January 2008 and 31 December of year x, any allowances cancelled in accordance with Article 12(4) of Directive 2003/87/EC and the number of allowances in the reserve. No account shall be taken of emissions during the three-year period starting in 2005 and ending in 2007 and allowances issued in respect of those emissions. The first publication shall take place by 15 May **2017**.

circulation for year x shall be the cumulative number of allowances issued in the period since 1 January 2008, including the number issued pursuant to Article 13(2) of Directive 2003/87/EC in that period and entitlements to use international credits exercised by installations under the EU emission trading system in respect of emissions up to 31 December of year x, minus the cumulative tonnes of verified emissions from installations under the EU emission trading system between 1 January 2008 and 31 December of year x, any allowances cancelled in accordance with Article 12(4) of Directive 2003/87/EC and the number of allowances in the reserve. No account shall be taken of emissions during the three-year period starting in 2005 and ending in 2007 and allowances issued in respect of those emissions. The first publication shall take place by 15 May **2016**.

Or. en

Amendment 113

Matthias Groote, Claudiu Ciprian Tănăsescu, Theresa Griffin, Jytte Guteland, Seb Dance, Nessa Childers, Miriam Dalli, Pavel Poc, Jo Leinen, Giorgos Grammatikakis

Proposal for a decision Article 1 – paragraph 2

Text proposed by the Commission

2. The Commission shall publish the total number of allowances in circulation each year, by 15 May of the subsequent year. The total number of allowances in circulation for year x shall be the cumulative number of allowances issued in the period since 1 January 2008, including the number issued pursuant to Article 13(2) of Directive 2003/87/EC in that period and entitlements to use international credits exercised by installations under the EU emission trading system in respect of

Amendment

2. The Commission shall publish the total number of allowances in circulation each year, by 15 May of the subsequent year. The total number of allowances in circulation for year x shall be the cumulative number of allowances issued in the period since 1 January 2008, including the number issued pursuant to Article 13(2) of Directive 2003/87/EC in that period and entitlements to use international credits exercised by installations under the EU emission trading system in respect of

emissions up to 31 December of year x, minus the cumulative tonnes of verified emissions from installations under the EU emission trading system between 1 January 2008 and 31 December of year x, any allowances cancelled in accordance with Article 12(4) of Directive 2003/87/EC and the number of allowances in the reserve. No account shall be taken of emissions during the three-year period starting in 2005 and ending in 2007 and allowances issued in respect of those emissions. The first publication shall take place by 15 May 2017.

emissions up to 31 December of year x, minus the cumulative tonnes of verified emissions from installations under the EU emission trading system between 1 January 2008 and 31 December of year x, any allowances cancelled in accordance with Article 12(4) of Directive 2003/87/EC and the number of allowances in the reserve. No account shall be taken of emissions during the three-year period starting in 2005 and ending in 2007 and allowances issued in respect of those emissions. The first publication shall take place by 15 May 2016.

Or. en

Amendment 114

Andrzej Grzyb, Jerzy Buzek, Elżbieta Katarzyna Łukacijewska

Proposal for a decision

Article 1 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. Allowances earmarked for free allocation for the modernisation of electricity generation shall be deducted from an amount of allowances that a Member State should transfer to the market stability reserve.

Or. en

Amendment 115

Valentinas Mazuronis

Proposal for a decision

Article 1 – paragraph 3

Text proposed by the Commission

Amendment

3. In each year beginning in 2021, a number of allowances equal to 12% of the

3. In each year beginning in 2021, a number of allowances equal to 12% of the

total number of allowances in circulation in year x-2, as published in May year x-1, shall be placed in the reserve, unless this number of allowances to be placed in the reserve would be less than 100 million.

total number of allowances in circulation in year x-1, as published in May year x-1, shall be placed in the reserve, unless this number of allowances to be placed in the reserve would be less than 100 million.

Or. It

Justification

Back-loading of emission allowances needs to be based on the newest data. In other words, the time lag between analysis of the allowance market and activation of the reserve should be shortened to one year, as this would also enable the true state of the market to be reflected more accurately.

Amendment 116 **Bas Eickhout**

Proposal for a decision **Article 1 – paragraph 3**

Text proposed by the Commission

3. In each year beginning in **2021**, a number of allowances equal to **12%** of the total number of allowances in circulation in year x-2, as published in May year x-1, shall be placed in the reserve, unless **this** number of allowances **to be placed in the reserve would be** less than **100** million.

Amendment

3. In each year beginning in **July 2016**, a number of allowances equal to **25%** of the total number of allowances in circulation in year x-1, as published in May year x, shall be placed in the reserve, unless **the total** number of allowances **in circulation is** less than **600** million.

Or. en

Justification

The Commission proposal would transfer allowances to the reserve when there is a surplus of 833 million at a rate of 12% of the surplus. The amendment proposes to set the threshold value to 600 million and to transfer allowances to the reserve earlier, and at a faster rate of 25%.

Amendment 117 **Ian Duncan**

Proposal for a decision
Article 1 – paragraph 3

Text proposed by the Commission

3. In each year beginning in **2021**, a number of allowances equal to 12% of the total number of allowances in circulation in year x-2, as published in May year x-1, shall be placed in the reserve, unless this number of allowances to be placed in the reserve would be less than 100 million.

Amendment

3. In each year beginning in **2017**, a number of allowances equal to 12% of the total number of allowances in circulation in year x-1, as published in May year x, shall be placed in the reserve, unless this number of allowances to be placed in the reserve would be less than 100 million.

Or. en

Amendment 118

Merja Kyllönen, Josu Juaristi Abaunz, Stefan Eck, Kateřina Konečná

Proposal for a decision
Article 1 – paragraph 3

Text proposed by the Commission

3. **In** each year beginning in **2021**, a number of allowances equal to **12%** of the total number of allowances in circulation in year x-2, as published in May year x-1, **shall be placed in the reserve, unless this number of allowances to be placed in the reserve would be less than 100 million.**

Amendment

3. **By 30 June of** each year beginning in **2017**, a number of allowances equal to **33%** of the total number of allowances in circulation in year x-1, as published in May year x, **minus 833 million shall** be placed in the reserve.

Or. en

Justification

1. Typing error. 2. Shifting the start of the reform from 2021 to 2017 in order to secure the full functioning of the EU ETS and to prevent further mutual negative interaction between the three targets for 2030 from 2020. 3. More flexible mechanism for operating the reserve which provides faster draining of big surpluses in case of big deficit. 4. Reducing the time between detection of the surplus and adapting the auctions.

Amendment 119

Massimo Paolucci, Renata Briano, Simona Bonafè, Caterina Chinnici, Enrico Gasbarra,

Paolo De Castro

**Proposal for a decision
Article 1 – paragraph 3**

Text proposed by the Commission

3. In each year beginning in **2021**, a number of allowances equal to 12% of the total number of allowances in circulation in year **x-2**, as published in May year **x-1**, shall be placed in the reserve, unless this number of allowances to be placed in the reserve would be less than 100 million.

Amendment

3. In each year beginning in **2017**, a number of allowances equal to 12% of the total number of allowances in circulation in year **x-1**, as published in May year **x**, shall be placed in the reserve, unless this number of allowances to be placed in the reserve would be less than 100 million 2021.

Or. it

Justification

In order to enhance its effectiveness and rebalance the EU ETS system more rapidly, the reserve should enter into force before the launch of phase 4 with a more rapid reaction mechanism (year x-1/year x) than that proposed by the Commission.

**Amendment 120
Jan Huitema**

**Proposal for a decision
Article 1 – paragraph 3**

Text proposed by the Commission

3. In each year beginning in **2021**, a number of allowances equal to 12% of the total number of allowances in circulation in year **x-2**, as published in May year **x-1**, shall be placed in the reserve, unless this number of allowances to be placed in the reserve would be less than 100 million.

Amendment

3. In each year beginning in **2017**, a number of allowances equal to 12% of the total number of allowances in circulation in year **x-1**, as published in May year **x-1**, shall be placed in the reserve, unless this number of allowances to be placed in the reserve would be less than 100 million.

Or. en

**Amendment 121
Jadwiga Wiśniewska**

Proposal for a decision
Article 1 – paragraph 3

Text proposed by the Commission

3. In each year beginning in **2021**, a number of allowances equal to **12%** of the total number of allowances in circulation in year **x-2**, as published in May year **x-1**, shall be placed in the reserve, unless this number of allowances to be placed in the reserve would be less than 100 million.

Amendment

3. In each year beginning in **2023**, a number of allowances equal to **9%** of the total number of allowances in circulation in year **x-1**, as published in May year **x**, shall be placed in the reserve, unless this number of allowances to be placed in the reserve would be less than 100 million.

Or. pl

Amendment 122
Seb Dance, Paul Brannen

Proposal for a decision
Article 1 – paragraph 3

Text proposed by the Commission

3. **In** each year beginning in **2021**, a number of allowances equal to **12%** of the total number of allowances in circulation in year **x-2**, as published in May year **x-1**, shall be placed in the reserve, unless this number of allowances to be placed in the reserve would be **less than 100** million.

Amendment

3. **By 1 January of** each year beginning in **2017**, a number of allowances equal to **20%** of the total number of allowances in circulation in year **x-1** as published in May year **x**, shall be placed in the reserve, unless this number of allowances to be placed in the reserve would be **below 167** million.

Or. en

Amendment 123
Gerben-Jan Gerbrandy, Fredrick Federley, Catherine Bearder

Proposal for a decision
Article 1 – paragraph 3

Text proposed by the Commission

3. In each year beginning in **2021**, a

Amendment

3. In each year beginning in **2017**, a

number of allowances equal to **12%** of the total number of allowances in circulation in year x-2, as published in May year x-1, shall be placed in the reserve, unless this number of allowances to be placed in the reserve would be less than 100 million.

number of allowances equal to **20%** of the total number of allowances in circulation in year x-1, as published in May year x, shall be placed in the reserve, unless this number of allowances to be placed in the reserve would be less than 100 million.

Or. en

Amendment 124

Norbert Lins, Jens Gieseke, Birgit Collin-Langen

Proposal for a decision

Article 1 – paragraph 3

Text proposed by the Commission

3. In each year beginning in 2021, a number of allowances equal to 12% of the total number of allowances in circulation in year x-2, as published in May year x-1, shall be placed in the reserve, unless this number of allowances to be placed in the reserve would be less than 100 million.

Amendment

3. In each year beginning in 2021, a number of allowances equal to 12% of the total number of allowances in circulation in year x-1, as published in May year x, shall be placed in the reserve, unless this number of allowances to be placed in the reserve would be less than 100 million.

Or. en

Amendment 125

Jan Huitema

Proposal for a decision

Article 1 – paragraph 3

Text proposed by the Commission

3. In each year beginning in **2021**, a number of allowances equal to 12% of the total number of allowances in circulation in year x-2, as published in May year x-1, shall be placed in the reserve, unless this number of allowances to be placed in the reserve would be less than 100 million.

Amendment

3. In each year beginning in **2017**, a number of allowances equal to 12% of the total number of allowances in circulation in year x-1, as published in May year x-1, shall be placed in the reserve, unless this number of allowances to be placed in the reserve would be less than 100 million.

Or. en

Amendment 126
Sirpa Pietikäinen

Proposal for a decision
Article 1 – paragraph 3

Text proposed by the Commission

3. In each year beginning in 2021, a number of allowances equal to **12%** of the total number of allowances in circulation in year x-2, as published in May year x-1, shall be placed in the reserve, unless this number of allowances to be placed in the reserve would be less than 100 million.

Amendment

3. In each year beginning in 2021, a number of allowances equal to **30%** of the total number of allowances in circulation in year x-1, as published in May year x, shall be placed in the reserve, unless this number of allowances to be placed in the reserve would be less than 100 million.

Or. en

Amendment 127

Françoise Grossetête, Elisabetta Gardini, Michel Dantin, Angélique Delahaye, Alberto Cirio

Proposal for a decision
Article 1 – paragraph 3

Text proposed by the Commission

3. In each year beginning in 2021, a number of allowances equal to **12%** of the total number of allowances in circulation in year x-2, as published in May year x-1, shall be placed in the reserve, unless this number of allowances to be placed in the reserve would be less than 100 million.

Amendment

3. In each year beginning in 2021, ***if the total number of allowances in circulation is higher than 1300 MtCO₂***, a number of allowances equal to **33%** of the ***difference between the*** total number of allowances in circulation in year x-1 ***and the lower threshold of 800 Mt***, as published in May year x, shall be placed in the reserve, unless this number of allowances to be placed in the reserve would be less than 100 million.

Or. en

Justification

This adjustment would lead to meet more rapidly an equilibrium state and would limit the number of times the reserve would be triggered. It would allow more symmetry in the MSR functioning. It would also prevent the price of allowances from raising above 40€/teCO₂ in the course of the 2021-2030 period. By referring to number of allowances from year x-1 instead of x-2, the system would be more reactive.

Amendment 128 **Alberto Cirio**

Proposal for a decision **Article 1 – paragraph 3**

Text proposed by the Commission

3. **In** each year beginning in 2021, a number of allowances equal to 12% of the total number of allowances in circulation **in** year x-2, as published in May year x-1, shall be placed in the reserve, unless this number of allowances to be placed in the reserve would be less than 100 million.

Amendment

3. **On 30 June of** each year beginning in 2021, a number of allowances equal to 12% of the total number of allowances in circulation **at the end of** year x-1, as published in May year x, shall be placed in the reserve, unless this number of allowances to be placed in the reserve would be less than 100 million.

Or. en

Justification

A long delay might counter the economic cycles and be not appropriate.

Amendment 129 **Andrzej Grzyb, Jerzy Buzek, Elżbieta Katarzyna Łukacijewska**

Proposal for a decision **Article 1 – paragraph 3**

Text proposed by the Commission

3. In each year beginning in **2021**, a number of allowances equal to **12%** of the total number of allowances in circulation in year x-2, as published in May year x-1, shall be placed in the reserve, unless this

Amendment

3. In each year beginning in **2022**, a number of allowances equal to **10%** of the total number of allowances in circulation in year x-1, as published in May year x, shall be placed in the reserve, unless this number

number of allowances to be placed in the reserve would be less than 100 million.

of allowances to be placed in the reserve would be less than 100 million.

In respect of Member States applying Article 10c of Directive 2003/87/EC as well as opting to give free allowances to the energy sector up to 2030 and without prejudice to the first sentence of Article 10c(2) of that Directive, the total quantity of allowances to be auctioned pursuant to Article 10(2) of that Directive in a given year following the adjustment shall not be lower than the quantity of allowances to be transitionally allocated free of charge to installations for electricity production in that same year.

If necessary, the quantity of allowances to be put into stability reserve in a given year during the period of implementation of the stability reserve, by a Member State applying Article 10c of Directive 2003/87/EC as well as opting to give free allowances to the energy sector up to 2030 shall be reduced accordingly.

Or. en

Amendment 130

Eleonora Evi, Marco Affronte, Piernicola Pedicini, Dario Tamburrano, David Borrelli

Proposal for a decision Article 1 – paragraph 3

Text proposed by the Commission

3. In each year beginning in **2021**, a number of allowances equal to **12%** of the total number of allowances in circulation in year ***x-2***, as published in May year ***x-1***, shall be placed in the reserve, unless ***this*** number of allowances ***to be placed in the reserve would be*** less than **100** million.

Amendment

3. In each year beginning in **July 2016**, a number of allowances equal to **25%** of the total number of allowances in circulation in year ***x-1***, as published in May year ***x***, shall be placed in the reserve, unless ***the total*** number of allowances ***in circulation is*** less than **600** million.

For the purposes of this paragraph, if reserve allowances exceed 1 billion, no further allowances should be added to the

reserve but the excess removed.

Or. it

Amendment 131

Peter Liese, Sirpa Pietikäinen, Dubravka Šuica, Karl-Heinz Florenz, Bendt Bendtsen, Alojz Peterle

Proposal for a decision

Article 1 – paragraph 3

Text proposed by the Commission

3. In each year beginning in **2021**, a number of allowances equal to 12% of the total number of allowances in circulation in year x-2, as published in May year x-1, shall be placed in the reserve, unless this number of allowances to be placed in the reserve would be less than 100 million.

Amendment

3. In each year beginning in **2017**, a number of allowances equal to 12% of the total number of allowances in circulation in year x-2, as published in May year x-1, shall be placed in the reserve, unless this number of allowances to be placed in the reserve would be less than 100 million.

Or. en

Amendment 132

Matthias Groote, Claudiu Ciprian Tănăsescu, Theresa Griffin, Jytte Guteland, Pavel Poc, Giorgos Grammatikakis, Nessa Childers, Jo Leinen, Nicola Caputo, Miriam Dalli

Proposal for a decision

Article 1 – paragraph 3

Text proposed by the Commission

3. **In** each year beginning in **2021**, a number of allowances equal to **12%** of the total number of allowances in circulation in year x-2, as published in May year **x-1**, shall be placed in the reserve, unless this number of allowances to be placed in the reserve would be less than **100** million.

Amendment

3. **By 30 June of** each year beginning in **2017**, a number of allowances equal to **20%** of the total number of allowances in circulation in year **x-1**, as published in May year x, shall be placed in the reserve, unless this number of allowances to be placed in the reserve would be less than **167** million.

Or. en

Amendment 133
Bas Eickhout

Proposal for a decision
Article 1 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

3a. In the event the reserve has accumulated to one billion allowances, any additional allowances to be placed in the reserve shall be retired.

Or. en

Justification

The MSR addresses the mismatch between the demand and supply of emission allowances over time by making the fixed supply of carbon permits more susceptible to economic cycles. In order to ensure that the emission reductions due to other climate policies are not diluted, a cap should be set on the size of the reserve. A reserve with one billion allowances is sufficient to address economic down- or upturns.

Amendment 134
Andrzej Grzyb, Jerzy Buzek, Elżbieta Katarzyna Łukacijewska

Proposal for a decision
Article 1 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

3a. The Commission shall propose a dedicated formula for the placing of allowances in the reserve. The formula shall reflect the over-allocation of allowances, as well as entitlements to use international credits in the second trading period vis-à-vis verified emissions. A share of allowances of each and every Member State to be placed in the reserve shall reflect their ratio of over-allocation in the second trading period.

Or. en

Amendment 135
Bas Eickhout

Proposal for a decision
Article 1 – paragraph 4

Text proposed by the Commission

4. In any year, if the total number of allowances in circulation is lower than **400** million, **100** million allowances shall be released from the reserve. In case less than **100** million allowances are in the reserve, all allowances in the reserve shall be released under this paragraph.

Amendment

4. In any year, if the total number of allowances in circulation is lower than **300** million **and measures are adopted under Article 29a of Directive 2003/87/EC**, **50** million allowances shall be released from the reserve. In case less than **50** million allowances are in the reserve, all allowances in the reserve shall be released under this paragraph.

Or. en

Justification

The Commission proposal would release allowances when the surplus falls below 400 at the rate of 100 million allowances. The amendment proposes to set the threshold to 300 million, and to transfer allowances back at a slower rate of 50 million allowances. Allowances should also only be re-released to the carbon market if carbon price increases significantly due to the reduced surplus (Article 29a).

Amendment 136

Merja Kyllönen, Josu Juaristi Abaunz, Stefan Eck, Kateřina Konečná

Proposal for a decision
Article 1 – paragraph 4

Text proposed by the Commission

4. In any year, if the total number of allowances in circulation is lower than 400 million, **100** million allowances shall be released from the reserve. In case less than 100 million allowances are in the reserve, all allowances in the reserve shall be released under this paragraph.

Amendment

4. In any year, if the total number of allowances in circulation **as published in May year x** is lower than 400 million, **33 % of the difference between 833 million and the total number of allowances in circulation in year x-1, as published in May year x**, shall be released from the reserve. In case less than 100 million

allowances are in the reserve, all allowances in the reserve shall be released under this paragraph.

Or. en

Justification

1. Typing error. 2. Shifting the start of the reform from 2021 to 2017 in order to secure the full functioning of the EU ETS and to prevent further mutual negative interaction between the three targets for 2030 from 2020. 3. More flexible mechanism for operating the reserve which provides faster draining of big surpluses in case of big deficit. 4. Reducing the time between detection of the surplus and adapting the auctions.

Amendment 137
Sirpa Pietikäinen

Proposal for a decision
Article 1 – paragraph 4

Text proposed by the Commission

4. In any year, if the total number of allowances in circulation is lower than **400** million, **100** million allowances shall be released from the reserve. In case less than 100 million allowances are in the reserve, all allowances in the reserve shall be released under this paragraph.

Amendment

4. In any year, if the total number of allowances in circulation is lower than **200** million, **25** million allowances shall be released from the reserve. In case less than 100 million allowances are in the reserve, all allowances in the reserve shall be released under this paragraph.

Or. en

Amendment 138
Jadwiga Wiśniewska

Proposal for a decision
Article 1 – paragraph 4

Text proposed by the Commission

4. In any year, if the total number of allowances in circulation is lower than **400** million, 100 million allowances shall be

Amendment

4. In any year, if the total number of allowances in circulation is lower than **700** million, 100 million allowances shall be

released from the reserve. In case less than 100 million allowances are in the reserve, all allowances in the reserve shall be released under this paragraph.

released from the reserve. In case less than 100 million allowances are in the reserve, all allowances in the reserve shall be released under this paragraph.

Or. pl

Amendment 139

Andrzej Grzyb, Jerzy Buzek, Elżbieta Katarzyna Łukacijewska

Proposal for a decision

Article 1 – paragraph 4

Text proposed by the Commission

4. In any year, if the total number of allowances in circulation is lower than **400** million, 100 million allowances shall be released from the reserve. In case less than 100 million allowances are in the reserve, all allowances in the reserve shall be released under this paragraph.

Amendment

4. In any year, if the total number of allowances in circulation is lower than **600** million, 100 million allowances shall be released from the reserve. In case less than 100 million allowances are in the reserve, all allowances in the reserve shall be released under this paragraph. ***Allowances released from the reserve will be distributed among those countries whose GDP per capita did not exceed 90% of the EU average (in 2013).***

Or. en

Justification

Distribution of the allowances released from the reserve among the countries whose GDP per capita did not exceed 90% of the EU average (in 2013) reflects the European Council conclusions of 23 and 24 October 2014 on the 2030 Climate and Energy Policy Framework.

Amendment 140

Seb Dance, Paul Brannen

Proposal for a decision

Article 1 – paragraph 4

Text proposed by the Commission

4. In any year, if the total number of allowances in circulation is lower than **400** million, 100 million allowances shall be released from the reserve. In case less than 100 million allowances are in the reserve, all allowances in the reserve shall be released under this paragraph.

Amendment

4. In any year, if the total number of allowances in circulation is lower than **300** million, 100 million allowances shall be released from the reserve. In case less than 100 million allowances are in the reserve, all allowances in the reserve shall be released under this paragraph.

Or. en

Amendment 141

Françoise Grossetête, Elisabetta Gardini, Michel Dantin, Angélique Delahaye, Alberto Cirio

**Proposal for a decision
Article 1 – paragraph 4**

Text proposed by the Commission

4. In any year, if the total number of allowances in circulation is lower than **400** million, **100 million** allowances shall be released from the reserve. In case less than 100 million allowances are in the reserve, all allowances in the reserve shall be released under this paragraph.

Amendment

4. In any year, if the total number of allowances in circulation is lower than **800** million, **allowances corresponding to 33% of the difference between the total number of allowances in circulation in year x-1 and the higher threshold of 1300 Mt** shall be released from the reserve. In case less than 100 million allowances are in the reserve, all allowances in the reserve shall be released under this paragraph.

Or. en

Justification

This adjustment would lead to meet more rapidly an equilibrium state and would limit the number of times the reserve would be triggered. It would allow more symmetry in the MSR functioning. It would also prevent the price of allowances from raising above 40€/teCO2 in the course of the 2021-2030 period. By referring to number of allowances from year x-1 instead of x-2, the system would be more reactive.

Amendment 142

Eleonora Evi, Marco Affronte, Piernicola Pedicini, Dario Tamburrano, David Borrelli

Proposal for a decision

Article 1 – paragraph 4

Text proposed by the Commission

4. In any year, if the total number of allowances in circulation is lower than **400** million, **100** million allowances shall be released from the reserve. In case less than **100** million allowances are in the reserve, all allowances in the reserve shall be released under this paragraph.

Amendment

4. In any year, if the total number of allowances in circulation is lower than **300** million **and measures have been adopted under Article 29a of Directive 2003/87/EC**, **50** million allowances shall be released from the reserve. In case less than **50** million allowances are in the reserve, all allowances in the reserve shall be released under this paragraph.

Or. it

Amendment 143

Matthias Groote, Claudiu Ciprian Tănăsescu, Theresa Griffin, Jytte Guteland, Seb Dance, Nicola Caputo, Nessa Childers, Miriam Dalli, Giorgos Grammatikakis, Pavel Poc, Jo Leinen, Daciana Octavia Sârbu

Proposal for a decision

Article 1 – paragraph 4

Text proposed by the Commission

4. In any year, if the total number of allowances in circulation is lower than **400** million, 100 million allowances shall be released from the reserve. In case less than 100 million allowances are in the reserve, all allowances in the reserve shall be released under this paragraph.

Amendment

4. In any year, if the total number of allowances in circulation is lower than **300** million, 100 million allowances shall be released from the reserve. In case less than 100 million allowances are in the reserve, all allowances in the reserve shall be released under this paragraph.

Or. en

Amendment 144

Bas Eickhout

Proposal for a decision
Article 1 – paragraph 5

Text proposed by the Commission

Amendment

5. In any year, if paragraph 4 is not applicable and measures are adopted under Article 29a of the Directive, 100 million allowances shall be released from the reserve. In case less than 100 million allowances are in the reserve, all allowances in the reserve shall be released under this paragraph. *deleted*

Or. en

Justification

Covered by proposed amendment to paragraph 4.

Amendment 145

Françoise Grossetête, Elisabetta Gardini, Michel Dantin, Angélique Delahaye, Alberto Cirio

Proposal for a decision
Article 1 – paragraph 5

Text proposed by the Commission

Amendment

5. In any year, if paragraph 4 is not applicable and measures are adopted under Article 29a of the Directive, 100 million allowances shall be released from the reserve. In case less than 100 million allowances are in the reserve, all allowances in the reserve shall be released under this paragraph. *deleted*

Or. en

Justification

This paragraph is not necessary when the reserve is more reactive and symmetrical; more allowances will be back on the market when it will be necessary.

Amendment 146

Andrzej Grzyb, Jerzy Buzek, Elżbieta Katarzyna Łukacijewska

Proposal for a decision

Article 1 – paragraph 5

Text proposed by the Commission

5. In any year, if *paragraph 4 is not applicable and measures are adopted under Article 29a of the Directive*, 100 million allowances shall be released from the reserve. *In case less than 100 million allowances are in the reserve, all allowances in the reserve shall be released under this paragraph.*

Amendment

5. In a quarter $x+2$ of any year, if *the average allowances price from quarter x is higher than EUR 20, transferring allowances into the market stability reserve shall be suspended by changing the auction volumes of allowances which are not the result from the latest application of the market stability reserve mechanism. Such suspension shall be reflected in the auction calendar volumes until the average allowances price fall below such threshold.*

Or. en

Justification

The addition to the MSR the price mechanism should prevent from an excessive allowances price increase as a safety buffer and provide a higher transparency important for making an investment decision in the long term.

Amendment 147

Seb Dance, Paul Brannen

Proposal for a decision

Article 1 – paragraph 5

Text proposed by the Commission

5. In any year, if *paragraph 4 is not applicable and measures are adopted under Article 29a of the Directive*, 100 million allowances shall be released from the reserve. In case less than 100 million allowances are in the reserve, all allowances in the reserve shall be released

Amendment

5. In any year, if *the total number of allowances in circulation is lower than 300 million*, 100 million allowances shall be released from the reserve. In case less than 100 million allowances are in the reserve, all allowances in the reserve shall

under this paragraph.

be released under this paragraph.

Or. en

Amendment 148

Eleonora Evi, Marco Affronte, Piernicola Pedicini, Dario Tamburrano, David Borrelli

Proposal for a decision

Article 1 – paragraph 5

Text proposed by the Commission

Amendment

5. In any year, if paragraph 4 is not applicable and measures are adopted under Article 29a of the Directive, 100 million allowances shall be released from the reserve. In case less than 100 million allowances are in the reserve, all allowances in the reserve shall be released under this paragraph.

deleted

Or. it

Amendment 149

Christofer Fjellner

Proposal for a decision

Article 1 – paragraph 5 a (new)

Text proposed by the Commission

Amendment

5a. In any year, if the total number of allowances in the reserve in year x-1 is higher than 400 million, 40 million allowances shall be set aside and made available to support breakthrough innovation in low-carbon technologies and processes in sectors listed in Annex I of Directive 2003/87/EC. Selection and support criteria defined in Article 10a(8) of Directive 2009/29/EC shall apply.

Or. en

Justification

The European Council conclusions of 23 and 24 October agreed to renew the existing NER300 facility, increasing it to 400 million allowances, and extending the scope from carbon capture and storage and renewables to low carbon innovation in industrial sectors. Innovation in low-carbon technologies will be instrumental in the transition to a low-carbon economy.

Amendment 150
Fredrick Federley

Proposal for a decision
Article 1 – paragraph 5 a (new)

Text proposed by the Commission

Amendment

5a. If the total number of allowances in the reserve over two consecutive years is higher than 500 million, 20% of the allowances shall be cancelled.

Or. en

Justification

Introduction of a cancellation mechanism in the market stability reserve will keep the surplus at a manageable level, whilst providing predictability and certainty for the market.

Amendment 151
Jens Gieseke, Markus Pieper

Proposal for a decision
Article 1 – paragraph 5 a (new)

Text proposed by the Commission

Amendment

5a. In any year beginning in 2021, the allocation of allowances under Article 10a of Directive 2003/87/EC or under any subsequent provisions following the review of that Directive referred to in Article 2a of this Decision, shall be adjusted by either placing allowances into, or withdrawing allowances from the

reserve as appropriate, so as to ensure the full free allocation of allowances in respect of actual production to the most efficient installations in sectors at risk of carbon leakage.

The number of allowances to be placed in or released from the reserve under this paragraph shall be calculated by reference to benchmarked carbon emissions in respect of the actual production of an installation, and the number of allowances allocated free to that installation, in year x.

Any excess allowances over production emissions given to an installation shall be withheld from, and any shortfall in allowances over production emissions shall be added to, the allowances allocated to the installation in year x+1.

Or. en

Amendment 152

Françoise Grossetête, Elisabetta Gardini, Michel Dantin, Angélique Delahaye, Alberto Cirio

Proposal for a decision

Article 1 – paragraph 5 a (new)

Text proposed by the Commission

Amendment

5a. To allow action pursuant to paragraphs 3 and 4, Commission Regulation (EC) No 1031/2010^{1a} shall be amended adequately in order to adapt the auctioning calendar taking into account the need for the market stability reserve to function.

^{1a} Commission Regulation (EU) No 1031/2010 of 12 November 2010 on the timing, administration and other aspects of auctioning of greenhouse gas emission allowances pursuant to Directive

2003/87/EC of the European Parliament and of the Council establishing a scheme for greenhouse gas emission allowances trading within the Community (OJ L 302, 18.11.2010, p. 1).

Or. en

Justification

This adjustment would lead to meet more rapidly an equilibrium state and would limit the number of times the reserve would be triggered. It would allow more symmetry in the MSR functioning. It would also prevent the price of allowances from raising above 40€/teCO2 in the course of the 2021-2030 period. By referring to number of allowances from year x-1 instead of x-2, the system would be more reactive.

Amendment 153

Eleonora Evi, Marco Affronte, Piernicola Pedicini, Dario Tamburrano, David Borrelli

Proposal for a decision

Article 1 – paragraph 6

Text proposed by the Commission

6. Where action is taken pursuant to paragraphs 3 *or* 5, the auction calendars shall take into account the allowances placed in the reserve or to be released from the reserve.

Amendment

6. Where action is taken pursuant to paragraphs 3, the auction calendars shall take into account the allowances placed in the reserve or to be released from the reserve.

Or. it

Amendment 154

Françoise Grossetête

Proposal for a decision

Article 1 – paragraph 6 a (new)

Text proposed by the Commission

Amendment

6a. Where a uniform cross sectoral correction factor shall be applied under Article 10a(5) of Directive 2003/87/EC

reducing the total quantity of allowances, this quantity shall be determined. The allowances that without the application of the cross sectoral correction factor would have been allocated to qualifying installations shall be replaced by allowances released from the reserve to the extent to which they are available.

Or. en

Justification

With the CSCF, many installations are left with a reduced level protection against the risk of carbon leakage even when they are at the level of the benchmark. As the MSR reserve will lead to an increase in price, the compensation, by the release of allocations from the reserve, of the allocations that would have been given to the industry without the application of the CSCF, ensures that the MSR does not dilute requirements of the European Council Conclusions of the 23rd of October 2014 which confirm ‘the most efficient installations in these sectors should not face undue carbon costs leading to carbon leakage.’

Amendment 155

Iratxe García Pérez

Proposal for a decision

Article 1 – paragraph 6 a (new)

Text proposed by the Commission

Amendment

6a. At least 400 million allowances shall be transferred to an innovation fund and shall be made available to promote projects demonstrating innovative technologies with low carbon emission levels, which are not yet commercially profitable, as well as industrial innovation projects in sectors exposed to carbon leakage, within the EU’s territory.

The Commission shall adopt a decision establishing the innovation fund and the eligible project categories, as well as the selection criteria and funding arrangements, before 31 December 2015.

Allowances shall be monetised and awarded to the selected projects before 31 December 2021.

Or. es

Justification

Support for innovation and demonstration is essential to the promotion of new energy technologies which will be needed to achieve climate-change goals and create good quality jobs on the path to sustainable growth. The European Council of 23 and 24 October renewed the current innovation fund (NER 300) and increased its funding to 400 million allowances. The European Union must equip itself with instruments that are effective in order to compete and attract investment in innovative energy projects.

Amendment 156
Bas Eickhout

Proposal for a decision

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

Directive 2003/87/EC

Article 6 – paragraph 1 – subparagraph 3 a (new)

Text proposed by the Commission

Amendment

-1a. In Article 6(1), the following subparagraph shall be added after the third subparagraph:

"From 1 January 2016 the competent authority shall not issue greenhouse gas emissions permits to new electricity-generating installations with a capacity of 50 megawatts or more with emissions above 400 g CO₂/kWh of electrical output."

Or. en

Justification

The ETS has not proven to be able to guide power sector investments away from coal, maintaining a high risk of carbon lock-in, resulting in higher overall cost of climate mitigation. The MSR, even with an early start and a solution to the backloaded allowances, will not fundamentally change this. An emission performance standard for the power sector should therefore be established in order to complement the weak carbon price signal. It

should apply for new plants from 2016.

Amendment 157
Sirpa Pietikäinen

Proposal for a decision
Article 2 – paragraph 1 – point -1 a (new)
Directive 2003/87/EC
Article 9 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

-1a. In Article 9, the following paragraph shall be inserted after the third paragraph:

"In 2021 and in each subsequent year the linear reduction factor referred to in the first paragraph shall be 2,6%."

Or. en

Amendment 158
Bas Eickhout

Proposal for a decision
Article 2 – paragraph 1 – point – 1 b (new)
Directive 2003/87/EC
Article 6 – paragraph 1 – subparagraph 3 b (new)

Text proposed by the Commission

Amendment

-1b. In Article 6(1), the following subparagraph shall be added after the third subparagraph:

"From 1 January 2021 the competent authority shall cancel greenhouse gas emissions permits of electricity-generating installations with a capacity of 50 megawatts or more with emissions above 400 g CO₂/kWh of electrical output."

Or. en

Justification

The ETS has not proven to be able to guide power sector investments away from coal, maintaining a high risk of carbon lock-in, resulting in higher overall cost of climate mitigation. The MSR, even with an early start and a solution to the backloaded allowances, will not fundamentally change this. An emission performance standard for the power sector should therefore be established in order to complement the weak carbon price signal. It should apply for all plants from 2021.

Amendment 159 **Bas Eickhout**

Proposal for a decision

Article 2 – paragraph 1 – point – 1 c (new)

Directive 2003/87/EC

Article 9 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

-1c. In Article 9, the following paragraph shall be inserted after the third paragraph:

"In 2021 and in each subsequent year the linear reduction factor referred to in the first paragraph shall be 2,6%."

Or. en

Justification

Implementing EU's 2030 target requires a strengthening of the linear reduction factor after 2020. The linear reduction factor should be in line with the overall objective of keeping climate change below 2°C and a 95% reduction in 2050.

Amendment 160 **Jadwiga Wiśniewska**

Proposal for a decision

Article 2 – paragraph 1 – point 1

Directive 2003/87/EC

Article 10 – paragraph 1

Text proposed by the Commission

Amendment

2. “1. From **2021** onwards, Member States shall auction all allowances that are not allocated free of charge in accordance with Article 10a and 10c and are not placed in the market stability reserve established by Decision [OPEU please insert number of this Decision when known] of the European Parliament and of the Council(*).”

2. “1. From **2023** onwards, Member States shall auction all allowances that are not allocated free of charge in accordance with Article 10a and 10c and are not placed in the market stability reserve established by Decision [OPEU please insert number of this Decision when known] of the European Parliament and of the Council(*).”

Or. pl

Amendment 161

Merja Kyllönen, Josu Juaristi Abaunz, Stefan Eck, Kateřina Konečná

Proposal for a decision

Article 2 – paragraph 1 – point 1

Directive 2003/87/EC

Article 10 – paragraph 1

Text proposed by the Commission

Amendment

2. “1. From **2021** onwards, Member States shall auction all allowances that are not allocated free of charge in accordance with Article 10a and 10c and are not placed in the market stability reserve established by Decision [OPEU please insert number of this Decision when known] of the European Parliament and of the Council(*).”

2. “1. From **2017** onwards, Member States shall auction all allowances that are not allocated free of charge in accordance with Article 10a and 10c and are not placed in the market stability reserve established by Decision [OPEU please insert number of this Decision when known] of the European Parliament and of the Council(*).”

Or. en

Justification

Shifting the start of the reform from 2021 to 2017 in order to secure the full functioning of the EU ETS and to prevent further mutual negative interaction between the three targets for 2030 from 2020. Technically nothing hinders earlier start of the reform, it is only necessary to adjust the auction calendar. Earlier functioning of the reserve is optimal to solve the problem with backloaded allowances, whose direct transfer to the reserve is supported by a big number of the Member States.

Amendment 162
Ian Duncan

Proposal for a decision
Article 2 – paragraph 1 – point 1
Directive 2003/87/EC
Articles 10 – paragraph 1

Text proposed by the Commission

2. “1. From **2021** onwards, Member States shall auction all allowances that are not allocated free of charge in accordance with Article 10a and 10c and are not placed in the market stability reserve established by Decision [OPEU please insert number of this Decision when known] of the European Parliament and of the Council(*).”

Amendment

2. “1. From **2017** onwards, Member States shall auction all allowances that are not allocated free of charge in accordance with Article 10a and 10c and are not placed in the market stability reserve established by Decision [OPEU please insert number of this Decision when known] of the European Parliament and of the Council(*).”

Or. en

Amendment 163
Seb Dance, Paul Brannen

Proposal for a decision
Article 2 – paragraph 1 – point 1
Directive 2003/87/EC
Article 10 – paragraph 1

Text proposed by the Commission

2. “1. **From 2021** onwards, Member States shall auction all allowances that are not allocated free of charge in accordance with Article 10a and 10c **and** are not placed in the market stability reserve established by Decision [OPEU please insert number of this Decision when known] of the European Parliament and of the Council(*).”

Amendment

2. “1. **From 1 July 2016** onwards, Member States shall auction all allowances that are not allocated free of charge in accordance with Article 10a and 10c, are not placed in the Market Stability Reserve established by Decision [OPEU please insert number of this Decision when known] of the European Parliament and of the Council(*)”

Or. en

Amendment 164

Andrzej Grzyb, Jerzy Buzek, Elżbieta Katarzyna Łukacijewska

Proposal for a decision

Article 2 – paragraph 1 – point 1

Directive 2003/87/EC

Article 10 – paragraph 1

Text proposed by the Commission

2. “1. From **2021** onwards, Member States shall auction all allowances that are not allocated free of charge in accordance with Article 10a and 10c and are not placed in the market stability reserve established by Decision [OPEU please insert number of this Decision when known] of the European Parliament and of the Council(*).”

Amendment

2. “1. From **2022** onwards, Member States shall auction all allowances that are not allocated free of charge in accordance with Article 10a and 10c and are not placed in the market stability reserve established by Decision [OPEU please insert number of this Decision when known] of the European Parliament and of the Council(*).”

Or. en

Amendment 165

Gerben-Jan Gerbrandy, Fredrick Federley, Catherine Bearder

Proposal for a decision

Article 2 – paragraph 1 – point 1

Directive 2003/87/EC

Article 10 – paragraph 1

Text proposed by the Commission

2. “1. **From 2021 onwards**, Member States shall auction all allowances that are not allocated free of charge in accordance with Article 10a and 10c and are not placed in the market stability reserve established by Decision [OPEU please insert number of this Decision when known] of the European Parliament and of the Council(*).”

Amendment

2. “1. Member States shall auction all allowances that are not allocated free of charge in accordance with Article 10a and 10c and are not placed in the market stability reserve established by Decision [OPEU please insert number of this Decision when known] of the European Parliament and of the Council(*).”

Or. en

Amendment 166

Eleonora Evi, Marco Affronte, Piernicola Pedicini, Dario Tamburrano, David Borrelli

Proposal for a decision

Article 2 – paragraph 1 – point 1

Directive 2003/87/CE

Article 10 – paragraph 1

Text proposed by the Commission

2. “1. From **2021** onwards, Member States shall auction all allowances that are not allocated free of charge in accordance with Article 10a and 10c and are not placed in the market stability reserve established by Decision [*OPEU* please insert number of this Decision *when known*] of the European Parliament and of the Council(*).”

Amendment

2. “1. From **2016** onwards, Member States shall auction all allowances that are not allocated free of charge in accordance with Article 10a and 10c and are not placed in the market stability reserve established by Decision [*OJ*: please insert number of this Decision] of the European Parliament and of the Council(*).”

Or. it

Amendment 167

Peter Liese, Dubravka Šuica, Karl-Heinz Florenz, Bendt Bendtsen, Alojz Peterle

Proposal for a decision

Article 2 – paragraph 1 – point 1

Directive 2003/87/EC

Article 10 – paragraph 1

Text proposed by the Commission

2. “1. From **2021** onwards, Member States shall auction all allowances that are not allocated free of charge in accordance with Article 10a and 10c and are not placed in the market stability reserve established by Decision [*OPEU* please insert number of this Decision when known] of the European Parliament and of the Council(*).”

Amendment

2. “1. From **2017** onwards, Member States shall auction all allowances that are not allocated free of charge in accordance with Article 10a and 10c and are not placed in the market stability reserve established by Decision [*OPEU* please insert number of this Decision when known] of the European Parliament and of the Council(*). *In 2019 and 2020 an additional quantity of allowances as set out in the third column of the table in Annex IV of Commission Regulation*

(EU) No 176/2014 shall be placed in the reserve.

Or. en

Amendment 168

Massimo Paolucci, Renata Briano, Simona Bonafè, Caterina Chinnici, Enrico Gasbarra, Paolo De Castro, Nicola Caputo

Proposal for a decision

Article 2 – paragraph 1 – point 1

Directive 2003/87/EC

Article 10 – paragraph 1

Text proposed by the Commission

2. “1. From **2021** onwards, Member States shall auction all allowances that are not allocated free of charge in accordance with Article 10a and 10c and are not placed in the market stability reserve established by Decision [*OPEU* please insert number of this Decision *when known*] of the European Parliament and of the Council(*).”

Amendment

2. “1. From **2017** onwards, Member States shall auction all allowances that are not allocated free of charge in accordance with Article 10a and 10c and are not placed in the market stability reserve established by Decision [*OJ*: please insert number of this Decision] of the European Parliament and of the Council(*).”

Or. it

Amendment 169

Matthias Groote, Claudiu Ciprian Tănăsescu, Theresa Griffin, Jytte Guteland, Pavel Poc, Giorgos Grammatikakis, Nessa Childers, Jo Leinen, Miriam Dalli

Proposal for a decision

Article 2 – paragraph 1 – point 1

Directive 2003/87/EC

Article 10 – paragraph 1

Text proposed by the Commission

2. “1. From **2021** onwards, Member States shall auction all allowances that are not allocated free of charge in accordance with Article 10a and 10c and are not placed in the market stability reserve established by

Amendment

2. “1. From **2017** onwards, Member States shall auction all allowances that are not allocated free of charge in accordance with Article 10a and 10c and are not placed in the market stability reserve established by

Decision [OPEU please insert number of this Decision when known] of the European Parliament and of the Council(*)”

Decision [OPEU please insert number of this Decision when known] of the European Parliament and of the Council(*)”

Or. en

Amendment 170
Bas Eickhout

Proposal for a decision
Article 2 – paragraph 1 – point 3
Directive 2003/87/EC
Article 10 – paragraph 1 a

Text proposed by the Commission

Amendment

1a. Where the volume of allowances **to be auctioned by Member States in** the last year of each period referred to in Article 13(1) exceeds **by more than 30% the expected average auction volume for the first two years of the following period before application of Article 1(3) of Decision [OPEU please insert number of this Decision when known], two-thirds of** the difference **between the volumes** shall be deducted from auction **volumes in the last year of the period and added in equal instalments to the volumes to be auctioned by Member States in the first two years of the following period.**

1a. **Where the total** volume of allowances **issued in each of** the last **two years** of each period referred to in Article 13(1) exceeds **the annual** volume **implied by the linear reduction factor in Article 9** the difference shall be deducted from auction **and retired**

Or. en

Justification

In addition to the 900 million back-loaded allowances also unused allowances from the new entrants' reserve, and other allowances not accounted for, are likely to be placed to auction. The proposal would remove the 900 million backloaded allowances and eventual other extra supply and leave the market to function based on the linear supply without additional injection of allowances.

Amendment 171
Nessa Childers

Proposal for a decision
Article 2 – paragraph 1 – point 3
Directive 2003/87/EC
Article 10 – paragraph 1 a

Text proposed by the Commission

1a. *Where the volume of allowances to be auctioned by Member States in the last year of each period referred to in Article 13(1) exceeds by more than 30% the expected average auction volume for the first two years of the following period before application of Article 1(3) of Decision [OPEU please insert number of this Decision when known], two-thirds of the difference between the volumes shall be deducted from auction volumes in the last year of the period and added in equal instalments to the volumes to be auctioned by Member States in the first two years of the following period.*

Amendment

1a. *At the end of phase 3, any allowances remaining*

in the new entrants' reserve and any allowances not allocated due to partial cessations, closures or significant capacity reductions shall be considered "unallocated allowances". A volume of allowances equivalent to the total number of unallocated allowances shall be withdrawn from auction in 2020 and cancelled.

Or. en

Amendment 172
Seb Dance, Paul Brannen

Proposal for a decision

Article 2 – paragraph 1 – point 3

Directive 2003/87/EC

Article 10 – paragraph 1 a

Text proposed by the Commission

1a. Where the volume of allowances to be auctioned by Member States in the last **year** of each period referred to in Article 13(1) exceeds by more than 30% the expected **average auction volume** for the first two years of the following period before application of Article 1(3) of Decision [OPEU please insert number of this Decision when known], two-thirds of the difference between the volumes shall be deducted **from auction volumes in the last year of the period and added** in equal instalments **to the volumes to be auctioned by Member States** in the **first** two years of the **following** period.

Amendment

1a. Where the volume of allowances to be auctioned by Member States in the last **two years** of each period referred to in Article 13(1) exceeds by more than 30% the expected auction **volumes** for the first two years of the following period before application of Article 1(3) of Decision [OPEU please insert number of this Decision when known], two-thirds of the difference between the volumes shall be deducted **and retired** in equal instalments **from auction** volumes in the **last** two years of the period.

Or. en

Amendment 173

Sirpa Pietikäinen

Proposal for a decision

Article 2 – paragraph 1 – point 3

Directive 2003/87/EC

Article 10 – paragraph 1 a

Text proposed by the Commission

1a. Where the volume of allowances **to be auctioned by Member States in** the last **year** of each period referred to in Article 13(1) exceeds **by more than 30% the expected average auction** volume **for the first two years of the following period before application of** Article 1(3) of Decision [OPEU please insert number of this Decision when known], two-thirds of the difference **between the volumes** shall

Amendment

1a. Where the **total** volume of allowances **issued in each of** the last **two years** of each period referred to in Article 13(1) exceeds **the annual** volume **implied by the linear reduction factor in** Article 9 the difference shall be deducted from auction **and retired**.

be deducted from auction *volumes in the last year of the period and added in equal instalments to the volumes to be auctioned by Member States in the first two years of the following period.*

Or. en

Amendment 174

Matthias Groote, Claudiu Ciprian Tănăsescu, Theresa Griffin, Jytte Guteland, Seb Dance, Pavel Poc, Jo Leinen, Giorgos Grammatikakis

Proposal for a decision

Article 2 – paragraph 1 – point 3

Directive 2003/87/EC

Article 10 – paragraph 1 a

Text proposed by the Commission

1a. Where the volume of allowances to be auctioned by Member States in the last **year** of each period referred to in Article 13(1) exceeds by more than 30% the expected **average** auction **volume** for the first two years of the following period before application of Article 1(3) of Decision [OPEU please insert number of this Decision when known], **two-thirds of** the difference between the volumes shall be deducted **from auction volumes in the last year of the period and added** in equal instalments **to the volumes to be auctioned by Member States** in the **first** two years of the **following** period.

Amendment

1a. Where the volume of allowances to be auctioned by Member States in the last **two years** of each period referred to in Article 13(1) exceeds by more than 30% the expected auction **volumes** for the first two years of the following period before application of Article 1(3) of Decision [OPEU please insert number of this Decision when known], the difference between the volumes shall be deducted **and retired** in equal instalments **from auction** volumes in the **last** two years of the period.

Or. en

Justification

Close to 1.7 billion allowances could be flooding the already oversupplied market in 2019 and 2020. In addition to the 900 million backloaded allowances also unused allowances are likely to be placed to auction. By removing the 900 million backloaded allowances and eventual extra supply the flooding of the already oversupplied market will be prevented.

Amendment 175

Eleonora Evi, Marco Affronte, Piernicola Pedicini, Dario Tamburrano, David Borrelli

Proposal for a decision

Article 2 – paragraph 1 – point 3

Directive 2003/87/CE

Article 10 – paragraph 1a

Text proposed by the Commission

“1a. Where the volume of allowances to be auctioned by Member States in the last **year** of each period referred to in Article 13(1) exceeds by more than 30% the expected average auction volume for the first two years of the following period before application of Article 1(3) of Decision [*OPEU* please insert number of this Decision *when known*], **two-thirds of** the difference between the volumes shall be deducted **from auction volumes in the last year of the period and added** in equal instalments **to the volumes to be auctioned by Member States in the first** two years of the **following** period.”

Amendment

“1a. Where the volume of allowances to be auctioned by Member States in the last **two years** of each period referred to in Article 13(1) exceeds by more than 30% the expected average auction volume for the first two years of the following period before application of Article 1(3) of Decision [*OJ*: please insert number of this Decision], the difference between the volumes shall be deducted **and eliminated**, in equal instalments, **from auction volumes in the last** two years of the period.”

Or. it

Amendment 176

Matthias Groote, Claudiu Ciprian Tănăsescu, Theresa Griffin, Jytte Guteland, Seb Dance, Guillaume Balas, Nicola Caputo, Nessa Childers, Jo Leinen, Giorgos Grammatikakis

Proposal for a decision

Article 2 – paragraph 1 – point 3 a (new)

Directive 2003/87/EC

Article 10 – paragraph 1 b (new)

Text proposed by the Commission

Amendment

3a. In Article 10, the following paragraph shall be inserted:

"1b. Allowances that are backloaded in accordance with Decision No 1359/2013/EU of the European Parliament and of the Council and

*Commission Regulation (EU) No
176/2014 shall be permanently deleted.*

Or. en

Amendment 177
Giovanni La Via

Proposal for a decision
Article 2 – paragraph 1 – point 3 a (new)
Directive 2003/87/EC
Article 10 – paragraph 1 b (new)

Text proposed by the Commission

Amendment

3a. In Article 10, the following paragraph shall be inserted:

"1b. Half of the allowances that are backloaded in accordance with Decision No 1359/2013/EU of the European Parliament and of the Council and Commission Regulation (EU) No 176/2014 shall be permanently deleted."

Or. en

Amendment 178
Seb Dance, Paul Brannen

Proposal for a decision
Article 2 – paragraph 1 – point 3 a (new)
Directive 2003/87/EC
Article 10 – paragraph 1 b (new)

Text proposed by the Commission

Amendment

3a. In Article 10, the following paragraph shall be inserted:

"1b. Allowances back-loaded in accordance with Commission Regulation (EU) No 176/2014 and Decision No 1359/2013/EU of the European Parliament and of the Council shall be

permanently deleted."

Or. en

Amendment 179

Merja Kyllönen, Josu Juaristi Abaunz, Stefan Eck, Kateřina Konečná

Proposal for a decision

Article 2 – paragraph 1 – point 3 b (new)

Directive 2003/887/EC

Article 10 – paragraph 3 – subparagraph 1 – introductory wording

Present text

Amendment

"3. Member States shall determine the use of revenues generated from the auctioning of allowances. At least 50 % of the revenues generated from the auctioning of allowances referred to in paragraph 2, including all revenues from the auctioning referred to in paragraph 2, points (b) and (c), or the equivalent in financial value of these revenues, *should* be used for one or more of the following:"

3b. In Article 10(3), the introductory wording of the first subparagraph is replaced by the following:

"3. Member States shall determine the use of revenues generated from the auctioning of allowances. At least 50 % of the revenues generated from the auctioning of allowances referred to in paragraph 2, including all revenues from the auctioning referred to in paragraph 2, points (b) and (c), or the equivalent in financial value of these revenues, *shall* be used for one or more of the following:"

Or. en

Justification

More precise obligation of how to use the auction revenues will prevent the use of these financial resources to cover state budget deficits. Auction revenues will be then really used to tackle the climate change and to support the transition of the EU to a low carbon economy in accordance with the principles of the Climate and Energy Package from 2008.

Amendment 180

Elisabetta Gardini, Françoise Grossetête, Aldo Patriciello, Giovanni La Via

Proposal for a decision

Article 2 – paragraph 1 – point 3 b (new)

Directive 2003/87/EC
Article 10 – paragraph 3 – subparagraph 1 – introductory wording

Present text

Amendment

"3. Member States shall **determine the use of revenues generated from the auctioning of allowances. At least 50 % of the revenues generated from the auctioning of allowances referred to in paragraph 2, including all revenues from the auctioning referred to in paragraph 2, points (b) and (c), or the equivalent in financial value of these revenues, should be used** for one or more of the following:"

3b. In Article 10(3), the introductory wording of the first subparagraph is replaced by the following:

"3. Member States shall use the revenues generated from the auctioning of allowances referred to in paragraph 2, **or the equivalent in financial value of these revenues, primarily for the compensation of indirect costs passed on in electricity prices, and** for one or more of the following:"

Or. en

Justification

The entire amount of revenues from the allowances auctioning shall be reinvested by Member States in order to cover for the indirect costs induced by the system and to incentivise the technological development towards a low carbon economy. Instead of adding the revenues to MS budget in order to cover, for example, for the national deficit, these resources need to be invested to help European companies remain competitive, innovate and speed up the achievement of EU climate and energy goals.

Amendment 181

Eleonora Evi, Marco Affronte, Piernicola Pedicini, Dario Tamburrano, David Borrelli

Proposal for a decision

Article 2 – paragraph 1 – point 3 c (new)

Directive 2003/87/EC

Article 10 – paragraph 3

Present text

Amendment

"3. Member States shall determine the use of revenues generated from the auctioning of allowances. **At least 50 % of the**

(3b) in Article 10, paragraph 3 is replaced by the following:

"3. Member States shall determine the use of revenues generated from the auctioning of allowances **in accordance with the**

revenues generated from the auctioning of allowances referred to in paragraph 2, including all revenues from the auctioning referred to in paragraph 2, points (b) and (c), or the equivalent in financial value of these revenues, **should** be used for one or more of the following:

(a) to reduce greenhouse gas emissions, including by contributing to the Global Energy Efficiency and Renewable Energy Fund and to the Adaptation Fund as made operational by the Poznan Conference on Climate Change (COP 14 and COP/MOP 4), to adapt to the impacts of climate change and to fund research and development as well as **demonstration** projects for reducing emissions and for adaptation to climate change, including participation in initiatives within the framework of the European Strategic Energy Technology Plan and the European Technology Platforms;

(b) to develop renewable energies to meet the commitment of the Community to using 20 % renewable energies by 2020, as well as to develop other technologies contributing to the transition to a safe and sustainable low-carbon economy and to help meet the commitment of the Community to increase energy efficiency by 20 % by 2020;

(c) measures to avoid deforestation and increase afforestation and reforestation in developing countries that have ratified the international agreement on climate change, to transfer technologies and to facilitate adaptation to the adverse effects of climate change in these countries;

arrangements provided for in paragraphs 3a and 3b.

3a. 50 % of the revenues generated from the auctioning of allowances referred to in paragraph 2, including all revenues from the auctioning referred to in paragraph 2, points (b) and (c), or the equivalent in financial value of these revenues, **shall** be used for one or more of the following:

(a) to reduce greenhouse gas emissions, including by contributing to the Global Energy Efficiency and Renewable Energy Fund and to the Adaptation Fund as made operational by the Poznan Conference on Climate Change (COP 14 and COP/MOP 4), to adapt to the impacts of climate change and to fund research and development as well as projects **that have proven to be effective** for reducing emissions and for adaptation **and building community resilience** to climate change, including participation in initiatives within the framework of the European Strategic Energy Technology Plan and the European Technology Platforms;

(b) to develop renewable energies to meet the commitment of the Community to using 20 % renewable energies by 2020, as well as to develop other technologies contributing to the transition to a safe and sustainable low-carbon economy and to help meet the commitment of the Community to increase energy efficiency by 20 % by 2020;

(c) measures to avoid deforestation and increase afforestation and reforestation in developing countries that have ratified the international agreement on climate change, to transfer technologies and to facilitate adaptation to the adverse effects of climate change in these countries;

(d) forestry sequestration in the Community;

(e) the environmentally safe capture and geological storage of CO₂, in particular from solid fossil fuel power stations and a range of industrial sectors and subsectors, including in third countries;

(f) to encourage *a shift to* low-emission and *public* forms of transport;

(g) to finance research and development in energy efficiency and clean technologies in the sectors covered by this Directive;

(h) measures intended to increase energy efficiency and insulation or to provide financial support in order to address social aspects in lower and middle income households;

(i) to cover administrative expenses of the management of the Community scheme.

Member States shall be deemed to have fulfilled the provisions of this paragraph if they have in place and implement fiscal or financial support policies, including in particular in developing countries, or domestic regulatory policies, which leverage financial support, established for the purposes set out in the first subparagraph and which have a value equivalent to at least 50 % of the revenues generated from the auctioning of allowances referred to in paragraph 2, including all revenues from the auctioning referred to in paragraph 2, points (b) and (c).

Member States shall inform the Commission as to the use of revenues and the actions taken pursuant to this

(d) forestry sequestration in the Community *and the use of biochar where this is permitted under national legislation;*

(f) to encourage *the development of an integrated transport system which should include* low-emission and *public/collective and private* forms of transport;

(g) to finance research and development in energy efficiency and clean technologies in the sectors covered by this Directive, *in particular in the sectors and subsectors referred to in Article 10a(15), provided that they are removed from the list referred to in Article 10a(13);*

(h) measures intended to increase energy efficiency and insulation or to provide financial support in order to address social aspects in lower and middle income households;

(i) to cover administrative expenses of the management of the Community scheme.

3b. The remaining 50% of the revenues generated from the auctioning of allowances referred to in paragraph 2,

paragraph in their reports submitted under Decision No 280/2004/EC.

including all revenues from the auctioning referred to in paragraph 2, points (b) and (c), or the equivalent in financial value of these revenues, shall be used for one or both of the following:

(a) to support the local authorities, companies and communities in repairing the material and health-related damage caused by issues relating to climate change, including damage to crops;

(b) to finance measures to rehabilitate hydrogeological systems and make the land safe."

Or. it

Amendment 182

Massimo Paolucci, Renata Briano, Simona Bonafè, Caterina Chinnici, Enrico Gasbarra, Paolo De Castro, Nicola Caputo

Proposal for a decision

Article 2 – paragraph 1 – point 3 d (new)

Directive 2003/87/EC

Article 10 – paragraph 3 – point - a (new)

Text proposed by the Commission

Amendment

3d. In Article 10(3), the following point shall be inserted:

"(-a) to establish a fund dedicated to the innovation and modernisation of energy-intensive installations, in particular in the sectors and sub-sectors referred to in Article 10a(15);"

Or. en

Amendment 183

Elisabetta Gardini, Françoise Grossetête, Aldo Patriciello, Giovanni La Via

Proposal for a decision

Article 2 – paragraph 1 – point 3 e (new)

Directive 2003/87/EC

Article 10 – paragraph 3 – subparagraph 2

Present text

"Member States shall be deemed to have fulfilled the provisions of this paragraph if they have in place and implement fiscal or financial support policies, including in particular in developing countries, or domestic regulatory policies, which leverage financial support, established for the purposes set out in the first subparagraph and which have a value equivalent to **at least 50 % of the** revenues generated from the auctioning of allowances referred to in paragraph 2, **including all revenues from the auctioning referred to in paragraph 2, points (b) and (c).**"

Amendment

3e. In Article 10(3), the second subparagraph is replaced by the following:

"Member States shall be deemed to have fulfilled the provisions of this paragraph if they have in place and implement fiscal or financial support policies, including in particular in developing countries, or domestic regulatory policies, which leverage financial support, established for the purposes set out in the first subparagraph and which have a value equivalent to **all** revenues generated from the auctioning of allowances referred to in paragraph 2."

Or. en

Justification

See previous amendment.

Amendment 184

Josu Juaristi Abaunz, Stefan Eck, Kateřina Konečná, Merja Kyllönen

Proposal for a decision

Article 2 – paragraph 1 – point 3 f (new)

Directive 2003/87/EC

Article 10 – paragraph 4 – subparagraph 1

Present text

"4. By 30 June 2010, the Commission shall

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Amendment

3f. In Article 10(4), the first subparagraph is replaced by the following:

"4. By 30 June 2010, the Commission shall

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adopt a regulation on timing, administration and other aspects of auctioning to ensure that it is conducted in an open, transparent, harmonised and non-discriminatory manner. To this end, the process should be predictable, in particular as regards the timing and sequencing of auctions and the estimated volumes of allowances to be made available. Where an assessment shows for the individual industrial sectors that no significant impact on sectors or subsectors exposed to a significant risk of carbon leakage is to be expected, the Commission may, in exceptional circumstances, adapt the timetable for the period referred to in Article 13(1) beginning on 1 January 2013 so as to ensure the orderly functioning of the market. The Commission shall make no more than one such adaptation for a maximum number of 900 million allowances."

adopt a regulation on timing, administration and other aspects of auctioning to ensure that it is conducted in an open, transparent, harmonised and non-discriminatory manner. To this end, the process should be predictable, in particular as regards the timing and sequencing of auctions and the estimated volumes of allowances to be made available. Where an assessment shows for the individual industrial sectors that no significant impact on sectors or subsectors exposed to a significant risk of carbon leakage is to be expected, the Commission may, in exceptional circumstances, adapt the timetable for the period referred to in Article 13(1) beginning on 1 January 2013 so as to ensure the orderly functioning of the market. The Commission shall make no more than one such adaptation for a maximum number of 900 million allowances. ***These allowances shall be placed directly into the market stability reserve established by Decision [OPEU please insert number of this Decision when known].***"

Or. en

Justification

Transfer of the backloaded allowances directly into the reserve will significantly speed up the process of reform and will have a positive effect on the stability of the market, which will not be unnecessarily exposed to short-term supply shocks, favourable only for speculators.

Amendment 185

Ian Duncan

Proposal for a decision

Article 2 – paragraph 1 – point 3 g (new)

Directive 2003/87/EC

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

3g. In Article 10(4), the following subparagraph shall be inserted after the first subparagraph:

"Where the Commission has carried out the adaptation referred to in the first subparagraph, an amount of allowances corresponding to the increase of allowances in 2019 and 2020 as set out in Annex IV to Commission Regulation (EU) No 1031/2010 * shall be placed in the market stability reserve established by Decision [OPEU please insert number of this Decision when known]."

*** Commission Regulation (EU) No 1031/2010 of 12 November 2010 on the timing, administration and other aspects of auctioning of greenhouse gas emission allowances pursuant to Directive 2003/87/EC of the European Parliament and of the Council establishing a scheme for greenhouse gas emission allowances trading within the Community (OJ L 302, 18.11.2010, p. 1)."**

Or. en

Amendment 186

Alberto Cirio

Proposal for a decision

Article 2 – paragraph 1 – point 3 h (new)

Directive 2003/87/EC

Article 10 – paragraph 5

Present text

5. The Commission shall monitor the functioning of the European carbon

Amendment

3h. Article 10(5) is replaced by the following:

5. The Commission shall monitor the functioning of the European carbon

market. Each year, it shall submit a report to the European Parliament and to the Council on the functioning of the carbon market including the implementation of the auctions, liquidity and the volumes traded. If necessary, Member States shall ensure that any relevant information is submitted to the Commission at least two months before the Commission adopts the report.

market. Each year, it shall submit a report to the European Parliament and to the Council on the functioning of the carbon market including the implementation of the auctions, liquidity and the volumes traded. If necessary, ***the market stability reserve shall be used to compensate for any amount of allowances exceeding the threshold defined in the points (a) and (b).*** Member States shall ensure that any relevant information is submitted to the Commission at least two months before the Commission adopts the report.

Or. en

Justification

Necessary in order to prevent carbon leakage

Amendment 187

Elisabetta Gardini, Françoise Grossetête, Aldo Patriciello, Giovanni La Via

Proposal for a decision

Article 2 – paragraph 1 – point 3 i (new)

Directive 2003/87/EC

Article 10 a – paragraph 6 – subparagraph 1

Present text

"6. Member States ***may also*** adopt financial measures in favour of sectors or subsectors determined to be exposed to a significant risk of carbon leakage due to costs relating to greenhouse gas emissions passed on in electricity prices, in order to compensate for those costs ***and where such financial measures are in accordance with state aid rules applicable and to be adopted in this area.***"

Amendment

3 i. In Article 10a(6), the first subparagraph is replaced by the following:

"6. Member States ***shall*** adopt ***harmonised*** financial measures, ***including measures relating to the use of revenues generated from the auctioning of allowances,*** in favour of sectors or subsectors determined to be exposed to a significant risk of carbon leakage due to ***the*** costs relating to greenhouse gas emissions passed on in electricity prices, in order to compensate for those costs."

Or. en

Justification

In addition to the cost linked to the incentives for renewables European energy consumers, such as energy intensive companies, must bear the CO₂ indirect costs due to energy producers' inclusion in the ETS. The current 2020 framework only sets maximum compensation levels for indirect CO₂ costs allowed through state aids guidelines, and it is voluntary for each Member State to give this compensation generating competition distortions. It is therefore necessary to set mandatory EU compensation measures to achieve full offsetting of indirect costs in all Member States. Especially in the case of an increasing EU carbon price, this should be developed through a harmonised EU approach using specific mechanisms such as the use of auctioning revenues or additional free allocation rather than through state aids rules.

Amendment 188 **Bas Eickhout**

Proposal for a decision
Article 2 – paragraph 1 – point 4
Directive 2003/87/EC
Article 13 – paragraph 2 – subparagraph 2

Text proposed by the Commission

Similarly, allowances held in the market stability reserve established by Decision [OPEU please insert number of this Decision when known] and which are no longer valid shall be replaced by allowances which are valid for the current period.

Amendment

30 % of the allowances held in the market stability reserve established by Decision [OPEU please insert number of this Decision when known] and which are no longer valid shall be replaced by allowances which are valid for the current period.

Or. en

Justification

There should be a restriction on the amount of carryover of surplus allowances in the reserve between trading periods in order to safeguard the integrity of future climate targets.

Amendment 189 **Andrzej Grzyb, Jerzy Buzek, Elżbieta Katarzyna Łukacijewska**

Proposal for a decision
Article 2 – paragraph 1 – point 4 a (new)

Directive 2003/87/EC
Article 29 a – paragraph 1 a (new)

Text proposed by the Commission

Amendment

4a. In Article 29a the following paragraph is added after paragraph 1:

"1a. If the average allowances price from quarter x is higher than EUR 20, in a quarter $x+2$ the transferring allowances into the market stability reserve shall be suspended by changing the auction volumes of allowances which are not the result from the latest application of the market stability reserve mechanism. Such suspension shall be reflected in the auction calendar volumes until the average allowances price fall below such threshold."

Or. en

Justification

The addition of the price mechanism to market stability reserve should prevent from an excessive allowances price increase as a kind of safety buffer and provide a higher transparency important for making an investment decision in the long term. The establishment of that kind of prevention mechanism requires amendment in Article 29a of EU ETS Directive.

Amendment 190
Paul Rübige

Proposal for a decision
Article 2 a (new)

Text proposed by the Commission

Amendment

Article 2a

Review

Within six months from the entry into force of this Decision [insert number of this Decision when known], the Commission shall review Directive

2003/87/EC, taking into account the conclusions of the European Council of 23 and 24 October 2014, in particular with regard to carbon leakage provisions, including the continuation of free allocation of allowances, a better reflection of changing production levels, a periodical review of benchmarks, in order to avoid undue direct and indirect carbon costs due to carbon leakage and to incentivise best performance.

Or. en

Amendment 191
Miroslav Mikolášik

Proposal for a decision
Article 2 a (new)

Text proposed by the Commission

Amendment

Article 2a

Review of Directive 2003/87/EC

Within six months from the entry into force of this Decision (insert number of this Decision when known), the Commission shall review Directive 2003/87/EC, and shall, in accordance with the ordinary legislative procedure submit a proposal to the European Parliament and the Council, in particular with regard to carbon leakage provisions, ensuring that sectors at risk of carbon leakage, at least at the level of best performers, have no direct and indirect additional costs resulting from the Directive.

Or. en

Amendment 192
Christofer Fjellner

Proposal for a decision
Article 2 a (new)

Text proposed by the Commission

Amendment

Article 2a

Review of Directive 2003/87/EC

By 1 January 2017, the Commission shall review and propose to amend Directive 2003/87/EC, in view of effectively preventing carbon leakage, introducing a more dynamic allocation of allowances and incentivising carbon-efficient growth. The review shall ensure that carbon leakage provisions do not contribute to the over-supply of allowances, and that best performers do not face direct or indirect additional costs based on technically achievable benchmarks.

Or. en

Amendment 193
Norbert Lins, Jens Gieseke, Birgit Collin-Langen

Proposal for a decision
Article 2 a (new)

Text proposed by the Commission

Amendment

Article 2a

Review of Directive 2003/87/EC

By ...⁺, the Commission shall review Directive 2003/87/EC with particular regard to carbon leakage provisions and the continuation of free allocations, better reflecting changing production levels and incentivising the most efficient performance taking into account direct and indirect carbon costs, as well as the purpose of the back-loaded allowances, and if appropriate shall, in accordance with the ordinary legislative

procedure, submit a proposal to the European Parliament and the Council.

⁺ *OJ: Please, insert the date: six months from the entry into force of this Decision.*

Or. en

Amendment 194

Andrzej Grzyb, Jerzy Buzek, Elżbieta Katarzyna Łukacijewska

Proposal for a decision

Article 2 a (new)

Text proposed by the Commission

Amendment

Article 2a

Review of Directive 2003/87/EC

By ...⁺, the Commission shall review Directive 2003/87/EC, taking into account the conclusions of the European Council of 23 and 24 October 2014, in particular with regard to carbon leakage provisions and the continuation of free allocations, better reflecting changing production levels and incentivising the most efficient performance taking into account direct and indirect carbon costs, and if appropriate shall, in accordance with the ordinary legislative procedure, submit a proposal to the European Parliament and the Council.

⁺ *OJ: Please, insert the date: six months from the entry into force of this Decision.*

Or. en

Amendment 195

Jadwiga Wiśniewska

**Proposal for a decision
Article 2 a (new)**

Text proposed by the Commission

Amendment

Article 2a

Review of Directive 2003/87/EC

Within nine months of this Decision entering into force, the Commission shall carry out a review of Directive 2003/87/EC with a view to protecting sectors at risk of carbon leakage by:

- 1) ensuring the allocation of free allowances after 2020 using technologically and economically feasible benchmarks and taking into account the possibility of applying them to changing levels of production in different sectors;***
- 2) removing the intersectoral correction factor;***
- 3) introducing a system to offset losses connected with the transfer of costs to these sectors via the energy sector.***

If necessary, the Commission shall present a legislative proposal to the European Parliament and the Council in accordance with the ordinary legislative procedure.

Or. pl

Amendment 196

Peter Liese, Dubravka Šuica, Karl-Heinz Florenz, Miroslav Mikolášik, Bendt Bendtsen, Alojz Peterle, György Hölvényi

**Proposal for a decision
Article 2 a (new)**

Text proposed by the Commission

Amendment

Article 2a

Review of Directive 2003/87/EC

By ...+, the Commission shall review Directive 2003/87/EC, taking into account the conclusions of the European Council of 23 and 24 October 2014, in particular with regard to carbon leakage provisions and the continuation of free allocations, better reflecting changing production levels and incentivising the most efficient performance taking into account direct and indirect carbon costs, and if appropriate shall, in accordance with the ordinary legislative procedure, submit a proposal to the European Parliament and the Council.

+ OJ: Please, insert the date: six months from the entry into force of this Decision.

Or. en

Amendment 197

Elisabetta Gardini, Françoise Grossetête, Pilar Ayuso, Aldo Patriciello, Giovanni La Via

**Proposal for a decision
Article 2 a (new)**

Text proposed by the Commission

Amendment

Article 2a

Review of Directive 2003/87/EC

Within six months of the entry into force of this Decision [insert number of this Decision when known] and no later than mid-2015, the Commission shall review Directive 2003/87/EC, taking into account the conclusions of the European Council of 23 and 24 October 2014, in particular

with regard to carbon leakage provisions and the need for continuation after 2020 of free allocations for direct costs for the most efficient installations, thereby better reflecting changing production levels. In that review, the Commission shall also take into account harmonised measures at the Union level for indirect carbon costs so as to avoid any distortions in the internal market. In accordance with the ordinary legislative procedure, the Commission shall submit a proposal to the European Parliament and the Council in this respect.

Or. en

Justification

Given the increase of the EU carbon price and of the electricity price as a consequence of the MSR, the introduction of the MSR must be accompanied by a full reform of the EU ETS including effective post-2020 carbon leakage measures. Compensations for indirect costs (pass through of carbon price into electricity price) should be developed through a harmonised EU approach, and not through the current State aid system, by using EU-wide mechanisms, such as the use of auctioning revenues or additional free allocations.

Amendment 198
Mark Demesmaeker

Proposal for a decision
Article 2 a (new)

Text proposed by the Commission

Amendment

Article 2a

Review of Directive 2003/87/EC

By ...+, the Commission shall review Directive 2003/87/EC, taking into account the conclusions of the European Council of 23 and 24 October 2014, in particular with regard to carbon leakage provisions and the continuation of free allocations, in order to establish a harmonised

framework for tackling carbon leakage that better reflects the changing production levels and incentivises the most efficient performance, taking into account direct and indirect carbon costs, and if appropriate shall, in accordance with the ordinary legislative procedure, submit a proposal to the European Parliament and the Council.

+ OJ: please insert the date: six months from the entry into force of this Decision.

Or. nl

Amendment 199
Christofer Fjellner

Proposal for a decision
Article 2 b (new)

Text proposed by the Commission

Amendment

Article 2b

Review of state aid rules

By 1 January 2017, the Commission shall review state-aid rules in view of harmonising the off-set of indirect costs in all Member States at EU-level. A proposal shall be submitted to the European Parliament and the Council.

Or. en

Amendment 200
Andrzej Grzyb, Elżbieta Katarzyna Łukacijewska

Proposal for a decision
Article 3 – title

Text proposed by the Commission

Amendment

Review

Review *of the market stability reserve*

Or. en

Amendment 201

Norbert Lins, Jens Gieseke, Birgit Collin-Langen

Proposal for a decision

Article 3 – title

Text proposed by the Commission

Amendment

Review

Review *of the market stability reserve*

Or. en

Amendment 202

Merja Kyllönen, Josu Juaristi Abaunz, Stefan Eck, Kateřina Konečná

Proposal for a decision

Article 3 – paragraph 1

Text proposed by the Commission

Amendment

By 31 December **2026**, the Commission shall on the basis of an analysis of the orderly functioning of the European carbon market review the market stability reserve and submit a proposal, where appropriate, to the European Parliament and to the Council. The review shall pay particular attention to the percentage figure for the determination of the number of allowances to be placed into the reserve according to Article 1(3) and the numerical value of the threshold for the total number of allowances in circulation set by Article 1(4).

By 31 December **2020**, the Commission shall on the basis of an analysis of the orderly functioning of the European carbon market review the market stability reserve and submit a proposal, where appropriate, to the European Parliament and to the Council. The review shall pay particular attention to the percentage figure for the determination of the number of allowances to be placed into the reserve according to Article 1(3) and the numerical value of the threshold for the total number of allowances in circulation set by Article 1(4).

Or. en

Justification

Earlier revision of functioning of the mechanism in 2020 due to the moving of the start of the reform, and given that we are not fully convinced about the optimal functioning of the current design of the reform.

Amendment 203

Bas Eickhout

Proposal for a decision

Article 3 – paragraph 1

Text proposed by the Commission

By 31 December **2026**, the Commission shall on the basis of an analysis of the orderly functioning of the European carbon market review the market stability reserve and submit a proposal, where appropriate, to the European Parliament and to the Council. The review shall pay particular attention to the percentage figure for the determination of the number of allowances to be placed into the reserve according to Article 1(3) and the numerical value of the threshold for the total number of allowances in circulation set by Article 1(4).

Amendment

By 31 December **2021**, the Commission shall on the basis of an analysis of the orderly functioning of the European carbon market review the market stability reserve and submit a proposal, where appropriate, to the European Parliament and to the Council. The review shall pay particular attention to the percentage figure for the determination of the number of allowances to be placed into the reserve according to Article 1(3) and the numerical value of the threshold for the total number of allowances in circulation set by Article 1(4).

Or. en

Amendment 204

Françoise Grossetête

Proposal for a decision

Article 3 – paragraph 1

Text proposed by the Commission

By 31 December 2026, the Commission shall on the basis of an analysis of the orderly functioning of the European carbon market review the market stability reserve and submit a proposal, where appropriate,

Amendment

Within three years of the date of establishment of the market stability reserve, the Commission shall on the basis of an analysis of the orderly functioning of the European carbon market review the

to the European Parliament and to the Council. The review shall pay particular attention to the percentage figure for the determination of the number of allowances to be placed into the reserve according to Article 1(3) and the numerical value of the threshold for the total number of allowances in circulation set by Article 1(4).

market stability reserve and submit a proposal, where appropriate, to the European Parliament and to the Council. The review shall pay particular ***attention to the impacts of important market drivers and the impacts of other energy and environmental policies on the EU ETS in order to assess the correct functioning of the market and to check consistency between all energy or environmental policies.*** It shall also pay attention to the percentage figure for the determination of the number of allowances to be placed into the reserve according to Article 1(3) and the numerical value of the threshold for the total number of allowances in circulation set by Article 1(4).

Or. en

Justification

It is of utmost importance to earlier assess the MSR mechanism. This assessment should also take into account all the main drivers that could impact the functioning of the MSR tool.

Amendment 205

Massimo Paolucci, Renata Briano, Simona Bonafè, Caterina Chinnici, Enrico Gasbarra, Paolo De Castro

Proposal for a decision Article 3 – paragraph 1

Text proposed by the Commission

By 31 December **2026**, the Commission shall on the basis of an analysis of the orderly functioning of the European carbon market review the market stability reserve and submit a proposal, where appropriate, to the European Parliament and to the Council. The review shall pay particular attention to the percentage figure for the determination of the number of allowances to be placed into the reserve according to Article 1(3) and the numerical value of the

Amendment

By 31 December **2019**, the Commission shall, on the basis of an analysis of the orderly functioning of the European carbon market, review the market stability reserve and submit a proposal, where appropriate, to the European Parliament and to the Council. The review shall pay particular attention to the percentage figure for the determination of the number of allowances to be placed into the reserve according to Article 1(3) and the numerical value of the

threshold for the total number of allowances in circulation set by Article 1(4).

threshold for the total number of allowances in circulation set by Article 1(4).

Or. it

Justification

In keeping with AM1, which proposes that the market stability reserve be brought forward to 2017, it is hereby established that the review should be carried out once the subsequent three years have elapsed.

Amendment 206
Ian Duncan

Proposal for a decision
Article 3 – paragraph 1

Text proposed by the Commission

By 31 December **2026**, the Commission shall on the basis of an analysis of the orderly functioning of the European carbon market review the market stability reserve and submit a proposal, where appropriate, to the European Parliament and to the Council. The review shall pay particular attention to the percentage figure for the determination of the number of allowances to be placed into the reserve according to Article 1(3) and the numerical value of the threshold for the total number of allowances in circulation set by Article 1(4).

Amendment

By 31 December **2022**, the Commission shall on the basis of an analysis of the orderly functioning of the European carbon market review the market stability reserve and submit a proposal, where appropriate, to the European Parliament and to the Council. The review shall pay particular attention to the percentage figure for the determination of the number of allowances to be placed into the reserve according to Article 1(3) and the numerical value of the threshold for the total number of allowances in circulation set by Article 1(4). ***In its review, the Commission shall also look into the impact of the market stability reserve on the sectors at risk of carbon leakage.***

Or. en

Amendment 207
Christofer Fjellner

Proposal for a decision
Article 3 – paragraph 1

Text proposed by the Commission

By 31 December 2026, the Commission shall on the basis of an analysis of the orderly functioning of the European carbon market review the market stability reserve and submit a proposal, where appropriate, to the European Parliament and to the Council. The review shall pay particular attention to the percentage figure for the determination of the number of allowances to be placed into the reserve according to Article 1(3) and the numerical value of the threshold for the total number of allowances in circulation set by Article 1(4).

Amendment

By 31 December 2026, the Commission shall on the basis of an analysis of the orderly functioning of the European carbon market review the market stability reserve and submit a proposal, where appropriate, to the European Parliament and to the Council. The review shall pay particular attention to the ***impact on industrial competitiveness, the risk of carbon leakage and the*** percentage figure for the determination of the number of allowances to be placed into the reserve according to Article 1(3) and the numerical value of the threshold for the total number of allowances in circulation set by Article 1(4).

Or. en

Amendment 208
Jadwiga Wiśniewska

Proposal for a decision
Article 3 – paragraph 1

Text proposed by the Commission

By 31 December 2026, the Commission shall on the basis of an analysis of the orderly functioning of the European carbon market review the market stability reserve and submit a proposal, where appropriate, to the European Parliament and to the Council. The review shall pay particular attention to the percentage figure for the determination of the number of allowances to be placed into the reserve according to Article 1(3) and the numerical value of the threshold for the total number of allowances in circulation set by Article 1(4).

Amendment

Within three years of the market stability reserve becoming fully operational, the Commission shall, on the basis of an analysis of the orderly functioning of the European carbon market, review the market stability reserve and submit a proposal, where appropriate, to the European Parliament and to the Council. The review shall pay particular attention to the percentage figure for the determination of the number of allowances to be placed into the reserve according to Article 1(3) and the numerical value of the threshold for the total number of allowances in

circulation set by Article 1(4) *with the aim of determining the effectiveness of the market stability reserve and its proportionality with respect to the impact on sectors at risk of carbon leakage and the situation of households.*

Or. pl

Amendment 209
Seb Dance, Paul Brannen

Proposal for a decision
Article 3 – paragraph 1

Text proposed by the Commission

By 31 December **2026**, the Commission shall on the basis of an analysis of the orderly functioning of the European carbon market review the market stability reserve and submit a proposal, where appropriate, to the European Parliament and to the Council. *The review shall pay particular attention to the percentage figure for the determination of the number of allowances to be placed into the reserve according to Article 1(3) and the numerical value of the threshold for the total number of allowances in circulation set by Article 1(4).*

Amendment

By 31 December **2020**, the Commission shall on the basis of an analysis of the orderly functioning of the European carbon market review the Market Stability Reserve and submit a proposal, where appropriate, to the European Parliament and to the Council.

Or. en

Amendment 210
Andrzej Grzyb, Jerzy Buzek, Elżbieta Katarzyna Łukacijewska

Proposal for a decision
Article 3 – paragraph 1

Text proposed by the Commission

By 31 December 2026, the Commission shall on the basis of an analysis of the

Amendment

Within three years of the date of establishment of the market stability

orderly functioning of the European carbon market review the market stability reserve and submit a proposal, where appropriate, to the European Parliament and to the Council. The review shall *pay particular attention to the percentage figure for the determination of the number of allowances to be placed into the reserve according to Article 1(3) and the numerical value of the threshold for the total number of allowances in circulation set by Article 1(4).*

reserve, the Commission shall on the basis of an analysis of the orderly functioning of the European carbon market review the market stability reserve and submit a proposal, where appropriate, to the European Parliament and to the Council. The review shall *include a detailed assessment of the impact of important demand drivers, including other environmental, energy and climate policies, and the monitoring of the impact of the market stability reserve in the context of the annual carbon market report. The review shall pay particular attention to the extent to which Article 1(3) and (4) are appropriate with regard to the objective of tackling structural supply-demand imbalances.*

Or. en

Amendment 211

Gerben-Jan Gerbrandy, Fredrick Federley, Catherine Bearder

Proposal for a decision

Article 3 – paragraph 1

Text proposed by the Commission

By 31 December **2026**, the Commission shall on the basis of an analysis of the orderly functioning of the European carbon market review the market stability reserve and submit a proposal, where appropriate, to the European Parliament and to the Council. The review shall pay particular attention to the percentage figure for the determination of the number of allowances to be placed into the reserve according to Article 1(3) and the numerical value of the threshold for the total number of allowances in circulation set by Article 1(4).

Amendment

By 31 December **2022**, the Commission shall on the basis of an analysis of the orderly functioning of the European carbon market review the market stability reserve and submit a proposal, where appropriate, to the European Parliament and to the Council. The review shall pay particular attention to the percentage figure for the determination of the number of allowances to be placed into the reserve according to Article 1(3) and the numerical value of the threshold for the total number of allowances in circulation set by Article 1(4). *A periodic review of the settings of the market stability reserve, two years before the start of every new phase, is necessary in order to ensure the settings*

remain appropriate whilst preserving certainty for the market.

Or. en

Amendment 212

Norbert Lins, Jens Gieseke, Birgit Collin-Langen

Proposal for a decision

Article 3 – paragraph 1

Text proposed by the Commission

By 31 December 2026, the Commission shall on the basis of an analysis of the orderly functioning of the European carbon market review the market stability reserve and submit a proposal, where appropriate, to the European Parliament and to the Council. The review shall pay particular attention to the ***percentage figure for the determination of the number of allowances to be placed into the reserve according to Article 1(3) and the numerical value of the threshold for the total number of allowances in circulation set by Article 1(4).***

Amendment

Within three years of the date of establishment of the market stability reserve, the Commission shall on the basis of an analysis of the orderly functioning of the European carbon market review the market stability reserve and submit a proposal, where appropriate, to the European Parliament and to the Council. The review shall pay particular attention to the ***extent to which Article 1(3) and (4) are appropriate with regard to the objective of tackling structural supply-demand imbalances.***

Or. en

Amendment 213

Jan Huitema

Proposal for a decision

Article 3 – paragraph 1

Text proposed by the Commission

By 31 December 2026, the Commission shall on the basis of an analysis of the orderly functioning of the European carbon market review the market stability reserve and submit a proposal, where appropriate, to the European Parliament and to the

Amendment

Within five years of the establishment, or before the start of a new trading phase the Commission shall on the basis of an analysis of the orderly functioning of the European carbon market review the market stability reserve and submit a proposal,

Council. The review shall pay particular attention to the percentage figure for the determination of the number of allowances to be placed into the reserve according to Article 1(3) and the numerical value of the threshold for the total number of allowances in circulation set by Article 1(4).

where appropriate, to the European Parliament and to the Council. The review shall pay particular attention to the percentage figure for the determination of the number of allowances to be placed into the reserve according to Article 1(3) and the numerical value of the threshold for the total number of allowances in circulation set by Article 1(4) ***as well as take into account the effects on European competitiveness.***

Or. en

Amendment 214
Alberto Cirio

Proposal for a decision
Article 3 – paragraph 1

Text proposed by the Commission

By 31 December 2026, the Commission shall on the basis of an analysis of the orderly functioning of the European carbon market review the market stability reserve and submit a proposal, where appropriate, to the European Parliament and to the Council. The review shall pay particular attention to the percentage figure for the determination of the number of allowances to be placed into the reserve according to Article 1(3) and the numerical value of the threshold for the total number of allowances in circulation set by Article 1(4).

Amendment

By 31 December 2026, the Commission shall on the basis of an analysis of the orderly functioning of the European carbon market review the market stability reserve ***(including its possible impact on carbon leakage also on indirect costs, the effect on industrial competitiveness and on the encouragement of cost-efficient measures under the ETS)*** and submit a proposal, where appropriate, to the European Parliament and to the Council. The review shall pay particular attention to the percentage figure for the determination of the number of allowances to be placed into the reserve according to Article 1(3) and the numerical value of the threshold for the total number of allowances in circulation set by Article 1(4).

Or. en

Justification

Aimed at basing decision making on better and more appropriate information.

Amendment 215

Eleonora Evi, Marco Affronte, Piernicola Pedicini, Dario Tamburrano, David Borrelli

Proposal for a decision

Article 3 – paragraph 1

Text proposed by the Commission

By 31 December 2026, the Commission shall on the basis of an analysis of the orderly functioning of the European carbon market review the market stability reserve and submit a proposal, where appropriate, to the European Parliament and to the Council. The review shall pay particular attention to the percentage figure for the determination of the number of allowances to be placed into the reserve according to Article 1(3) and the numerical value of the threshold for the total number of allowances in circulation set by Article 1(4).

Amendment

Three years after the entry into force of the market stability reserve, the Commission shall review the functioning of Directive 2003/87/EC on the basis of the experience gained and taking into account the operational anomalies that were deemed necessary to prevent carbon leakage and to take artificial action on the emissions trading market. The review should assess, in particular, whether the cap-and-trade system meets the greenhouse gas emissions reduction requirements of the industrial sectors concerned and should assess the option of establishing a CO2 price at EU level, given that greenhouse gases cannot be regarded as tangible assets. The Commission shall also undertake to submit a price adjustment plan regarding imports of goods from sectors at risk of carbon leakage to ensure there is a level playing field in relation to goods from countries which do not have additional production costs for curbing greenhouse gas emissions. The plan should provide for a refund of costs due to the ETS for goods from sectors exposed to carbon leakage that are exported to countries which have no additional production costs for curbing greenhouse gas emissions.

Or. it

Amendment 216

Peter Liese, Sirpa Pietikäinen, Dubravka Šuica, Karl-Heinz Florenz, Bendt Bendtsen, Alojz Peterle

Proposal for a decision

Article 3 – paragraph 1

Text proposed by the Commission

By 31 December **2026**, the Commission shall on the basis of an analysis of the orderly functioning of the European carbon market review the market stability reserve and submit a proposal, where appropriate, to the European Parliament and to the Council. The review shall pay particular attention to the percentage figure for the determination of the number of allowances to be placed into the reserve according to Article 1(3) and the numerical value of the threshold for the total number of allowances in circulation set by Article 1(4).

Amendment

By 31 December **2021**, the Commission shall on the basis of an analysis of the orderly functioning of the European carbon market review the market stability reserve and submit a proposal, where appropriate, to the European Parliament and to the Council. The review shall pay particular attention to the percentage figure for the determination of the number of allowances to be placed into the reserve according to Article 1(3) and the numerical value of the threshold for the total number of allowances in circulation set by Article 1(4).

Or. en

Amendment 217

Matthias Groote, Claudiu Ciprian Tănăsescu, Theresa Griffin, Jytte Guteland, Pavel Poc, Giorgos Grammatikakis, Nessa Childers, Jo Leinen, Miriam Dalli

Proposal for a decision

Article 3 – paragraph 1

Text proposed by the Commission

By 31 December **2026**, the Commission shall on the basis of an analysis of the orderly functioning of the European carbon market review the market stability reserve and submit a proposal, where appropriate, to the European Parliament and to the Council. The review shall pay particular attention to the percentage figure for the determination of the number of allowances to be placed into the reserve according to Article 1(3) and the numerical value of the

Amendment

By 31 December **2021**, the Commission shall on the basis of an analysis of the orderly functioning of the European carbon market review the market stability reserve and submit a proposal, where appropriate, to the European Parliament and to the Council. The review shall pay particular attention to the percentage figure for the determination of the number of allowances to be placed into the reserve according to Article 1(3) and the numerical value of the

threshold for the total number of allowances in circulation set by Article 1(4).

threshold for the total number of allowances in circulation set by Article 1(4).

Or. en

Amendment 218

Massimo Paolucci, Renata Briano, Simona Bonafè, Caterina Chinnici, Enrico Gasbarra, Paolo De Castro

Proposal for a decision

Article 3 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

By ... * , the Commission shall review Directive 2003/87/EC, taking into account the conclusions of the European Council of 23 and 24 October 2014, in particular with regard to carbon leakage provisions, and the continuation of free allocations, better reflecting changing production levels and incentivising the most efficient performance taking into account direct and indirect carbon costs, and if appropriate shall, in accordance with the ordinary legislative procedure, submit a proposal to the European Parliament and the Council. Both direct and indirect costs will be taken into account so to ensure a global and EU level playing field.

**** OJ: Please insert the date: 18 months after the entry into force of this Decision.***

Or. xm

Justification

To complete the single energy market, it is essential to overcome existing distortions of competition, including those relating to the application of Directive 2003/87/EC as regards compensation payments.

Amendment 219
Sirpa Pietikäinen

Proposal for a decision
Article 3 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

By 31 December 2015, the Commission shall also consider whether the establishment of an EU-wide emissions performance standard for the power sector is necessary to ensure an adequate price signal exists to incentivise low carbon investment and where appropriate the Commission shall make a proposal to the European Parliament and to the Council for the establishment of such an EU-wide Emissions Performance Standard.

Or. en

Amendment 220
Seb Dance, Theresa Griffin, Paul Brannen

Proposal for a decision
Article 3 a (new)

Text proposed by the Commission

Amendment

Article 3a

Emission Performance Standard

A large surplus decreases the carbon price signal and does not provide the necessary certainty investors require to invest in the transition towards a low-carbon economy, including energy supply. A stronger carbon price signal is necessary to avoid locking the EU into high carbon capital and investment. Therefore, by 31 December 2015, the Commission shall also consider whether the establishment of an EU wide

Emissions Performance Standard for the power sector is necessary to support an adequate price signal to incentivise low carbon investment and where appropriate the Commission shall make a proposal to the European Parliament and to the Council for the establishment of such an EU - wide Emissions Performance Standard.

Or. en

Amendment 221

Merja Kyllönen, Josu Juaristi Abaunz, Stefan Eck, Kateřina Konečná

Proposal for a decision

Article 4 – paragraph 1

Text proposed by the Commission

Article 10(1) of Directive 2003/87/EC as amended by Directive 2009/29/EC shall continue to apply until 31 December **2020**.

Amendment

Article 10(1) of Directive 2003/87/EC as amended by Directive 2009/29/EC shall continue to apply until 31 December **2016**.

Or. en

Justification

Shifting the start of the reform from 2021 to 2017 in order to secure the full functioning of the EU ETS and to prevent further mutual negative interaction between the three targets for 2030 from 2020. Technically nothing hinders earlier start of the reform, it is only necessary to adjust the auction calendar. Earlier functioning of the reserve is optimal to solve the problem with backloaded allowances, whose direct transfer to the reserve is supported by a big number of the Member States.

Amendment 222

Ian Duncan

Proposal for a decision

Article 4 – paragraph 1

Text proposed by the Commission

Article 10(1) of Directive 2003/87/EC as amended by Directive 2009/29/EC shall continue to apply until 31 December **2020**.

Amendment

Article 10(1) of Directive 2003/87/EC as amended by Directive 2009/29/EC shall continue to apply until 31 December **2016**.

Or. en

Amendment 223

Jadwiga Wiśniewska

Proposal for a decision

Article 4 – paragraph 1

Text proposed by the Commission

Article 10(1) of Directive 2003/87/EC as amended by Directive 2009/29/EC shall continue to apply until 31 December 2020.

Amendment

Article 10(1) of Directive 2003/87/EC as amended by Directive 2009/29/EC shall continue to apply until 31 December **2022**.

Or. pl

Amendment 224

Seb Dance, Paul Brannen

Proposal for a decision

Article 4 – paragraph 1

Text proposed by the Commission

Article 10(1) of Directive 2003/87/EC as amended by Directive 2009/29/EC shall continue to apply until **31 December 2020**.

Amendment

Article 10(1) of Directive 2003/87/EC as amended by Directive 2009/29/EC shall continue to apply until **30 June 2016**.

Or. en

Amendment 225

Peter Liese, Sirpa Pietikäinen, Dubravka Šuica, Karl-Heinz Florenz, Bendt Bendtsen, Alojz Peterle

Proposal for a decision
Article 4 – paragraph 1

Text proposed by the Commission

Article 10(1) of Directive 2003/87/EC as amended by Directive 2009/29/EC shall continue to apply until 31 December **2020**.

Amendment

Article 10(1) of Directive 2003/87/EC as amended by Directive 2009/29/EC shall continue to apply until 31 December **2016**.

Or. en

Amendment 226

Massimo Paolucci, Renata Briano, Simona Bonafè, Caterina Chinnici, Enrico Gasbarra, Paolo De Castro, Nicola Caputo

Proposal for a decision
Article 4 – paragraph 1

Text proposed by the Commission

Article 10(1) of Directive 2003/87/EC as amended by Directive 2009/29/EC shall continue to apply until 31 December **2020**.

Amendment

Article 10(1) of Directive 2003/87/EC as amended by Directive 2009/29/EC shall continue to apply until 31 December **2016**.

Or. it

Justification

In keeping with the proposed date of entry into force of the market stability reserve.

Amendment 227

Matthias Groote, Claudiu Ciprian Tănăsescu, Theresa Griffin, Jytte Guteland, Pavel Poc, Giorgos Grammatikakis, Nessa Childers, Jo Leinen, Miriam Dalli

Proposal for a decision
Article 4 – paragraph 1

Text proposed by the Commission

Article 10(1) of Directive 2003/87/EC as amended by Directive 2009/29/EC shall continue to apply until 31 December **2020**.

Amendment

Article 10(1) of Directive 2003/87/EC as amended by Directive 2009/29/EC shall continue to apply until 31 December **2016**.

Or. en

Amendment 228
Françoise Grossetête

Proposal for a decision
Article 5 – paragraph 1

Text proposed by the Commission

This Decision shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union.

Amendment

This Decision shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union. ***Its application shall be simultaneous to the entry into force of the proposal for a Directive modifying the Directive 2003/87/EC (as amended in 2009) to implement the 2030 energy and climate framework.***

Or. en

Justification

To maintain industrial competitiveness and to ensure affordable and secure energy, the MSR must not work against provisions for protection of sectors exposed to a significant risk of carbon leakage.