Council of the European Union

Brussels, 22 September 2020
(OR. en)

10872/20

Interinstitutional File: 2020/0006(COD)

CODEC 821
FSTR 152
REGIO 217
FC 71
CADREFIN 243
SOC 541
ENER 294
ENV 520
PE 59

INFORMATION NOTE

From:	General Secretariat of the Council
To:	Permanent Representatives Committee/Council
Subject:	Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL establishing the Just Transition Fund - Outcome of the European Parliament's proceedings (Brussels, 14 to 17 September 2020)

I. INTRODUCTION

The rapporteur, Manolis KEFALOGIANNIS (EPP, EL), presented a report consisting of 61 amendments (amendments numbered 1 to 61) to the proposal for a Regulation on behalf of the Committee on Regional Development (REGI).

In addition, the Greens/EFA political group tabled 18 amendments (amendments numbered 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90D, 91, 92, 93, 94D, 95); the GUE/NGL political group tabled 11 amendments (amendments numbered 67, 68, 69, 70, 71, 72D, 73, 74D, 75, 76, 77); the Renew Europe political group tabled one amendment (amendment number 66); the ECR political group tabled 8 amendments (amendments numbered 96, 97, 98, 99, 100, 101, 102, 103); and the ID political group tabled 4 amendments (amendments numbered 62, 63D, 64, 65).

II. VOTE

When it voted on 16 September 2020, the plenary adopted amendments 1-40, 41/1, 42-61, and 66 to the proposal for a Regulation. The amendments adopted are set out in the annex.

At the end of the vote on 17 September 2020, the proposal was referred back to the Committee, pursuant to Rule 59(4) of the European Parliament's Rules of Procedure, thereby not bringing the Parliament's first reading to a close and opening the negotiations with the Council.

P9_TA-PROV(2020)0223

Just Transition Fund ***I

Amendments adopted by the European Parliament on 17 September 2020 on the proposal for a regulation of the European Parliament and of the Council establishing the Just Transition Fund (COM(2020)0022 – C9-0007/2020 – 2020/0006(COD))[1]

1. (Ordinary legislative procedure: first reading)

Amendment 1

2. Proposal for a regulation
3. Recital 1

Text proposed by the Commission	*Amendment*
(1) The regulatory framework governing the Union's cohesion policy for the period from 2021 to 2027, in the context of the next multi-annual financial framework, contributes to the fulfilment of the Union's commitments to implement the Paris Agreement ***and*** the United Nations Sustainable Development Goals by concentrating Union funding on green objectives. This Regulation implements one of the priorities set out in the Communication on the European Green Deal ('the European Green Deal')[11] and is part of the Sustainable Europe Investment Plan[12] providing dedicated financing under the Just Transition Mechanism in the context of cohesion policy to address the economic ***and*** social costs of the transition to a climate-neutral and circular economy, where any remaining greenhouse gas emissions are compensated by equivalent absorptions.	(1) The regulatory framework governing the Union's cohesion policy for the period from 2021 to 2027, in the context of the next multi-annual financial framework, contributes to the fulfilment of the Union's commitments to implement the Paris Agreement***, limiting global temperature increase to below 1, 5 °C,*** the United Nations Sustainable Development Goals ***and the European Pillar of Social Rights*** by concentrating Union funding on green objectives. This Regulation implements one of the priorities set out in the Communication on the European Green Deal ('the European Green Deal')[11] and is part of the Sustainable Europe Investment Plan[12] providing dedicated financing under the Just Transition Mechanism in the context of cohesion policy to address the economic***,*** social ***and environmental*** costs of the transition to a climate-neutral and circular economy, where any remaining greenhouse gas emissions are compensated by equivalent absorptions***, taking into account the impact of the COVID-19***

[1] The matter was referred back for interinstitutional negotiations to the committee responsible, pursuant to Rule 59(4), fourth subparagraph (A9-0135/2020).

	pandemic.
[11] COM(2019) 640 final, 11.12.2019.	[11] COM(2019) 640 final, 11.12.2019.
[12] COM(2020) 21, 14.1.2020.	[12] COM(2020) 21, 14.1.2020.

Amendment 2

4. Proposal for a regulation
5. Recital 2

Text proposed by the Commission	*Amendment*
(2) The transition to a climate-neutral and circular economy constitutes one of the most important policy objectives for the Union. On 12 December 2019, the European Council endorsed the objective of achieving a climate-neutral Union by 2050, in line with the objectives of the Paris Agreement. While fighting climate change and environmental degradation will benefit all in the long term and provides opportunities and challenges for all in the medium term, not all regions and Member States start their transition from the same point or have the same capacity to respond. Some are more advanced than others, whereas the transition entails a wider social ***and*** economic impact for those regions that rely heavily on fossil fuels - especially coal, lignite, peat and oil shale - or greenhouse gas intensive industries. Such a situation not only creates the risk of a variable speed transition in the Union as regards climate action, but also of growing disparities between regions, detrimental to the objectives of social, economic and territorial cohesion.	(2) The transition to a climate-neutral and circular economy constitutes one of the most important policy objectives for the Union. On 12 December 2019, the European Council endorsed the objective of achieving a climate-neutral Union by 2050, in line with the objectives of the Paris Agreement. While fighting climate change and environmental degradation will benefit all in the long term and provides opportunities and challenges for all in the medium term, not all regions and Member States start their transition from the same point or have the same capacity to respond. Some are more advanced than others, whereas the transition entails a wider social***,*** economic ***and environmental*** impact for those regions that rely heavily on fossil fuels - especially coal, lignite, peat ***for energy use*** and oil shale- or greenhouse gas intensive industries. Such a situation not only creates the risk of a variable speed transition in the Union as regards climate action, but also of growing disparities between regions, ***especially for outermost regions, remote, insular and geographically disadvantaged areas, and for areas with depopulation problems,*** detrimental to the objectives of social, economic and territorial cohesion.

Amendment 3

6. Proposal for a regulation
7. Recital 3

Text proposed by the Commission	*Amendment*
(3) In order to be successful, the transition has to be fair and socially acceptable for all. Therefore, ***both*** the Union ***and*** the Member States must take into account its economic ***and*** social implications from the outset, and deploy all possible instruments to mitigate adverse consequences. The Union budget has an important role in that regard.	(3) In order to be successful, the transition has to be fair***, inclusive*** and socially acceptable for all. Therefore, the Union***,*** the Member States ***and their regions*** must take into account its economic***,*** social ***and environmental*** implications from the outset, and deploy all possible instruments to mitigate adverse consequences. The Union budget has an important role in that regard ***to ensure that no one is left behind***.

Amendment 4

8. Proposal for a regulation
9. Recital 4

Text proposed by the Commission	*Amendment*
(4) As set out in the European Green Deal and the Sustainable Europe Investment Plan, a Just Transition Mechanism should complement the other actions under the next multi-annual financial framework for the period from 2021 to 2027. It should contribute to addressing the social ***and*** economic consequences of transitioning towards Union climate neutrality by bringing together the Union budget's spending on climate and social objectives at regional level.	(4) As set out in the European Green Deal and the Sustainable Europe Investment Plan, a Just Transition Mechanism should complement the other actions under the next multi-annual financial framework for the period from 2021 to 2027. It should contribute to addressing the social***,*** economic ***and environmental*** consequences***, in particular for workers affected in the process*** of transitioning towards Union climate neutrality ***by 2050*** by bringing together the Union budget's spending on climate and social objectives at regional level***, promoting a sustainable economy, green jobs and public health***.

Amendment 5

10. Proposal for a regulation
11. Recital 5

Text proposed by the Commission	*Amendment*
(5) This Regulation establishes the Just Transition Fund ('JTF') which is one of the	(5) This Regulation establishes the Just Transition Fund ('JTF') which is one of the

pillars of the Just Transition Mechanism implemented under cohesion policy. The aim of the JTF is to mitigate the adverse effects of the climate transition by supporting the most affected territories and workers concerned. In line with the JTF specific objective, actions supported by the JTF should directly contribute to alleviate the impact of the transition by financing the diversification and modernisation of the local economy and by mitigating the negative repercussions on employment. This is reflected in the JTF specific objective, which is established at the same level and listed together with the policy objectives set out in Article [4] of Regulation EU [new CPR].	pillars of the Just Transition Mechanism implemented under cohesion policy. The aim of the JTF is to mitigate ***and compensate*** the adverse effects of the climate transition by supporting the most affected territories and workers concerned ***and to promote a balanced socio-economic transition that fights social precarity and an unstable business environment***. In line with the JTF specific objective, actions supported by the JTF should directly contribute to alleviate the impact of the transition by financing the diversification and modernisation of the local economy ***by regenerating natural assets*** and by mitigating the negative repercussions on employment ***and on standards of living***. This is reflected in the JTF specific objective, which is established at the same level and listed together with the policy objectives set out in Article[4] of Regulation EU [new CPR].

Amendment 6

12. Proposal for a regulation
13. Recital 6

Text proposed by the Commission	*Amendment*
(6) In view of the importance of tackling climate change in line with the Union's commitments to implement the Paris Agreement, the commitment regarding the United Nations Sustainable Development Goals and the increased ambition of the Union as proposed in the European Green Deal, the JTF should provide a key contribution to mainstream climate actions. Resources from the JTF own envelope are additional and come on top of the investments needed to achieve the overall target of ***25%*** of the Union budget expenditure contributing to climate objectives. Resources transferred from the ERDF and ESF+ ***will*** contribute fully to the achievement of this target.	(6) In view of the importance of tackling climate change in line with the Union's commitments to implement the Paris Agreement, the commitment regarding the United Nations Sustainable Development Goals and the increased ambition of the Union as proposed in the European Green Deal, the JTF should provide a key contribution to mainstream climate ***and environmental*** actions. Resources from the JTF own envelope are additional and come on top of the investments needed to achieve the overall target of ***30 %*** of the Union budget expenditure contributing to climate objectives. Resources transferred ***on a voluntary basis*** from the ERDF and ESF+ ***could*** contribute fully to the achievement of this target.

Amendment 7

14. Proposal for a regulation
15. Recital 7

Text proposed by the Commission	*Amendment*
(7) The resources from the JTF should complement the resources available under cohesion policy.	(7) The resources from the JTF should complement the resources available under cohesion policy. ***The establishment of the JTF should not lead to cuts to, or compulsory transfers from, the other cohesion funds.***

Amendment 8

16. Proposal for a regulation
17. Recital 8

Text proposed by the Commission	*Amendment*
(8) Transitioning to a climate-neutral economy is a challenge for all Member States. It will be particularly demanding for those Member States that rely heavily on fossil fuels or greenhouse gas intensive industrial activities which need to be phased out or which need to adapt due to the transition towards climate neutrality and that lack the financial means to do so. The JTF should therefore cover all Member States, but the distribution of its financial means should reflect the capacity of Member States to finance the necessary investments to cope with the transition towards climate neutrality.	(8) Transitioning to a climate-neutral economy is a challenge for all Member States. It will be particularly demanding for those Member States that rely***, or which until recently have relied,*** heavily on fossil fuels or greenhouse gas intensive industrial activities which need to be phased out or which need to adapt due to the transition towards climate neutrality and that lack the financial means to do so. The JTF should therefore cover all Member States, but the distribution of its financial means should ***focus on those territories most affected, and*** reflect the capacity of Member States to finance the necessary investments to cope with the transition towards climate neutrality***, with particular attention to least developed regions, outermost regions, mountainous, islands, sparsely populated, rural, remote and geographically disadvantaged areas whose small population make the transition in energy towards climate neutrality more difficult to implement, and taking into account the starting position of each Member State***.

Amendment 9

18. Proposal for a regulation
19. Recital 9

Text proposed by the Commission	*Amendment*
(9) In order to set out an appropriate financial framework for the JTF, the Commission should set out the annual breakdown of available allocations per Member State under the Investment for jobs and growth goal, based on objective criteria.	(9) In order to set out an appropriate financial framework for the JTF, the Commission should set out the annual breakdown of available allocations per Member State under the Investment for jobs and growth goal, based on objective criteria. ***Member States should ensure that municipalities and cities have direct access to the JTF resources to be made available to them according to their objective needs.***

Amendment 10

20. Proposal for a regulation
21. Recital 10

Text proposed by the Commission	*Amendment*
(10) This Regulation identifies types of investments for which expenditure may be supported by the JTF. All supported activities should be pursued in full respect of the climate ***and*** environmental priorities of the Union. The list of investments should include those that support local economies and are sustainable in the long-term, taking into account all the objectives of the Green Deal. The projects financed should contribute to a transition to a climate-neutral and circular economy. For declining sectors, such as energy production based on coal, lignite, peat and oil shale or extraction activities for these solid fossil fuels, support should be linked to the phasing out of the activity and the corresponding reduction in the employment level. As regards transforming sectors with high greenhouse gas emission levels, support should promote new activities through the deployment of new technologies, new processes or products,	(10) This Regulation identifies types of investments for which expenditure may be supported by the JTF. All supported activities should be pursued in full respect of the climate***,*** environmental ***and social commitments and*** priorities of the Union. The list of investments should include those that support ***people, communities and*** local economies and are sustainable in the long-term, taking into account all the objectives of the ***European*** Green Deal ***and the European Pillar of Social Rights***. The projects financed should contribute to a ***gradual and full*** transition to a ***sustainable,*** climate-neutral***, pollution-free*** and circular economy. For declining sectors, such as energy production based on coal, lignite, peat and oil shale or extraction activities for these solid fossil fuels, support should be linked to the phasing out of the activity and the corresponding reduction in the employment level. As regards transforming

leading to significant emission reduction, in line with the EU 2030 climate objectives and EU climate neutrality by 2050[13] while maintaining and enhancing employment and avoiding environmental degradation. Particular attention should also be given to activities enhancing innovation and research in advanced and sustainable technologies, as well as in the fields of digitalisation ***and*** connectivity, provided that such measures help mitigate the negative side effects of a transition towards, and contribute to, a climate-neutral and circular economy.	sectors with high greenhouse gas emission levels, support should promote new activities through the deployment of new technologies, new processes or products, leading to significant emission reduction, in line with the EU 2030 climate objectives and EU climate neutrality by 2050[13] while maintaining and enhancing ***skilled*** employment and avoiding environmental degradation. Particular attention should also be given to activities enhancing innovation and research in advanced and sustainable technologies, as well as in the fields of digitalisation***,*** connectivity ***and smart and sustainable mobility***, provided that such measures help mitigate the negative side effects of a transition towards, and contribute to, a climate-neutral and circular economy***, taking into account the economic, social and energy characteristics of each Member State***. ***The importance of culture, education and community building for the transition process should also be met by supporting activities that address the mining heritage.***
[13] As set out in "A Clean Planet for all European strategic long-term vision for a prosperous, modern, competitive and climate neutral economy", Communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee, the Committee of the Regions and the European Investment Bank - COM(2018) 773 final.	[13] As set out in "A Clean Planet for all European strategic long-term vision for a prosperous, modern, competitive and climate neutral economy", Communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee, the Committee of the Regions and the European Investment Bank - COM(2018) 773 final.

Amendment 11

22. Proposal for a regulation
23. Recital 11

Text proposed by the Commission	*Amendment*
(11) To protect citizens who are most vulnerable to the climate transition, the JTF should also cover the up-skilling ***and*** reskilling of the affected workers, with the	(11) To protect citizens who are most vulnerable to the climate transition, the JTF should also cover the up-skilling***,*** reskilling ***and training*** of the affected workers ***and***

aim of helping them to adapt to new employment opportunities, as well as providing job-search assistance to jobseekers and their active inclusion into the labour market.	***jobseekers, particularly women***, with the aim of helping them to adapt to new employment opportunities ***and gain new qualifications suitable for the green economy***, as well as providing job-search assistance to jobseekers and their active inclusion into the labour market. ***The promotion of social cohesion should be a guiding principle for providing support under the JTF.***

Amendment 12

24. Proposal for a regulation
25. Recital 12

Text proposed by the Commission	*Amendment*
(12) In order to enhance the economic diversification of territories impacted by the transition, the JTF should provide support to productive investment in SMEs. Productive investment should be understood as investment in fixed capital or immaterial assets of enterprises in view of producing goods and services thereby contributing to gross-capital formation and employment. For enterprises other than SMEs, productive investments should only be supported if they are necessary for mitigating job losses resulting from the transition, by creating or protecting a significant number of jobs and they do not lead to or result from relocation. Investments in existing industrial facilities, including those covered by the Union Emissions Trading System, should be allowed if they contribute to the transition to a climate-neutral economy by 2050 and go substantially below the relevant benchmarks established for free allocation under Directive 2003/87/EC of the European Parliament and of the Council[14] and if they result in the ***protection*** of a significant number of jobs. Any such investment should be justified accordingly in the relevant territorial just transition plan. In order to protect the integrity of the internal market and cohesion policy,	(12) In order to enhance the economic diversification of territories impacted by the transition, the JTF should provide support to productive investment in SMEs. Productive investment should be understood as investment in fixed capital or immaterial assets of enterprises in view of producing goods and services thereby contributing to gross-capital formation and employment. For enterprises other than SMEs, productive investments should only be supported if they are necessary for mitigating job losses resulting from the transition, by creating or protecting a significant number of jobs and they do not lead to or result from relocation. Investments in existing industrial facilities, including those covered by the Union Emissions Trading System, should be allowed if they contribute to the transition to a climate-neutral economy by 2050 and go substantially below the relevant benchmarks established for free allocation under Directive 2003/87/EC of the European Parliament and of the Council[14] and if they result in the ***creation and maintenance*** of a significant number of jobs. Any such investment should be justified accordingly in the relevant territorial just transition plan***, be sustainable and, where applicable, be***

support to undertakings should comply with Union State aid rules as set out in Articles 107 and 108 TFEU ***and, in particular, support to productive investments by enterprises other than SMEs should be limited to enterprises located in areas designated as assisted areas for the purposes of points (a) and (c) of Article 107(3) TFEU***.	***consistent with the polluter pays principle and the energy efficiency first principle***. In order to protect the integrity of the internal market and cohesion policy, support to undertakings should comply with Union State aid rules as set out in Articles 107 and 108 TFEU.
[14] Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a scheme for greenhouse gas emission allowance trading within the Community and amending Council Directive 96/61/EC (OJ L 275, 25.10.2003, p. 32).	[14] Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a scheme for greenhouse gas emission allowance trading within the Community and amending Council Directive 96/61/EC (OJ L 275, 25.10.2003, p. 32).

Amendment 13

26. Proposal for a regulation
27. Recital 12 a (new)

Text proposed by the Commission	*Amendment*
	(12a) Support for productive investment in enterprises, other than SMEs, through the JTF should be limited to less developed and transition regions as set out in Article 102(2) of Regulation No .../... [CPR].

Amendment 14

28. Proposal for a regulation
29. Recital 13

Text proposed by the Commission	*Amendment*
(13) In order to provide flexibility for the programming of the JTF resources under the Investment for jobs and growth goal, it should be possible to prepare a self-standing JTF programme or to programme JTF resources in one or more dedicated priorities within a programme supported by the European Regional Development Fund ('ERDF'), the European Social Fund Plus	(13) In order to provide flexibility for the programming of the JTF resources under the Investment for jobs and growth goal, it should be possible to prepare a self-standing JTF programme or to programme JTF resources in one or more dedicated priorities within a programme supported by the European Regional Development Fund ('ERDF'), the European Social Fund Plus

('ESF+') or the Cohesion Fund. In accordance with Article 21a of Regulation (EU) [new CPR], JTF resources ***should*** be reinforced with complementary funding from the ERDF and the ESF+. The respective amounts transferred from the ERDF and the ESF+ should be consistent with the type of operations set out in the territorial just transition plans.	('ESF+') or the Cohesion Fund. In accordance with Article 21a of Regulation (EU) [new CPR], JTF resources ***could*** be reinforced ***on a voluntary basis*** with complementary funding from the ERDF and the ESF+. The respective amounts transferred from the ERDF and the ESF+ should be consistent with the type of operations set out in the territorial just transition plans.

Amendment 15

30. Proposal for a regulation
31. Recital 14

Text proposed by the Commission	*Amendment*
(14) The JTF support should be conditional on the effective implementation of a transition process in a specific territory in order to achieve a climate-neutral economy. In that regard, Member States should prepare, in cooperation with the relevant stakeholders and supported by the Commission, territorial just transition plans, detailing the transition process, consistently with their National Energy and Climate Plans. To this end, the Commission should set up a Just Transition Platform, which would build on the existing platform for coal regions in transition to enable bilateral and multilateral exchanges of experience on lessons learnt and best practices across all affected sectors.	(14) The JTF support should be conditional on the effective ***and measurable*** implementation of a transition process in a specific territory in order to achieve a climate-neutral economy. In that regard, Member States should prepare, in ***social dialogue and*** cooperation with the relevant stakeholders ***in accordance with the partnership principle established by Article 6 of Regulation (EU) .../... [new CPR],*** and supported by the Commission, territorial just transition plans, detailing the transition process, consistently with***, and possibly going further than,*** their National Energy and Climate Plans. To this end, the Commission should set up a Just Transition Platform, which would build on the existing platform for coal regions in transition to enable bilateral and multilateral exchanges of experience on lessons learnt and best practices across all affected sectors.

Amendment 16

32. Proposal for a regulation
33. Recital 15

Text proposed by the Commission	*Amendment*
(15) The territorial just transition plans should identify the territories most negatively affected, where JTF support should be concentrated and describe specific actions to be undertaken to reach a climate-neutral economy, notably as regards the conversion or closure of facilities involving fossil fuel production or other greenhouse gas intensive activities. Those territories should be precisely defined and correspond to NUTS level 3 regions or should be parts thereof. The plans should detail the challenges ***and*** needs of those territories and identify the type of operations needed in a manner that ensures the coherent development of climate-resilient economic activities that are also consistent with the transition to climate-neutrality and the objectives of the Green Deal. Only investments in accordance with the transition plans should receive financial support from the JTF. The territorial just transition plans should be part of the programmes (supported by the ERDF, the ESF+, the Cohesion Fund or the JTF, as the case may be) which are approved by the Commission.	(15) The territorial just transition plans should identify the territories most negatively affected, where JTF support should be concentrated and describe specific actions to be undertaken to reach ***the Union climate targets for 2030 and*** a climate-neutral economy ***by 2050***, notably as regards the conversion or closure of facilities involving fossil fuel production or other greenhouse gas intensive activities***, whilst maintaining and expanding employment opportunities in the affected territories in order to avoid social exclusion. Aggravating factors such as unemployment rates and depopulation trends should be taken into consideration***. Those territories should be precisely defined and correspond to NUTS level 3 regions or should be parts thereof. The plans should detail the challenges***,*** needs ***and opportunities*** of those territories and identify the type of operations needed in a manner that ensures the coherent development of climate-resilient economic activities that are also consistent with the transition to climate-neutrality and the objectives of the ***European*** Green Deal. Only investments in accordance with the transition plans should receive financial support from the JTF. The territorial just transition plans should be part of the programmes (supported by the ERDF, the ESF+, the Cohesion Fund or the JTF, as the case may be) which are approved by the Commission.

Amendment 17

34. Proposal for a regulation
35. Recital 19

Text proposed by the Commission	*Amendment*
(19) The objectives of this Regulation, namely to support territories facing economic and social transformation in their	(19) The objectives of this Regulation, namely to support ***the people, economy and environment of*** territories facing

transition to a climate-neutral economy, cannot be sufficiently achieved by the Member States alone. The main reasons in this regard are, on the one hand, the disparities between the levels of development of the various territories and the backwardness of the least favoured territories, as well as the limit on the financial resources of the Member States and territories and, on the other hand, the need for a coherent implementation framework covering several Union funds under shared management. Since those objectives can better be achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 TEU. In accordance with the principle of proportionality, as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve those objectives,	economic and social transformation in their transition to a climate-neutral economy, cannot be sufficiently achieved by the Member States alone. The main reasons in this regard are, on the one hand, the disparities between the levels of development of the various territories and the backwardness of the least favoured territories, as well as the limit on the financial resources of the Member States and territories and, on the other hand, the need for a coherent implementation framework covering several Union funds under shared management ***and ensuring compliance with high social and environmental standards and the promotion of worker participation***. Since those objectives can better be achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 TEU. In accordance with the principle of proportionality, as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve those objectives,

Amendment 18

36. Proposal for a regulation
37. Article 1 – paragraph 1

Text proposed by the Commission	*Amendment*
1. This Regulation establishes the Just Transition Fund ('JTF') to provide support to territories ***facing*** serious socio-economic challenges deriving from the transition process towards a climate-neutral economy of the Union by 2050.	1. This Regulation establishes the Just Transition Fund ('JTF') to provide support to ***the people, economy and environment of*** territories ***that face*** serious socio-economic challenges deriving from the transition process towards ***the achievement of the Union's 2030 targets for energy and climate, and*** a climate-neutral economy of the Union by 2050.

Amendment 19

38. Proposal for a regulation
39. Article 2 – paragraph 1

Text proposed by the Commission	*Amendment*
In accordance with the second subparagraph of Article [4(1)] of Regulation (EU) [new CPR], the JTF shall contribute to the single specific objective 'enabling regions ***and*** people to address the social, economic and environmental impacts of the transition towards a climate-neutral economy***'***.	In accordance with the second subparagraph of Article[4(1)] of Regulation (EU) [new CPR], the JTF shall contribute to the single specific objective 'enabling regions***,*** people***, enterprises and other stakeholders*** to address the social, ***employment,*** economic and environmental impacts of the transition towards a climate-neutral economy ***by 2050 and the intermediate goals for 2030, in line with the goals of the Paris Agreement***.

Amendment 20

40. Proposal for a regulation
41. Article 3 – paragraph 2 – subparagraph 1

Text proposed by the Commission	*Amendment*
2. The resources for the JTF under the Investment for jobs and growth goal available for budgetary commitment for the period 2021-2027 shall be EUR ***11 270 459 000*** in ***current*** prices, ***which*** may be increased, as the case may be, by additional resources allocated in the Union budget, and by other resources in accordance with the applicable basic act.	2. The resources for the JTF under the Investment for jobs and growth goal available for budgetary commitment for the period 2021-2027 shall be EUR ***25 358 532 750*** in ***2018*** prices, ***('principal amount'), and shall not result from the transfer of resources from other Funds covered by Regulation (EU).../... [new CPR]. The principal amount*** may be increased, as the case may be, by additional resources allocated in the Union budget, and by other resources in accordance with the applicable basic act.

Amendment 21

42. Proposal for a regulation
43. Article 3a – paragraph 3

Text proposed by the Commission	*Amendment*
3. ***The*** annual ***breakdown*** of the amount referred to in paragraph 1 by Member States shall be included in the Commission decision referred to in Article 3(3) in accordance with the methodology	3. ***At the request of a Member State, the amount referred to in the first subparagraph of paragraph 1 of this Article shall also be made available for the years 2025-2027. For each period, the***

set out in Annex I.	***respective*** annual ***breakdowns*** of the amount referred to in paragraph 1 ***of this Article*** by Member States shall be included in the Commission decision referred to in Article 3(3) in accordance with the methodology set out in Annex I.

Amendment 22

44. Proposal for a regulation
45. Article 3 b (new)

Text proposed by the Commission	*Amendment*
	Article 3b
	Green Rewarding Mechanism
	18 % of the total of the amounts referred to in the first subparagraph of Article 3(2) and the first subparagraph of Article 3a(1) shall be allocated in accordance with the speed with which the Member States reduce their greenhouse gas emissions, divided by their latest average GNI.

Amendment 23

46. Proposal for a regulation
47. Article 3 c (new)

Text proposed by the Commission	*Amendment*
	Article 3c
	Specific allocations for outermost regions and islands
	1 % of the total of the amounts referred to in the first subparagraph of Article 3(2) and the first subparagraph of Article 3a(1) shall be a specific allocation for islands, and 1 % shall be a specific allocation for the outermost regions, as referred to in Article 349 TFEU, given to the Member States concerned.

- **Amendment 66**

- **Proposal for a regulation**

48. Article 3 d (new)

49. Text proposed by the Commission	*50. Amendment*
51.	52. ***Article 3d***
53.	54. ***Access to the JTF***
55.	56. ***Access to the JTF shall be conditional on the adoption of a national objective towards the achievement of climate neutrality by 2050.***
57.	58. ***For those Member States which have not yet committed to a national target for climate neutrality, only 50 % of their national allocation shall be released, while the remaining 50 % shall be made available once they have adopted that target.***

Amendment 24

59. Proposal for a regulation

60. Article 4 – paragraph 2 – subparagraph 1 – point a

Text proposed by the Commission	*Amendment*
(a) productive investments in SMEs, including start-ups, leading to economic diversification and reconversion;	(a) productive ***and sustainable*** investments in ***microenterprises and*** SMEs, including start-ups ***and sustainable tourism***, leading to ***job creation, modernisation,*** economic diversification and reconversion;

Amendment 25

61. Proposal for a regulation

62. Article 4 – paragraph 2 – subparagraph 1 – point b

Text proposed by the Commission	*Amendment*
(b) investments in the creation of new firms, including through business incubators and consulting services;	(b) investments in the creation of new firms ***and the development of those existing***, including through business incubators and consulting services***, leading to job creation***;

Amendment 26

63. Proposal for a regulation
64. Article 4 – paragraph 2 – subparagraph 1 – point b a (new)

Text proposed by the Commission	*Amendment*
	(ba) investments in social infrastructures, leading to job creation and economic diversification;

Amendment 27

65. Proposal for a regulation
66. Article 4 – paragraph 2 – subparagraph 1 – point c

Text proposed by the Commission	*Amendment*
(c) investments in research and innovation activities and fostering the transfer of advanced technologies;	(c) investments in research and innovation activities***, including in universities and public research institutions,*** and fostering the transfer of advanced ***and market-ready*** technologies;

Amendment 28

67. Proposal for a regulation
68. Article 4 – paragraph 2 – subparagraph 1 – point d

Text proposed by the Commission	*Amendment*
(d) investments in the deployment of technology and infrastructures for affordable clean energy, in greenhouse gas emission reduction, energy efficiency ***and*** renewable energy;	(d) investments in the deployment of technology and infrastructures for affordable clean energy ***and its systems***, in greenhouse gas emission reduction, energy efficiency***, energy storage technologies and sustainable*** renewable energy***, where it leads to job creation and maintenance of sustainable employment at a considerable scale***;

Amendment 29

69. Proposal for a regulation
70. Article 4 – paragraph 2 – subparagraph 1 – point d a (new)

Text proposed by the Commission	*Amendment*
	(da) investments in smart and sustainable mobility and environmentally-friendly transport infrastructure;

Amendment 30

71. Proposal for a regulation
72. Article 4 – paragraph 2 – subparagraph 1 – point d b (new)

Text proposed by the Commission	*Amendment*
	(db) investments in projects fighting energy poverty, particularly in social housing, and promoting energy efficiency, a climate neutral approach and low-emission district heating in most affected regions;

Amendment 31

73. Proposal for a regulation
74. Article 4 – paragraph 2 – subparagraph 1 – point e

Text proposed by the Commission	*Amendment*
(e) investments in digitalisation and digital connectivity;	(e) investments in digitalisation***, digital innovation*** and digital connectivity***, including digital and precision farming***;

Amendment 32

75. Proposal for a regulation
76. Article 4 – paragraph 2 – subparagraph 1 – point f

Text proposed by the Commission	*Amendment*
(f) investments in regeneration and decontamination of sites, ***land restoration*** and repurposing projects;	(f) investments in ***green infrastructure as well as*** regeneration and decontamination of sites, ***brown fields*** and repurposing projects***, when the 'polluter pays' principle cannot be applied***;

Amendment 104

77. Proposal for a regulation
78. Article 4 – paragraph 2 – subparagraph 1 – point g

Text proposed by the Commission	*Amendment*
79. (g) investments in enhancing the circular economy***, including*** through waste prevention, reduction, resource efficiency, reuse, repair and recycling;	80. (g) investments in enhancing the circular economy through waste prevention, reduction, resource efficiency, reuse, repair and recycling;

Amendment 33

81. Proposal for a regulation
82. Article 4 – paragraph 2 – subparagraph 1 – point g a (new)

Text proposed by the Commission	*Amendment*
	(ga) creation and development of social and public services of general interest;

Amendment 34

83. Proposal for a regulation
84. Article 4 – paragraph 2 – subparagraph 1 – point g b (new)

Text proposed by the Commission	*Amendment*
	(gb) investments in culture, education and community building, including the valorisation of tangible and intangible mining heritage and community hubs;

Amendment 35

85. Proposal for a regulation
86. Article 4 – paragraph 2 – subparagraph 1 – point h

Text proposed by the Commission	*Amendment*
(h) upskilling ***and*** reskilling of workers;	(h) upskilling***,*** reskilling ***and training*** of workers ***and jobseekers***;

Amendment 36

87. Proposal for a regulation
88. Article 4 – paragraph 2 – subparagraph 1 – point i

Text proposed by the Commission	*Amendment*
(i) job-search assistance to jobseekers;	(i) job-search assistance to jobseekers***, active aging support and income support for workers in transition between jobs***;

Amendment 37

89. Proposal for a regulation
90. Article 4 – paragraph 2 – subparagraph 1 – point j

Text proposed by the Commission	*Amendment*
(j) active inclusion of jobseekers;	(j) active inclusion of jobseekers***, particularly women, disabled persons and vulnerable groups***;

Amendment 38

91. Proposal for a regulation
92. Article 4 – paragraph 2 – subparagraph 2

Text proposed by the Commission	*Amendment*
Additionally, the JTF may support, in ***areas designated as assisted areas in accordance with points (a) and (c) of*** Article ***107(3) of the TFEU***, productive investments in enterprises other than SMEs, provided that such investments have been approved as part of the territorial just transition plan based on the information required under point (h) of Article 7(2). Such investments shall only be eligible where they are necessary for the implementation of the territorial just transition plan.	Additionally, the JTF may support, in ***less developed and transition regions as set out in*** Article ***102(2) of Regulation No .../...[new CPR]***, productive investments in enterprises other than SMEs, provided that such investments have been approved as part of the territorial just transition plan based on the information required under point (h) of Article 7(2). Such investments shall only be eligible where they are necessary for the implementation of the territorial just transition plan***, to create new jobs, and where they comply with social targets for job creation, gender equality and equal pay and environmental targets, and where they facilitate transition to a climate-neutral economy without supporting relocation, in compliance with Article 60(1) of Regulation No .../... [new***

CPR].

Amendment 39

93. Proposal for a regulation
94. Article 4 – paragraph 2 – subparagraph 3

Text proposed by the Commission	*Amendment*
The JTF may also support investments to achieve the reduction of greenhouse gas emissions from activities listed in Annex I to Directive 2003/87/EC of the European Parliament and of the Council provided that such investments have been approved as part of the territorial just transition plan based on the information required under point (i) of Article 7(2). Such investments shall only be eligible where they are necessary for the implementation of the territorial just transition plan.	The JTF may also support investments to achieve the reduction of greenhouse gas emissions from activities listed in Annex I to Directive 2003/87/EC of the European Parliament and of the Council provided that such investments have been approved as part of the territorial just transition plan based on the information required under point (i) of Article 7(2) ***of this Regulation and that they comply with the other conditions laid down in the second subparagraph of this paragraph***. Such investments shall only be eligible where they are necessary for the implementation of the territorial just transition plan.

Amendment 40

95. Proposal for a regulation
96. Article 5 – paragraph 1 – point c

Text proposed by the Commission	*Amendment*
(c) undertakings in difficulty, as defined in Article 2(18) of Commission Regulation (EU) No 651/2014[16] ;	(c) undertakings in difficulty, as defined in Article 2(18) of Commission Regulation (EU) No 651/2014[16]***, except in cases where the difficulties derive from the energy transition process or where the difficulties began after 15 February 2020 and derive from the COVID-19 crisis***;
[16] Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty (OJ L 187, 26.6.2014, p. 1).	[16] Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty (OJ L 187, 26.6.2014, p. 1).

Amendment 41

97. Proposal for a regulation
98. Article 5 – paragraph 1 – point d

Text proposed by the Commission	*Amendment*
(d) investment related to the production, processing, distribution, storage or combustion of fossil fuels;	(d) investment related to the production, processing***, transport***, distribution, storage or combustion of fossil fuels;

Amendment 42

99. Proposal for a regulation
100. Article 5 – paragraph 1 – point e

Text proposed by the Commission	*Amendment*
(e) investment in broadband infrastructure in areas ***in which there are at least two broadband networks of*** equivalent ***category.***	(e) investment in broadband infrastructure in areas ***where*** equivalent ***solutions are provided by the market in competitive conditions to customers;***

Amendment 43

101. Proposal for a regulation
102. Article 5 – paragraph 1 – point e a (new)

Text proposed by the Commission	*Amendment*
	(ea) investment in enterprises other than SMEs, involving the transfer of jobs and production processes from one Member State to another or to a third country;

Amendment 44

103. Proposal for a regulation
104. Article 5 – paragraph 1 – point e b (new)

Text proposed by the Commission	*Amendment*
	(eb) operations in a NUTS 2 region where an opening of a new coal, lignite or oil shale mine or of a peat extraction field or a reopening of a temporarily decommissioned coal, lignite or oil shale

mine or of a peat extraction field is scheduled during the duration of the programme.

Amendment 45

105. Proposal for a regulation
106. Article 5 – paragraph 1 a (new)

Text proposed by the Commission	*Amendment*
	By way of derogation from point (d) of Article 5(1) of this Regulation, for regions heavily relying on the extraction and combustion of coal, lignite, oil shale or peat, the Commission may approve territorial just transition plans which include investments in activities related to natural gas, provided that such activities qualify as environmentally sustainable in accordance with Article 3 of Regulation (EU) 2020/852 [16a] and comply with the following cumulative conditions:
	(a) are used as a bridging technology replacing coal, lignite, peat, or oil shale;
	(b) fall within the limits of sustainable availability or are compatible with the use of clean hydrogen, biogas and biomethane;
	(c) contribute to the Union's environmental objectives on climate change mitigation and adaptation, through accelerating the full phase-out of coal, lignite, peat or oil shale;
	(d) deliver significant reductions in greenhouse gas emissions and air pollution and increase energy efficiency;
	(e) contribute to tackling energy poverty;
	(f) do not hamper the development of renewable energy sources in the territories concerned and are compatible and in synergy with a subsequent use of renewable energy sources.
	In duly justified cases, the Commission may also approve investments in non-

qualifying activities in accordance with Article 3 of Regulation (EU) 2020/852, if they comply with all the other conditions set out in the first subparagraph of this paragraph, and the Member State is able to justify, in the territorial just transition plan, the need to support those activities and demonstrates consistency of those activities with Union energy and climate objectives and legislation, as well as its National Energy and Climate Plan.

[16a] Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (OJ L 198, 22.6.2020, p. 13).

Amendment 46

107. Proposal for a regulation
108. Article 6 – paragraph 1 – subparagraph 1

Text proposed by the Commission	*Amendment*
The JTF resources shall be programmed for the categories of regions where the territories concerned are located, on the basis of the territorial just transition plans established in accordance with Article 7 and approved by the Commission as part of a programme or a programme amendment. The resources programmed shall take the form of one or more specific programmes or of one or more priorities within a programme.	The JTF resources shall be programmed for the categories of regions where the territories ***or economic activities*** concerned are located, on the basis of the territorial just transition plans established in accordance with Article 7 and approved by the Commission as part of a programme or a programme amendment. The resources programmed shall take the form of one or more specific programmes or of one or more priorities within a programme.

Amendment 47

109. Proposal for a regulation
110. Article 6 – paragraph 1 – subparagraph 2

Text proposed by the Commission	*Amendment*
The Commission shall ***only*** approve a	***Unless it duly justifies withholding its***

programme where ***the identification of*** the territories most negatively affected by the transition process, contained within the relevant territorial just transition plan, ***is duly justified*** and the relevant territorial just transition plan is consistent with the National Energy and Climate Plan of the Member State concerned.	***approval,*** the Commission shall approve a programme where the territories most negatively affected by the transition process, contained within the relevant territorial just transition plan, ***are duly identified*** and the relevant territorial just transition plan is consistent with the National Energy and Climate Plan of the Member State concerned***, the climate-neutrality objective for 2050, its intermediate steps by 2030 and the European Pillar of Social Rights***.

Amendment 48

111. Proposal for a regulation
112. Article 6 – paragraph 2

Text proposed by the Commission	*Amendment*
2. The JTF priority or priorities shall comprise the JTF resources consisting of all or part of the JTF allocation for the Member States ***and*** the resources transferred in accordance with Article [21a] of Regulation (EU) [new CPR]. The total of the ERDF and ESF+ resources transferred to the JTF shall ***be at least equal to*** one and a half times the amount of support from the JTF to that priority ***excluding the resources referred to in paragraph 1 of Article 3a but shall not exceed three times that amount***.	2. The JTF priority or priorities shall comprise the JTF resources consisting of all or part of the JTF allocation for the Member States***. Those resources may be complemented by*** the resources transferred ***on a voluntary basis*** in accordance with Article [21a] of Regulation (EU) [new CPR]. The total of the ERDF and ESF+ resources ***to be*** transferred to the JTF ***priority*** shall ***not exceed*** one and a half times the amount of support from the JTF to that priority***. The resources transferred from ERDF and ESF+ shall maintain their original objectives and be included in the levels of thematic concentration of ERDF and ESF+***.

Amendment 49

113. Proposal for a regulation
114. Article 6 – paragraph 2 a (new)

Text proposed by the Commission	*Amendment*
	2a. The JTF is designed for the most vulnerable communities within each region, and therefore eligible projects financed under the JTF contributing to

	the specific objective in Article 2 shall benefit from co-financing of up to 85 % of relevant costs.

Amendment 50

115. Proposal for a regulation
116. Article 7 – paragraph 1

Text proposed by the Commission	*Amendment*
1. Member States shall prepare, together with the relevant authorities of the territories concerned, one or more territorial just transition plans covering one or more affected territories corresponding to level 3 of the common classification of territorial units for statistics ('NUTS level 3 regions') as established by Regulation (EC) No 1059/2003 of the European Parliament and of the Council as amended by Commission Regulation (***EC***) ***No 868/2014***[17] or parts thereof, in accordance with the template set out in Annex II. Those territories shall be those most negatively affected based on the economic and social impacts resulting from the transition, in particular with regard to expected job losses in fossil fuel production and use and the transformation needs of the production processes of industrial facilities with the highest greenhouse gas intensity.	1. Member States shall prepare, together with the relevant ***local and regional*** authorities of the territories concerned ***and in accordance with the partnership principle laid down in Article 6 of Regulation (EU) .../… [new CPR] and, where relevant, the assistance of the EIB and EIF***, one or more territorial just transition plans covering one or more affected territories corresponding to level 3 of the common classification of territorial units for statistics ('NUTS level 3 regions') as established by Regulation (EC) No 1059/2003 of the European Parliament and of the Council as amended by Commission Regulation (***EU***) ***2016/2066***[17] or parts thereof, in accordance with the template set out in Annex II. Those territories shall be those most negatively affected based on the economic and social impacts resulting from the transition, in particular with regard to expected job losses in fossil fuel production and use and the transformation needs of the production processes of industrial facilities with the highest greenhouse gas intensity.
[17] Regulation (EC) No 1059/2003 of the European Parliament and of the Council of 26 May 2003 on the establishment of a common classification of territorial units for statistics (NUTS) (OJ L 154 21.6.2003, p. 1).	[17] Regulation (EC) No 1059/2003 of the European Parliament and of the Council of 26 May 2003 on the establishment of a common classification of territorial units for statistics (NUTS) (OJ L 154, 21.6.2003, p. 1).

Amendment 51

117. Proposal for a regulation
118. Article 7 – paragraph 2 – point a

Text proposed by the Commission	*Amendment*
(a) a description of the transition process at national level towards a climate-neutral economy, including a timeline for key transition steps which are consistent with the latest version of the National Energy and Climate Plan ('NECP');	(a) a description of the transition process at national level towards ***the achievement of the Union 2030 climate targets and*** a climate-neutral economy ***by 2050***, including a timeline for key transition steps which are consistent with the latest version of the National Energy and Climate Plan ('NECP');

Amendment 52

119. Proposal for a regulation
120. Article 7 – paragraph 2 – point b

Text proposed by the Commission	*Amendment*
(b) a justification for identifying the territories as most negatively affected by the transition process referred to in point (a) and to be supported by the JTF, in accordance with paragraph 1;	(b) a justification for identifying the territories as most negatively affected by the transition process referred to in point (a) and to be supported by the JTF, in accordance with paragraph 1***, including indicators such as the unemployment rate and the depopulation rate***;

Amendment 53

121. Proposal for a regulation
122. Article 7 – paragraph 2 – point c

Text proposed by the Commission	*Amendment*
(c) an assessment of the transition challenges faced by the most negatively affected territories, including the social, economic, and environmental impact of the transition to a climate-neutral economy, identifying the potential number of affected jobs and job losses, the development needs and objectives, ***to be reached by 2030*** linked to the transformation or closure of greenhouse gas-intensive activities in those territories;	(c) an ***impact*** assessment of the transition challenges faced by the most negatively affected territories, including the social, economic, and environmental impact of the transition to a climate-neutral economy, identifying the potential number of affected jobs and job losses, the ***potential impact on government revenues, the*** development needs and objectives, linked to the transformation or closure of greenhouse gas-intensive activities in those territories***, and the challenges regarding***

	energy poverty;

Amendment 54

123. Proposal for a regulation
124. Article 7 – paragraph 2 – point d

Text proposed by the Commission	*Amendment*
(d) a description of the expected contribution of the JTF support to addressing the social, economic and environmental impacts of the transition to a climate-neutral economy;	(d) a description of the expected contribution of the JTF support to addressing the social, ***demographic,*** economic***, health*** and environmental impacts of the transition to a climate-neutral economy;

Amendment 55

125. Proposal for a regulation
126. Article 7 – paragraph 2 – point e

Text proposed by the Commission	*Amendment*
(e) an assessment of its consistency with other national, regional or territorial strategies and plans;	(e) an assessment of its consistency with other national, regional or territorial strategies and plans***, where relevant***;

Amendment 56

127. Proposal for a regulation
128. Article 7 – paragraph 2 – point h

Text proposed by the Commission	*Amendment*
(h) where support is provided to productive investments to enterprises other than SMEs, an ***exhaustive*** list of such operations and enterprises and a justification of the necessity of such support through a gap analysis demonstrating that the expected job losses would exceed the expected number of jobs created in the absence of the investment;	(h) where support is provided to productive investments to enterprises other than SMEs, an ***indicative*** list of such operations and enterprises and a justification of the necessity of such support through a gap analysis demonstrating that the expected job losses would exceed the expected number of jobs created in the absence of the investment;

Amendment 57

129. Proposal for a regulation
130. Article 7 – paragraph 3

Text proposed by the Commission	*Amendment*
3. The preparation and implementation of territorial just transition plans shall involve the relevant partners in accordance with Article [6] of Regulation (EU) [new CPR].	3. The preparation and implementation of territorial just transition plans shall involve the relevant partners in accordance with Article [6] of Regulation (EU) [new CPR] ***and, where relevant, the EIB and EIF***.

Amendment 58

131. Proposal for a regulation
132. Article 8 – paragraph 2

Text proposed by the Commission	*Amendment*
2. For output indicators, baselines shall be set at zero. The milestones set for 2024 and targets set for 2029 shall be cumulative. ***Targets shall not be revised after the request for programme amendment submitted pursuant to Article [14(2)] of Regulation (EU) [new CPR] has been approved by the Commission.***	2. For output indicators, baselines shall be set at zero. The milestones set for 2024 and targets set for 2029 shall be cumulative.

Amendment 59

133. Proposal for a regulation
134. Article 9 – paragraph 1

Text proposed by the Commission	*Amendment*
Where the Commission concludes, based on ***the examination of*** the final performance report of the programme, ***that there is a failure to achieve at least 65% of the target established for one or more output or result indicators for the JTF resources, it*** may make financial corrections ***pursuant to Article [98] of*** Regulation (EU) [new CPR] ***by reducing the support from the JTF to the priority concerned in proportion to the achievements***.	Based on the final performance report of the programme, ***the Commission*** may make financial corrections ***in accordance with*** Regulation (EU) [new CPR].

- **Amendment 60**

- **Proposal for a regulation**

135. Article 10 a (new)

136. Text proposed by the Commission	*137. Amendment*
138.	***139. Article 10a***
140.	***141. Transitional provisions***
142.	***143. Member States shall benefit from a transition period until .... [one year from the date of entry into force of this Regulation] for the preparation and adoption of the territorial just transition plans. All Member States shall be fully eligible for funding under this Regulation during that transition period, which shall not be taken into account by the Commission when considering a decision on decommitment or loss of funding.***

Amendment 61

- **Proposal for a regulation**

144. Article 10 b (new)

Text proposed by the Commission	*Amendment*
	Article 10b
	Review
	At the latest by the end of mid-term review of the next multi-annual financial framework, the Commission shall review the implementation of the JTF and assess whether it is appropriate to amend its scope in line with possible changes in Regulation (EU) 2020/852, the Union's climate objectives set out in Regulation (EU) 2020/… [European Climate Law] and the evolution in the implementation of the Sustainable Finance Action Plan. On that basis, the Commission shall submit a report to the European Parliament and to the Council, which may be accompanied by legislative proposals.