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**NOTE**

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From:	General Secretariat of the Council
To:	Delegations
No. prev. doc.:	10790/22
Subject:	Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL amending Regulation (EU) 2018/842 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement – Preparation for the trilogue

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Delegations will find attached, for information, the four-column table for the first trilogue on the above proposal, which is scheduled to take place on 1 September 2022.

**Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL amending Regulation (EU) 2018/842 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement  
(Text with EEA relevance)  
2021/0200(COD)**


**Table for trilogue on 1 September 2022**

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
Formula				
1	2021/0200 (COD)	2021/0200 (COD)	2021/0200 (COD)	
Proposal Title				
2	Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL amending Regulation (EU) 2018/842 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement (Text with EEA relevance)	Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL amending Regulation (EU) 2018/842 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 <i>and beyond</i> contributing to climate action to meet commitments under the Paris Agreement (Text with EEA relevance)	Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL amending Regulation (EU) 2018/842 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement, <b>and Regulation (EU) 2018/1999</b> (Text with EEA relevance)	

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Formula				
3	THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,	THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,	THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,	
Citation 1				
4	Having regard to the Treaty on the Functioning of the European Union, and in particular Article 192(1) thereof,	Having regard to the Treaty on the Functioning of the European Union, and in particular Article 192(1) thereof,	Having regard to the Treaty on the Functioning of the European Union, and in particular Article 192(1) thereof,	
Citation 2				
5	Having regard to the proposal from the European Commission,	Having regard to the proposal from the European Commission,	Having regard to the proposal from the European Commission,	
Citation 3				
6	After transmission of the draft legislative act to the national parliaments,	After transmission of the draft legislative act to the national parliaments,	After transmission of the draft legislative act to the national parliaments,	
Citation 4				
7	Having regard to the opinion of the European Economic and Social Committee <sup>1</sup> , _____	Having regard to the opinion of the European Economic and Social Committee <sup>1</sup> , _____	Having regard to the opinion of the European Economic and Social Committee <sup>1</sup> , _____	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	1. OJ C , , p . .	1. OJ C , , p . .	1. OJ C , , p . .	
Citation 5				
8	Having regard to the opinion of the Committee of the Regions <sup>1</sup> , <u>1. OJ C , , p . .</u>	Having regard to the opinion of the Committee of the Regions <sup>1</sup> , <u>1. OJ C , , p . .</u>	Having regard to the opinion of the Committee of the Regions <sup>1</sup> , <u>1. OJ C , , p . .</u>	
Citation 6				
9	Acting in accordance with the ordinary legislative procedure,	Acting in accordance with the ordinary legislative procedure,	Acting in accordance with the ordinary legislative procedure,	
Formula				
10	Whereas:	Whereas:	Whereas:	
Recital 1				
11	(1) The Paris Agreement, adopted in December 2015 under the United Nations Framework Convention on Climate Change (UNFCCC), entered into force in November 2016 (“the Paris Agreement”). Its Parties have agreed to hold the increase in the global average temperature well below 2 °C above pre-industrial	(1) The Paris Agreement, adopted in December 2015 under the United Nations Framework Convention on Climate Change (UNFCCC), entered into force in November 2016 (“the Paris Agreement”). Its Parties have agreed to hold the increase in the global average temperature well below 2 °C above pre-industrial	(1) The Paris Agreement, adopted <del>in</del> <b>12</b> December 2015 under the United Nations Framework Convention on Climate Change (UNFCCC), entered into force <del>in</del> <b>4</b> November 2016 (“the Paris Agreement”). Its Parties have agreed to hold the increase in the global average temperature well below 2 °C above pre-industrial	

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	levels and to pursue efforts to limit the temperature increase to 1,5 °C above pre-industrial levels.	levels and to pursue efforts to limit the temperature increase to 1,5 °C above pre-industrial levels, <u>while being guided by, inter alia, the principles of equity and of common but differentiated responsibilities and respective capabilities. By adopting the Glasgow Climate Pact in November 2021, the Parties to the Paris Agreement recognised that keeping the increase in the global average temperature to 1,5 °C would significantly reduce the risks and impacts of climate change, and committed to strengthen their 2030 targets by the end of 2022.</u>	levels and to pursue efforts to limit the temperature increase to 1,5 °C above pre-industrial levels.	
Recital 1a				
11a		<u>(1a) The need for action to reduce emissions is becoming increasingly urgent, as stated by the Intergovernmental Panel on Climate Change (IPCC) in its latest reports of 7 August 2021 entitled 'Climate change 2021: The Physical Science Basis' and of 28 February 2022 entitled 'Climate Change 2022: Impacts, Adaptation and Vulnerability'. The IPCC stated, with a very high</u>		


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		<p><u>level of confidence, that climate change is a threat to human well-being and planetary health and that any further delay in concerted anticipatory global action on adaptation and mitigation will miss a brief and rapidly closing window of opportunity to secure a liveable and sustainable future for all. The IPCC provides new estimates of the chances of crossing the global warming level of 1,5 °C in the coming decades, and finds that unless there are immediate, rapid and large-scale reductions in greenhouse gas emissions, limiting global warming to close to 1,5 °C or even 2 °C will be beyond reach. The Union should therefore address that urgency by stepping up its efforts and establishing itself as an international leader in the fight against climate change.</u></p>		
Recital 2				
12	(2) The Union has put in place a regulatory framework to achieve the 2030 greenhouse gas emission reduction target of at least 40% as endorsed by the European Council	(2) The Union has put in place a regulatory framework to achieve the 2030 greenhouse gas emission reduction target of at least 40% as endorsed by the European Council	(2) The Union has put in place a regulatory framework to <del>achieve</del> <b>for achieving</b> the 2030 greenhouse gas emission reduction target of at least 40% as endorsed	

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	<p>in 2014, before the entry into force of the Paris Agreement. The legislation implementing that target consists, inter alia, of Directive 2003/87/EC of the European Parliament and of the Council<sup>1</sup> (which establishes a system for greenhouse gas emission allowance trading within the Union), Regulation (EU) 2018/841 of the European Parliament and of the Council<sup>2</sup> (which requires Member States to balance greenhouse gas emissions and removals from land use, land use change and forestry), and Regulation (EU) 2018/842 of the European Parliament and of the Council<sup>3</sup>, which establishes national targets for reduction of greenhouse gas emissions by 2030, in the sectors neither covered by Directive 2003/87/EC, nor by Regulation 2018/841.</p> <p><sup>1</sup>. Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a system for greenhouse gas emission allowance trading within the Union and amending Council Directive 96/61/EC (OJ L 275 of 25.10.2003, p. 32).</p> <p><sup>2</sup>. Regulation (EU) 2018/841 of the European Parliament and of the Council of 30 May 2018 on the inclusion of greenhouse gas emissions and removals from land use, land use change and forestry</p>	<p>in 2014, before the entry into force of the Paris Agreement. The legislation implementing that target consists, inter alia, of Directive 2003/87/EC of the European Parliament and of the Council<sup>1</sup> (which establishes a system for greenhouse gas emission allowance trading within the Union), Regulation (EU) 2018/841 of the European Parliament and of the Council<sup>2</sup> (which requires Member States to balance greenhouse gas emissions and removals from land use, land use change and forestry), and Regulation (EU) 2018/842 of the European Parliament and of the Council<sup>3</sup>, which establishes national targets for reduction of greenhouse gas emissions by 2030, in the sectors neither covered by Directive 2003/87/EC, nor by Regulation 2018/841.</p> <p><sup>1</sup>. Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a system for greenhouse gas emission allowance trading within the Union and amending Council Directive 96/61/EC (OJ L 275 of 25.10.2003, p. 32).</p> <p><sup>2</sup>. Regulation (EU) 2018/841 of the European Parliament and of the Council of 30 May 2018 on the inclusion of greenhouse gas emissions and removals from land use, land use change and forestry</p>	<p>by the European Council in 2014, before the entry into force of the Paris Agreement. <del>The legislation implementing that target</del> <b>That framework</b> consists, inter alia, of Directive 2003/87/EC of the European Parliament and of the Council<sup>1</sup> (<del>which establishes</del> <b>establishing</b> a system for greenhouse gas emission allowance trading within the Union (<b>'EU ETS'</b>), Regulation (EU) 2018/841 of the European Parliament and of the Council<sup>2</sup> (<del>which requires</del> <b>requiring</b> Member States to balance greenhouse gas emissions and removals from land use, land use change and forestry (<b>'LULUCF'</b>), and Regulation (EU) 2018/842 of the European Parliament and of the Council<sup>3</sup>; <del>which establishes</del> <b>establishing</b> national targets for reduction of greenhouse gas emissions by 2030; in the sectors <b>covered</b> neither <del>covered</del> by Directive 2003/87/EC; nor by <del>Regulation 2018/841</del> <b>Regulation (EU) 2018/841 ('ESR')</b>).</p> <p><sup>1</sup>. Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a system for greenhouse gas emission allowance trading within the Union and amending Council</p>	


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	<p>in the 2030 climate and energy framework, and amending Regulation (EU) No 525/2013 and Decision No 529/2013/EU (OJ L 156, 19.6.2018, p. 1).</p> <p>3. Regulation (EU) 2018/842 of the European Parliament and of the Council of 30 May 2018 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement and amending Regulation (EU) No 525/2013 (OJ L 156, 19.6.2018, p. 26).</p>	<p>in the 2030 climate and energy framework, and amending Regulation (EU) No 525/2013 and Decision No 529/2013/EU (OJ L 156, 19.6.2018, p. 1).</p> <p>3. Regulation (EU) 2018/842 of the European Parliament and of the Council of 30 May 2018 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement and amending Regulation (EU) No 525/2013 (OJ L 156, 19.6.2018, p. 26).</p>	<p>Directive 96/61/EC (OJ L 275 of 25.10.2003, p. 32).</p> <p>2. Regulation (EU) 2018/841 of the European Parliament and of the Council of 30 May 2018 on the inclusion of greenhouse gas emissions and removals from land use, land use change and forestry in the 2030 climate and energy framework, and amending Regulation (EU) No 525/2013 and Decision No 529/2013/EU (OJ L 156, 19.6.2018, p. 1).</p> <p>3. Regulation (EU) 2018/842 of the European Parliament and of the Council of 30 May 2018 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement and amending Regulation (EU) No 525/2013 (OJ L 156, 19.6.2018, p. 26).</p>	
	Recital 3			
13	<p>(3) The European Green Deal<sup>1</sup> combines a comprehensive set of mutually reinforcing measures and initiatives aimed at achieving climate neutrality in the Union by 2050, and sets out a new growth strategy that aims to transform the Union into a fair and prosperous society, with a modern, resource-efficient and competitive economy, where economic growth is decoupled from resource use. It also aims to protect, conserve and enhance the Union's natural capital,</p>	<p>(3) The European Green Deal<sup>1</sup> <u><a href="#">provides a starting point for the achievement of the Union's climate-neutrality objective by 2050 at the latest and the aim to achieve negative emissions thereafter laid down in Article 2(1) of Regulation (EU) 2021/1119 of the European Parliament and of the Council<sup>1a</sup></a></u>. <u><a href="#">It</a></u> combines a comprehensive set of mutually reinforcing measures and initiatives aimed at achieving climate neutrality in the Union by</p>	<p>(3) <b>The Commission's Communication of 11 December 2019</b> entitled 'The European Green Deal'<sup>1b</sup> combines a comprehensive set of mutually reinforcing measures and initiatives aimed at achieving climate neutrality in the Union by 2050, and sets out a new growth strategy that aims to transform the Union into a fair and prosperous society, with a modern, resource-efficient and competitive economy, where economic growth is</p>	

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	<p>and protect the health and well-being of citizens from environment-related risks and impacts. At the same time, this transition affects women and men differently and has a particular impact on some disadvantaged groups, such as older people, persons with disabilities and persons with a minority racial or ethnic background. It must therefore be ensured that the transition is just and inclusive, leaving no one behind.</p> <p>1. Commission Communication - The European Green Deal, COM(2019) 640 final of 11 December 2019.</p>	<p>2050 <u>at the latest</u>, and sets out a new growth strategy that aims to transform the Union into a fair and prosperous society, with a modern, resource-efficient and competitive economy, <del>where economic growth is decoupled from resource use</del>. It also aims to protect, conserve and enhance the Union's natural capital, and protect the health and well-being of citizens from environment-related risks and impacts. At the same time, this transition affects <del>women and men</del> <u>all genders</u> differently and has a particular impact on some disadvantaged groups, such as older people, persons with disabilities, <u>persons suffering from energy or transport poverty</u>, and persons with a minority racial or ethnic background. <u>The transition also affects Member States and regions differently</u>. It must therefore be ensured that the transition is just and inclusive, leaving no one behind.</p> <p>1. Commission Communication - The European Green Deal, COM(2019) 640 final of 11 December 2019. <u>1a. Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate</u></p>	<p>decoupled from resource use. It also aims to protect, conserve and enhance the Union's natural capital, and protect the health and well-being of citizens from environment-related risks and impacts. At the same time, <del>this</del> <u>that</u> transition affects women and men differently and has a particular impact on some disadvantaged groups, such as older people, persons with disabilities and persons with a minority racial or ethnic background. It must therefore be ensured that the transition is just and inclusive, leaving no one behind.</p> <p>1. Commission Communication - The European Green Deal, COM(2019) 640 final of 11 December 2019.</p>	

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		<u><i>neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law') (OJ L 243, 9.7.2021, p. 1).</i></u>		
Recital 3a				
13a		<u><i>(3a) To be socially acceptable the climate ambition set out in this Regulation should be matched by an equivalent social ambition. The increased level of ambition implies substantial changes in the affected sectors which might have social and labour impacts. The revised emission reduction targets need to be accompanied by sufficient financial and policy measures to guarantee that those targets can be met in a socially fair way. The measures can include, inter alia, carrying out employment impact assessments which evaluate the impact on jobs and working conditions both at national and regional levels as well as allocating national and Union resources to fund social adaptation measures and quality job-creation, gender equality, life-long learning, vocational training and social protection and to ensure effective collective bargaining. It is also important</i></u>		

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		<u><i>that there is timely consultation and effective involvement of national social partners in the sectors covered by Article 2 of this Regulation with regard to the development and implementation of national measures implementing this Regulation.</i></u>			
Recital 3b					
13b		<u><i>(3b) The transition to a Union economy compatible with target of climate neutrality by 2050 at the latest could furthermore have a particular impact on certain economic sectors, especially vulnerable micro, small and medium enterprises in those sectors. When implementing this Regulation, it is important that Member States create an enabling environment for those enterprises to transition to practices that entail fewer and gradually no greenhouse gas emissions.</i></u>			
Recital 3c					
13c		<u><i>(3c) The United Nations Environment Programme and the OECD Global Forum on</i></u>			


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		<u><i>Environment have concluded that environmental changes have gender-specific impact. Gender-differentiated roles also result in differentiated vulnerabilities for all genders in relation to the effects of climate change, and climate change impacts exacerbate gender inequalities.</i></u>	PUBLIC	
Recital 4				
14	<p>(4) In Regulation (EU) 2021/1119 of the European Parliament and of the Council<sup>1</sup> (‘European Climate Law’), the Union has enshrined into legislation the target of economy-wide climate neutrality by 2050. That Regulation also establishes a binding Union domestic reduction commitment of net greenhouse gas emissions (emissions after deduction of removals) of at least 55% below 1990 levels by 2030.</p> <p><sup>1</sup> Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 (‘European Climate Law’) (OJ L 243, 9.7.2021, p. 1).</p>	<p>(4) In Regulation (EU) 2021/1119 of the European Parliament and of the Council<sup>1</sup> (‘European Climate Law’), the Union has enshrined into legislation the target of economy-wide climate neutrality by 2050 <u><i>at the latest and the aim to achieve negative emissions thereafter</i></u>. That Regulation also establishes a binding Union domestic reduction commitment of net greenhouse gas emissions (emissions after deduction of removals) of at least 55% below 1990 levels by 2030. <u><i>Furthermore, it establishes that when implementing the target, swift and predictable emission reductions are to be given priority and, at the same time, removals by natural sinks are to be enhanced. The</i></u></p>	<p>(4) In Regulation (EU) 2021/1119 of the European Parliament and of the Council<sup>1</sup> (‘European Climate Law’), the Union has enshrined <del>into</del> <del>in</del> legislation <del>the target</del> <del>a</del> <b>binding objective</b> of economy-wide climate neutrality by 2050. That Regulation also establishes a binding Union domestic reduction <del>commitment</del> <b>target</b> of net greenhouse gas emissions (emissions after deduction of removals) of at least 55% below 1990 levels by 2030.</p> <p><sup>1</sup> Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 (‘European Climate Law’) (OJ L 243, 9.7.2021, p. 1).</p>	

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		<p><u><a href="#">contribution of net removals to the 2030 target is limited to 225 million tonnes of CO2 equivalent, while the rest of the target has to be achieved through direct emissions reductions.</a></u></p> <p>1. Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law') (OJ L 243, 9.7.2021, p. 1).</p>		
Recital 5				
15	<p>(5) In order to implement those commitments as well as the Union's contributions under the Paris Agreement<sup>1</sup> adopted under the UNFCCC, the Union regulatory framework to achieve the greenhouse gas emission reduction target should be adapted.</p> <p>1. Paris Agreement (OJ L 282, 19.10.2016, p. 4).</p>	<p>(5) In order to implement those commitments as well as the <u><a href="#">nationally determined</a></u> Union's contributions under the Paris Agreement<sup>1</sup> adopted under the UNFCCC, the Union regulatory framework to achieve the greenhouse gas emission reduction target should be adapted.</p> <p>1. Paris Agreement (OJ L 282, 19.10.2016, p. 4).</p>	<p>(5) In order to implement those commitments as well as the Union's contributions under the Paris Agreement<sup>1</sup> adopted under the UNFCCC, the Union regulatory framework to achieve the <b>for achieving the 2030</b> greenhouse gas emission reduction target should be adapted.</p> <p>1. Paris Agreement (OJ L 282, 19.10.2016, p. 4).</p>	
Recital 6				
16	<p>(6) Regulation (EU) 2018/842 lays down obligations on Member</p>	<p>(6) Regulation (EU) 2018/842 lays down obligations on Member</p>	<p>(6) Regulation (EU) 2018/842 lays down obligations on Member</p>	

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	States with respect to their minimum contributions for the period from 2021 to 2030 to fulfilling the Union's current target of reducing its greenhouse gas emissions by 30 % below 2005 levels in 2030 in the sectors covered by Article 2 of that Regulation. It also lays down rules on determining annual emission allocations and for the evaluation of Member States' progress towards meeting their minimum contributions.	States with respect to their minimum contributions for the period from 2021 to 2030 to fulfilling the Union's current target of reducing its greenhouse gas emissions by 30 % below 2005 levels in 2030 in the sectors covered by Article 2 of that Regulation. It also lays down rules on determining annual emission allocations and for the evaluation of Member States' progress towards meeting their minimum contributions.	States with respect to their minimum contributions for the period from 2021 to 2030 to fulfilling the Union's current target of reducing its greenhouse gas emissions by 30 % below 2005 levels in 2030 in the sectors covered by Article 2 of that Regulation. It also lays down rules on determining annual emission allocations and for the evaluation of Member States' progress towards meeting their minimum contributions.	
Recital 7				
17	(7) While emissions trading will also apply to greenhouse gas emissions from road and maritime transport as well as buildings, the scope of Regulation (EU) 2018/842 will be maintained. Regulation (EU) 2018/842 will therefore continue applying to the greenhouse gas emissions from domestic navigation, but not to those from international navigation. Greenhouse gas emissions of a Member State within the scope of Regulation (EU) 2018/842 to be taken into account for compliance checks will	(7) While emissions trading will also apply to greenhouse gas emissions from road and maritime transport as well as buildings, the scope of Regulation (EU) 2018/842 will be maintained. Regulation (EU) 2018/842 will therefore continue applying to the greenhouse gas emissions from domestic navigation, but not to those from international navigation. Greenhouse gas emissions of a Member State within the scope of Regulation (EU) 2018/842 to be taken into account for compliance checks will	(7) While emissions trading will also apply to greenhouse gas emissions from road and maritime transport as well as <b>from</b> buildings, the scope of Regulation (EU) 2018/842 <del>will</del> <b>should</b> be maintained. Regulation (EU) 2018/842 <del>will</del> <b>should</b> therefore continue <del>applying to</del> <b>apply</b> to the greenhouse gas emissions from domestic navigation, but not to those from international navigation. Greenhouse gas emissions of a Member State within the scope of Regulation (EU) 2018/842 to be taken into	


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	<p>continue to be determined upon completion of inventory reviews in accordance with Regulation (EU) 2018/1999 of the European Parliament and the Council<sup>1</sup>.</p> <p><sup>1</sup>. Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action, amending Regulations (EC) No 663/2009 and (EC) No 715/2009 of the European Parliament and of the Council, Directives 94/22/EC, 98/70/EC, 2009/31/EC, 2009/73/EC, 2010/31/EU, 2012/27/EU and 2013/30/EU of the European Parliament and of the Council, Council Directives 2009/119/EC and (EU) 2015/652 and repealing Regulation (EU) No 525/2013 of the European Parliament and of the Council (OJ L 328, 21.12.2018, p. 1).</p>	<p>continue to be determined upon completion of inventory reviews in accordance with Regulation (EU) 2018/1999 of the European Parliament and the Council<sup>1</sup>.</p> <p><u><i>However, the emissions of some sectors in past years have either increased or remained stable</i></u></p> <p><sup>1</sup>. Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action, amending Regulations (EC) No 663/2009 and (EC) No 715/2009 of the European Parliament and of the Council, Directives 94/22/EC, 98/70/EC, 2009/31/EC, 2009/73/EC, 2010/31/EU, 2012/27/EU and 2013/30/EU of the European Parliament and of the Council, Council Directives 2009/119/EC and (EU) 2015/652 and repealing Regulation (EU) No 525/2013 of the European Parliament and of the Council (OJ L 328, 21.12.2018, p. 1).</p>	<p>account for compliance checks will continue to be determined upon completion of inventory reviews in accordance with Regulation (EU) 2018/1999 of the European Parliament and the Council<sup>1</sup>.</p> <p><sup>1</sup>. Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action, amending Regulations (EC) No 663/2009 and (EC) No 715/2009 of the European Parliament and of the Council, Directives 94/22/EC, 98/70/EC, 2009/31/EC, 2009/73/EC, 2010/31/EU, 2012/27/EU and 2013/30/EU of the European Parliament and of the Council, Council Directives 2009/119/EC and (EU) 2015/652 and repealing Regulation (EU) No 525/2013 of the European Parliament and of the Council (OJ L 328, 21.12.2018, p. 1).</p>	
Recital 8				
18	<p>(8) In its Communication of 17 September 2020<sup>1</sup> the Commission indicated that the increased 2030 overall target can only be achieved with the contribution of all sectors.</p> <p><sup>1</sup>. COM/2020/562 final.</p>	<p>(8) In its Communication of 17 September 2020<sup>1</sup> the Commission indicated that the increased 2030 overall target can only be achieved with the contribution of all sectors.</p> <p><sup>1</sup>. COM/2020/562 final.</p>	<p>(8) In its Communication of 17 September 2020<sup>+</sup> entitled <b>‘Stepping up Europe’s 2030 climate ambition - Investing in a climate-neutral future for the benefit of our people’</b>, the Commission indicated that the increased 2030 overall <b>greenhouse gas emission reduction</b> target can</p>	

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			only be achieved with the contribution of all sectors.  4. COM/2020/562 final.	
Recital 9				
19	(9) In its conclusions of 11 December 2020 the European Council mentioned that the 2030 target will be delivered collectively by the Union in the most cost-effective manner possible, that all Member States will participate in this effort, taking into account considerations of fairness and solidarity, while leaving no one behind, and that the new 2030 target needs to be achieved in a way that preserves the Union's competitiveness and takes account of Member States' different starting points and specific national circumstances and emission reduction potential, including those of island Member States and islands, as well as efforts made.	(9) In its conclusions of 11 December 2020 the European Council mentioned that the 2030 target will be delivered collectively by the Union in the most cost-effective manner possible, that all Member States will participate in this effort, taking into account considerations of fairness and solidarity, while leaving no one behind, and that the new 2030 target needs to be achieved in a way that preserves the Union's competitiveness and takes account of Member States' different starting points, <u>emission reductions already achieved</u> , and specific national circumstances and emission reduction potential, including those of island Member States and islands, as well as efforts made.	(9) In its conclusions of 11 December 2020 the European Council mentioned that the 2030 target will be delivered collectively by the Union in the most cost-effective manner possible, that all Member States will participate in <del>this</del> <b>that</b> effort, taking into account considerations of fairness and solidarity, while leaving no one behind, and that the new 2030 target needs to be achieved in a way that preserves the Union's competitiveness and takes account of Member States' different starting points and specific national circumstances and emission reduction potential, including those of island Member States and islands, as well as efforts made.	
Recital 9a				
19a				

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		<p><u>(9a) Beyond 2030, it is necessary that the Union and each Member State reach the Union-wide climate-neutrality objective by 2050 at the latest with the aim to achieve negative emissions thereafter. Regulation (EU) 2018/842 should ensure that all Member States are brought on emissions trajectories, and adopt concrete long-term policies, that lead to the accomplishment of that objective.</u></p>		
Recital 10				
20	<p>(10) In order to achieve the target of reducing greenhouse gas emissions by 55%, the sectors covered by Regulation (EU) 2018/842 will need to reduce their emissions progressively until they reach -40% in 2030, compared to 2005 levels.</p>	<p>(10) In order to <u>implement the Union's commitments under the Paris Agreement and</u> achieve the target of reducing greenhouse gas emissions by <u>at least 55%</u>, <del>all 55%, the</del> sectors covered by Regulation (EU) 2018/842 will need to reduce their emissions progressively until they reach -40% in 2030, compared to 2005 levels.</p>	<p>(10) In order to achieve the target of reducing greenhouse gas emissions by 55%, the sectors covered by Regulation (EU) 2018/842 will need to reduce their <b>greenhouse gas</b> emissions progressively until they reach -40% in 2030, compared to 2005 levels. <b>Regulation (EU) 2018/842 also contributes to achieving the objectives of the Paris Agreement, as well as the Union's objective of climate neutrality at the latest by 2050 under the European Climate Law, the achievement of which requires convergence of all</b></p>	


	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			Member States' efforts over time, while taking into account specific national circumstances.	
Recital 11				
21	<p>(11) For that purpose, the greenhouse gas emission reduction target for 2030 needs to be revised for each Member State. The revision of the greenhouse gas emission reduction target should use the same methodology that was followed when Regulation (EU) 2018/842 was first adopted, where the national contributions were determined in consideration of the different capacities and cost-efficiency opportunities in Member States so to ensure a fair and balanced distribution of the effort. The reduction of the maximum greenhouse gas emissions for each Member State in 2030 should thus be determined in relation to the level of its 2005 reviewed greenhouse gas emissions covered by this Regulation, excluding verified greenhouse gas emissions from installations that operated in 2005 and which were only included in the emission trading system of the Union after 2005.</p>	<p>(11) For that purpose, the greenhouse gas emission reduction target for 2030 needs to be revised for each Member State. The revision of the greenhouse gas emission reduction target <del>should</del> <i>use uses</i> the same methodology that was followed when Regulation (EU) 2018/842 was first adopted, where the national contributions were determined in consideration of the different capacities and cost-efficiency opportunities in Member States so to ensure a fair and balanced distribution of the effort. <i>The distribution of Member State targets nevertheless do not converge, which should be considered when evaluating how the national targets contribute to the objective of climate neutrality by 2050 at the latest in a cost-effective and fair manner.</i> The reduction of the maximum greenhouse gas emissions for each Member State in 2030 should thus be determined in relation to the</p>	<p>(11) For that purpose, the greenhouse gas emission reduction target for 2030 needs to be revised for each Member State. The revision of the <b>2030 national target</b> targets should use the same methodology <b>as the one</b> that was <del>followed</del> <b>used</b> when Regulation (EU) 2018/842 was <del>first</del> adopted, where the national contributions were determined in consideration of the different capacities and cost-efficiency opportunities in Member States so <b>as</b> to ensure a fair and balanced distribution of the effort. The <del>reduction of the maximum greenhouse gas emissions</del> <b>greenhouse gas emission reduction target</b> for each Member State in 2030 should thus be determined in relation to the level of its 2005 reviewed greenhouse gas emissions covered by this Regulation, excluding verified greenhouse gas emissions from installations that operated in</p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
		level of its 2005 reviewed greenhouse gas emissions covered by this Regulation, excluding verified greenhouse gas emissions from installations that operated in 2005 and which were only included in the emission trading system of the Union after 2005.	2005 and which were only included in the <del>emission trading system of the Union</del> EU ETS after 2005.	
Recital 11a				
21a		<u><i>(11a) The communication of the Commission of 14 October 2020 on an EU strategy to reduce methane emissions highlighted that methane is a powerful greenhouse gas, second only to carbon dioxide in its overall contribution to climate change. On a molecular level, methane is more powerful than carbon dioxide. Although methane remains for a shorter time in the atmosphere than carbon dioxide, it has a significant effect on the climate. In September 2021, the Union and the United States announced the Global Methane Pledge, to which more than 100 countries in total have since joined. The signatories of the pledge aim to achieve by 2030 the collective goal of reducing global</i></u>		

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
		<u><i>methane emissions by at least 30 % from 2020 levels and enhance reporting standards. Methane, nitrous oxide and so-called F-gases together account for over 20 % of the Union's greenhouse gas emissions. Given those commitments and the short-lived nature of many of those greenhouse gases, it is appropriate to lay down one or more Union targets for all non-CO2 greenhouse gas emissions in all sectors.</i></u>		
Recital 12				
22	<p>(12) As a consequence, it will be necessary to set, as from the year of adoption of this Regulation, new binding national limits, expressed in annual emission allocations, progressively leading to the 2030 target of each Member State, while keeping in force the annual limits established for the years preceding it as set in Commission Implementing Decision (EU) 2020/2126<sup>1</sup>.</p> <p><small>1. Commission Implementing Decision (EU) 2020/2126 of 16 December 2020 on setting out the annual emission allocations of the Member States for the period from</small></p>	<p>(12) As a consequence, it will be necessary to set, as from the year of adoption of this Regulation, new binding national limits, expressed in annual emission allocations, progressively leading to the 2030 target of each Member State, while keeping in force the annual limits established for the years preceding it as set in Commission Implementing Decision (EU) 2020/2126<sup>1</sup>.</p> <p><small>1. Commission Implementing Decision (EU) 2020/2126 of 16 December 2020 on setting out the annual emission allocations of the Member States for the period from</small></p>	<p>(12) As a consequence, it will be necessary to set, as from the year of adoption of this Regulation, new binding national limits, expressed in annual emission allocations, progressively leading to the 2030 <b>greenhouse gas emission reduction</b> target of each Member State, while keeping in force the annual limits established for the years preceding <b>its adoption</b> as set in Commission Implementing Decision (EU) 2020/2126<sup>1</sup>.</p> <p><small>1. Commission Implementing Decision (EU) 2020/2126 of 16 December 2020 on</small></p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	2021 to 2030 pursuant to Regulation (EU) 2018/842 of the European Parliament and of the Council (OJ L 426, 17.12.2018, p. 58).	2021 to 2030 pursuant to Regulation (EU) 2018/842 of the European Parliament and of the Council (OJ L 426, 17.12.2018, p. 58).	setting out the annual emission allocations of the Member States for the period from 2021 to 2030 pursuant to Regulation (EU) 2018/842 of the European Parliament and of the Council (OJ L 426, 17.12.2018, p. 58).	
Recital 13				
23	(13) The COVID-19 pandemic has impacted the Union's economy and its level of emissions to a degree that cannot yet be fully quantified. On the other hand, the Union is deploying its largest stimulus package ever, also having a potential impact on the level of emissions. Due to those uncertainties, it is appropriate to review the emissions data in 2025 and, if necessary, readjust the annual emission allocations.	(13) The COVID-19 pandemic has impacted the Union's economy and its level of emissions to a degree that cannot yet be fully quantified. On the other hand, the Union is deploying its largest stimulus package ever, <u>aiming to ensure a green recovery while</u> also having a potential impact on the level of emissions. <del>Due to those uncertainties, it is appropriate to review the emissions data in 2025 and, if</del> <u>It is appropriate to maintain a stable, predictable and ambitious regulatory emissions pathway throughout the ongoing decade in order to ensure both the necessary, readjust the annual emission allocations emissions reductions and planning security.</u>	(13) The COVID-19 pandemic has impacted the Union's economy and its level of <b>greenhouse gas</b> emissions to a degree that cannot yet be fully quantified. On the other hand, the Union is deploying its largest stimulus package ever, <b>which also has</b> <del>also having</del> a potential impact on the level of emissions. Due to those uncertainties, it is appropriate to review the emissions data in 2025 and, if necessary, readjust the annual emission allocations.	
Recital 14				
24	(14) It is therefore appropriate to	(14) <del>It is therefore appropriate to</del>	(14) <b>In order to take into</b>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	<p>update in 2025 the annual emission allocations for the years 2026 to 2030. This should be based on a comprehensive review of the national inventory data carried out by the Commission in order to determine the average of the greenhouse gas emissions of each Member State during the years 2021, 2022 and 2023.</p>	<p><del>update in 2025 the annual emission allocations for the years 2026 to 2030. This should be based on a comprehensive review of the national inventory data carried out by the Commission in order to determine the average of the greenhouse gas emissions of each Member State during the years 2021, 2022 and 2023.</del></p>	<p><b>account the uncertainties related to the COVID-19 pandemic as well as other unforeseen events having an impact on emissions, it is therefore appropriate to update in 2025 the annual emission allocations for the years 2026 to 2030. This update should be based on a comprehensive review of the national inventory data carried out by the Commission in order to determine the average of the greenhouse gas emissions of each Member State during the years 2021, 2022 and 2023. Moreover, in order to give predictability to Member States on the consequences of any unforeseen event, this update of the annual emission allocations should only be effective for a Member State if it results in a higher allocation for that Member State. The environmental integrity will be guaranteed by adjusting from 2023 the linear trajectory to the new ESR target of -40% by 2030.</b></p>	
Recital 14a				
24a		<p><u>(14a) In accordance with Regulation (EU) 2021/1119,</u></p>		

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
		<p><u>priority should be given to reductions in direct emissions, which will have to be complemented by increased CO2 removals in order to achieve climate neutrality. Regulation (EU) 2021/1119 recognises that carbon sinks include natural and technological solutions. The role of technological solutions for carbon removal has also been addressed in several reports of the Intergovernmental Panel on Climate Change, in particular in the Working Group III contribution to the Sixth Assessment Report. It is important that a Union scheme for the certification of safely and permanently stored carbon removals through technological solutions is put in place, offering clarity for Member States and market operators to enhance such removals. When such a certification scheme is in force, an analysis can be made about the accounting of such removals under Union law, including whether the accounting of such removals affects the emissions covered by Regulation (EU) 2018/842, in full respect of conditions set out in Article 4(1)</u></p>		

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
		<u><i>of Regulation (EU) 2021/1119. Such removals are additional and do not offset the necessary reductions in emissions in accordance with the Union climate targets laid down in Regulation (EU) 2021/1119.</i></u>		
Recital 14a				
24b			<b>(14a) Member States should be able to progressively reduce their greenhouse gas emissions, and reach their increased national targets for 2030 in a cost-effective manner. In view of the new and more stringent annual emission allocations required by this Regulation, it is appropriate to increase the existing ceilings on transfers of annual emission allocations between Member States. The possibility of transferring annual emission allocations promotes cooperation between Member States, allowing them to achieve their targets cost-effectively, while preserving environmental integrity. The transparency of such transfers should be ensured, so that they are carried out in a manner that is mutually</b>	


	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			<p>convenient, including by means of auctioning, by the use of market intermediaries acting on an agency basis, by way of bilateral arrangements, or by the use of an electronic interface aiming to facilitate the exchange of information on intended transfers and reduce transaction costs. Member States are already required to report the summary information on concluded transfers pursuant to Commission Implementing Regulation (EU) 2020/1208<sup>1</sup>. After compilation by the Commission, a summary of the information provided is made available within three months from receiving the reports by Member States, in electronic form, providing the range of prices paid per annual emission allocations transaction. In addition, within the two periods between the publication of the implementing acts referred to in Article 38(4) of Regulation (EU) 2018/1999 and the start of the compliance check procedure, the Member States may report to the Commission on the 15th of each month on concluded transfers. Moreover, in order to facilitate</p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			<p>the exchange of information on intended transfers, Member States are invited to continuously update the relevant information. A summary of the information received is compiled by the Commission and made available in a timely manner and in electronic form. Moreover, in order to improve transparency, before any effective transfer, Member States should inform the Climate Change Committee of their intention to proceed to a transfer of part of their annual emission allocation for a given year.</p> <p>1. Commission Implementing Regulation of 7 August 2020 on structure, format, submission processes and review of information reported by Member States pursuant to Regulation (EU) 2018/1999 of the European Parliament and of the Council and repealing Commission Implementing Regulation (EU) No 749/2014 (OJ L 278, 26.08.2020, p. 1).</p>	
Recital 15				
25	(15) Under Regulation (EU) 2018/842, the cancellation of a limited quantity of emission allowances in the European Union emission trading system may be	(15) Under Regulation (EU) 2018/842, the cancellation of a limited quantity of emission allowances in the European Union emission trading system may be	(15) Under Regulation (EU) 2018/842, the cancellation of a limited quantity of emission allowances in the European Union <del>emission trading system</del> EU ETS	

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	<p>taken into account for some Member States' compliance under Regulation (EU) 2018/842. Given the particular structure of Malta's economy, the national reduction target of that Member State based on Gross Domestic Product per capita is significantly above its cost-effective reduction potential, is is therefore appropriate to increase Malta's access to that flexibility, without compromising the 2030 target of the Union on emission reductions.</p>	<p>taken into account for some Member States' compliance under Regulation (EU) 2018/842. Given the particular structure of Malta's economy, the national reduction target of that Member State based on Gross Domestic Product per capita is significantly above its cost-effective reduction potential, <del>is</del> it is therefore appropriate to increase Malta's access to that flexibility, without compromising the 2030 target of the Union on emission reductions. <i><u>The Member States entitled to this flexibility but which did not make use of it in the 2019 context of Regulation (EU) 2018/842, should be given the possibility to revise that decision to take account of the newly proposed national reduction targets. The Member States concerned should also be allowed to revise their notified percentages more often.</u></i></p>	<p>may be taken into account for some Member States' compliance under Regulation (EU) 2018/842. Given the particular structure of Malta's economy, the national <b>greenhouse gas emission</b> reduction target of that Member State based on Gross Domestic Product per capita is significantly above its cost-effective reduction potential, <del>is</del>. <b>It</b> is therefore appropriate to increase Malta's access to that flexibility, without compromising the 2030 <b>Union greenhouse gas emission reduction target. In view of the Union on emission reductions increased ambition level, it is appropriate to postpone the deadline for notifying the intention to make use of this flexibility from 31 December 2019 to 31 December 2023 for the Member States listed in Annex II that have not notified the Commission of an intention to make use of the flexibility, namely the Netherlands and Sweden.</b></p>	
Recital 16				
26	(16) In addition to that flexibility, a limited quantity of net removals	(16) In addition to that flexibility, a limited quantity of net removals	(16) In addition to that flexibility, a limited quantity of net removals	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	<p>and net emissions from land use, land-use change and forestry ('LULUCF') may be taken into account for Member States' compliance under Regulation (EU) 2018/842 ('the LULUCF flexibility'). In order to ensure that sufficient mitigation efforts are deployed until 2030, it is appropriate to limit the use of the LULUCF flexibility by separating the use of such flexibility into two separate time periods, each capped by a limit corresponding to half of the maximum amount of total net removals set out in Annex III to Regulation (EU) 2018/842. It is also appropriate to bring the title of Annex III in line with the amendment to Regulation (EU) 2018/841 carried out by Commission Delegated Regulation (EU) 2021/268 of 28 October 2020<sup>1</sup>. As a consequence, there is no longer a need for Regulation (EU) 2018/842 to provide for a legal basis allowing the Commission to adopt delegated acts to amend the title of its Annex III. Article 7(2) of Regulation (EU) 2018/842 should therefore be deleted.</p> <p><sup>1</sup> Commission Delegated Regulation (EU)</p>	<p>and net emissions from land use, land-use change and forestry ('LULUCF') may be taken into account for Member States' compliance under Regulation (EU) 2018/842 ('the LULUCF flexibility'). In order to ensure that sufficient mitigation efforts are deployed until 2030, it is appropriate to limit the use of the LULUCF flexibility by separating the use of such flexibility into two separate time periods, each capped by a limit corresponding to half of the maximum amount of total net removals set out in Annex III to Regulation (EU) 2018/842. It is also appropriate to bring the title of Annex III in line with the amendment to Regulation (EU) 2018/841 carried out by Commission Delegated Regulation (EU) 2021/268 of 28 October 2020<sup>1</sup>. As a consequence, there is no longer a need for Regulation (EU) 2018/842 to provide for a legal basis allowing the Commission to adopt delegated acts to amend the title of its Annex III. Article 7(2) of Regulation (EU) 2018/842 should therefore be deleted.</p> <p><sup>1</sup> Commission Delegated Regulation (EU)</p>	<p>and net emissions from land use, land-use change and forestry ('LULUCF<sup>2</sup>') may be taken into account for Member States' compliance under Regulation (EU) 2018/842 ('the LULUCF flexibility'). In order to ensure that sufficient mitigation efforts are deployed until 2030, it is appropriate to limit the use of the LULUCF flexibility by separating the use of <del>such</del><b>that</b> flexibility into two separate time periods, each capped by a limit corresponding to half of the maximum amount of total net removals set out in Annex III to Regulation (EU) 2018/842. It is also appropriate to bring the title of Annex III <del>in</del><b>into</b> line with the <del>amendment to</del><b>amendment</b> Regulation (EU) 2018/841 <del>carried out</del><b>further to its amendment</b> by Commission Delegated Regulation (EU) 2021/268 <del>of 28 October 2020</del><sup>1</sup>. As a consequence, there is no longer a need for Regulation (EU) 2018/842 to provide for a legal basis allowing the Commission to adopt delegated acts to amend the title of its Annex III. Article 7(2) of Regulation (EU) 2018/842 should therefore be deleted.</p> <p><sup>1</sup> Commission Delegated Regulation (EU)</p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	2021/268 of 28 October 2020 amending Annex IV to Regulation (EU) 2018/841 of the European Parliament and of the Council as regards the forest reference levels to be applied by the Member States for the period 2021-2025 (OJ L 60, 22.2.2021, p. 21).	2021/268 of 28 October 2020 amending Annex IV to Regulation (EU) 2018/841 of the European Parliament and of the Council as regards the forest reference levels to be applied by the Member States for the period 2021-2025 (OJ L 60, 22.2.2021, p. 21).	2021/268 of 28 October 2020 amending Annex IV to Regulation (EU) 2018/841 of the European Parliament and of the Council as regards the forest reference levels to be applied by the Member States for the period 2021-2025 (OJ L 60, 22.2.2021, p. 21).	
Recital 16a				
26a		<u><i>(16a) In order to ensure and incentivise compliance by Member States with respect to their minimum contributions for the period from 2021 to 2030 under Regulation (EU) 2018/842 as amended, corrective actions should be strengthened and more closely connected to the integrated national energy and climate plans under Regulation (EU) 2018/1999. If a Member State exceeds its annual emission allocations during two successive years, that Member State should revise its integrated national energy and climate plan submitted to it in accordance with Regulation (EU) 2018/1999, while giving the public a possibility to participate in the process.</i></u>		
Recital 16b				

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
26b		<p><u><i>(16b) The Union and the Member States are parties to the United Nations Economic Commission for Europe (UNECE) Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters ('the Aarhus Convention')<sup>1b</sup>. Public scrutiny and access to justice are an essential part of the democratic values of the Union and a tool to safeguard the rule of law. In the communication of the Commission of 14 October 2020 on improving access to justice in environmental matters in the EU and its Member States', the Commission recognised that access to justice is not guaranteed in all Member States and called on the Council and the European Parliament to introduce explicit access to justice provisions in sectoral legislation. It is therefore appropriate to lay down a provision to ensure the public's access to justice for the actions implementing Regulation (EU) 2018/842 as amended.</i></u></p> <p><u><i>1b. OJ L 124, 17.5.2005, p. 4.</i></u></p>		

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
Recital 16c				
26c		<p><u><i>(16c) In order to achieve the objectives under Regulation (EU) 2018/842 as amended and other Union legislation, particularly those under Regulation (EU) 2021/1119, the Union and its Member States should make use of the latest science while implementing policies. The advice of the European Scientific Advisory Board on Climate Change, established by Article 3 of Regulation (EU) 2021/1119, should therefore be considered throughout Regulation (EU) 2018/842 as amended, as appropriate.</i></u></p>		
Recital 17				
27	<p>(17) Considering, the introduction of a strengthened compliance regime in Regulation (EU) 2018/841 as of 2026, it is appropriate to abolish the deduction of the greenhouse gas emissions generated by each Member State in the period from 2026 to 2030 in the land sector in excess of its removals. Article 9(2) should therefore be amended</p>	<p>(17) Considering, the introduction of a strengthened compliance regime in Regulation (EU) 2018/841 as of 2026, it is appropriate to abolish the deduction of the greenhouse gas emissions generated by each Member State in the period from 2026 to 2030 in the land sector in excess of its removals. Article 9(2) should therefore be amended</p>	<p>(17) Considering, the introduction of a strengthened compliance regime in <b>more ambitious targets under</b> Regulation (EU) 2018/841 as of 2026, it is appropriate to abolish the deduction of the greenhouse gas emissions generated by each Member State in the period from 2026 to 2030 in the land sector in excess of its removals. Article 9(2) should</p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	accordingly.	accordingly.	therefore be amended accordingly.	
Recital 18				
28	<p>(18) The setting of more ambitious targets under Regulation (EU) 2018/841 will decrease the capacity of Member States to generate net removals that can be used for compliance under Regulation (EU) 2018/842. In addition, the split of the use of the LULUCF flexibility into two separate time periods, will further limit the availability of net removals for the purpose of compliance with Regulation (EU) 2018/842. As a result, some Member States may face challenges in meeting their targets under Regulation (EU) 2018/842, while some Member States, the same or other, may generate net removals that cannot be used for compliance with Regulation (EU) 2018/842. As long as the Union objectives as set out in Article 3 of Regulation (EU) 2021/1119 are met, in particular with regard to the maximum limit of the contribution of net removals, it is appropriate to create a new voluntary mechanism, in the form of an additional</p>	<p><del>(18) <i>The setting of more ambitious targets under Regulation (EU) 2018/841 will decrease the capacity of Member States to generate net removals that can be used for compliance under Regulation (EU) 2018/842. In addition, the split of the use of the LULUCF flexibility into two separate time periods, will further limit the availability of net removals for the purpose of compliance with Regulation (EU) 2018/842. As a result, some Member States may face challenges in meeting their targets under Regulation (EU) 2018/842, while some Member States, the same or other, may generate net removals that cannot be used for compliance with Regulation (EU) 2018/842. As long as the Union objectives as set out in Article 3 of Regulation (EU) 2021/1119 are met, in particular with regard to the maximum limit of the contribution of net removals, it is appropriate to create a new voluntary mechanism, in the form</i></del></p>	<p>(18) The setting of more ambitious targets under Regulation (EU) 2018/841 will decrease the capacity of Member States to generate net removals that can be used for compliance under Regulation (EU) 2018/842. In addition, the split of the use of the LULUCF flexibility into two separate time periods, will further limit the availability of net removals for the purpose of compliance with Regulation (EU) 2018/842. As a result, some Member States <del>may</del><b>might</b> face challenges in meeting their targets under Regulation (EU) 2018/842, while some Member States, the same or other, <del>may</del><b>might</b> generate net removals that cannot be used for compliance with Regulation (EU) 2018/842. As long as the Union objectives as set out in Article <del>3</del><b>34</b> of Regulation (EU) 2021/1119 are met, in particular with regard to the maximum limit of the contribution of net removals, it is appropriate to create a new voluntary mechanism, in the form</p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
	reserve, that will help adhering Member States to comply with their obligations.	<del>of an additional reserve, that will help adhering Member States to comply with their obligations.</del>	of an additional reserve, that will help adhering Member States to comply with their obligations.	
Recital 18a				
28a		<u>(18a) Given the long-term dimension of effective climate protection set out in Regulation (EU) 2021/1119 and the Union's commitment to the objectives of the Paris Agreement, clarity about Member States' individual long-term reduction pathways beyond 2030 would allow for more accurate policy planning. It is therefore appropriate to include a process setting national reduction pathways for each Member State for climate neutrality by 2050 at the latest.</u>		
Recital 18a				
28b			<b>(18a) Since the objectives of this Regulation, in particular to adjust, in light of the European Climate Law, the obligations on Member States with respect to their minimum contributions for the period from 2021 to 2030 to fulfilling the Union's target of</b>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
			reducing its greenhouse gas emissions and to contribute to achieving the objectives of the Paris Agreement, cannot be sufficiently achieved by the Member States but can rather, by reason of its scale and effects, be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality, as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve those objectives.	
Recital 19				
29	(19) Regulation (EU) 2018/842 should therefore be amended accordingly,	(19) Regulation (EU) 2018/842 should therefore be amended accordingly,	(19) Regulation (EU) 2018/842 <b>and Regulation 2018/1999</b> should therefore be amended accordingly,	
Formula				
30	HAVE ADOPTED THIS REGULATION:	HAVE ADOPTED THIS REGULATION:	HAVE ADOPTED THIS REGULATION:	
Article 1				

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
31	Article 1	Article 1	Article 1	
Article 1, first paragraph, introductory part				
32	Regulation (EC) 2018/842 is amended as follows:	Regulation (EC) 2018/842 is amended as follows:	Regulation (E <del>CE</del> EU) 2018/842 is amended as follows:	
Article 1, first paragraph, point (1), amending provision (Article 1)				
33	(1) In Article 1, “30%” is replaced by “40%”;	(1) <del>In</del> Article 1, “30%” is replaced by “40%”; <u>the following:</u>	(1) <del>In</del> Article 1, “30%” is replaced by “40%”; <b>the following:</b>	
Article 1, first paragraph, point (1), amending provision (Article 1)				
33a		<p style="text-align: center;"><u>Article 1</u></p> <p style="text-align: center;">"</p> <p style="text-align: center;"><u>Subject matter</u></p>	<p style="text-align: center;">Article 1</p> <p style="text-align: center;">"</p> <p style="text-align: center;">Subject matter</p>	
Article 1, first paragraph, point (1), amending provision (Article 1)				
33b		<p><u>This Regulation lays down obligations on Member States with respect to their minimum contributions for the period from 2021 to 2030 towards fulfilling the Union’s target of reducing its greenhouse gas emissions by 40 % below 2005 levels in 2030 in the</u></p>	<p><b>This Regulation lays down obligations on Member States with respect to their minimum contributions for the period from 2021 to 2030 to fulfilling the Union’s target of reducing its greenhouse gas emissions by 40% below 2005 levels in 2030 in</b></p>	

	Commission Proposal	EP Mandate	Council Mandate	Draft Agreement
		<p><u>sectors covered by Article 2 of this Regulation. It contributes to the long-term target of climate neutrality in the Union by 2050 at the latest, with the aim to achieve negative emissions thereafter. It thereby contributes to achieving the objectives of Regulation (EU) 2021/1119 and the Paris Agreement. This Regulation also lays down rules on determining annual emission allocations and for the evaluation of Member States' progress towards meeting their minimum contributions and paves the way for the setting of post-2030 Union's greenhouse gas emissions reduction targets in the sectors covered by Article 2 of this Regulation.</u></p>	<p>the sectors covered by Article 2 of this Regulation and contributes to achieving the objectives of the Paris Agreement as well as the objective of climate neutrality within the Union at the latest by 2050 under Regulation (EU) 2021/1119. This Regulation also lays down rules on determining annual emission allocations and for the evaluation of Member States' progress towards meeting their minimum contributions.'</p>	
Article 1, first paragraph, point (2), introductory part, amending provision (Article 2)				
34	(2) In Article 2, paragraph 1 is replaced by the following:	(2) <del>In Article 2, paragraph 1 is replaced by the following</del> <u>is amended as follows:</u>	(2) In Article 2, paragraph 1 is replaced by the following:	

Article 1, first paragraph, point (2)(a), amending provision (Article 2)				
34a				
		<u>(a) paragraph 1 is replaced by the following:</u>		
Article 1, first paragraph, point (2)(a), amending provision (Article 2)				
35	‘ This Regulation applies to the greenhouse gas emissions from IPCC source categories of energy, industrial processes and product use, agriculture and waste as determined pursuant to Regulation (EU) 2018/1999 of the European Parliament and the Council*, excluding greenhouse gas emissions from the activities listed in Annex I to Directive 2003/87/EC, other than the activity “maritime transport”.	This Regulation applies to the greenhouse gas emissions from IPCC source categories of energy, industrial processes and product use, agriculture and waste as determined pursuant to Regulation (EU) 2018/1999 of the European Parliament and the Council*, excluding greenhouse gas emissions from the activities listed in Annex I to Directive 2003/87/EC, other than the activity "maritime transport".	‘ This Regulation applies to the greenhouse gas emissions from IPCC source categories of energy, industrial processes and product use, agriculture and waste as determined pursuant to Regulation (EU) 2018/1999 of the European Parliament and the Council*, excluding greenhouse gas emissions from the activities listed in Annex I to Directive 2003/87/EC, other than the activity "maritime transport".’	
Article 1, first paragraph, point (2)(a), amending provision (Article 2, footnote)				
36	* Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action, amending Regulations (EC) No 663/2009 and (EC) No 715/2009 of	* <del>Regulation</del> Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action, amending Regulations (EC) No 663/2009 and (EC) No 715/2009 of	* Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action, amending Regulations (EC) No 663/2009 and (EC) No 715/2009 of	

	the European Parliament and of the Council, Directives 94/22/EC, 98/70/EC, 2009/31/EC, 2009/73/EC, 2010/31/EU, 2012/27/EU and 2013/30/EU of the European Parliament and of the Council, Council Directives 2009/119/EC and (EU) 2015/652 and repealing Regulation (EU) No 525/2013 of the European Parliament and of the Council (OJ L 328, 21.12.2018, p. 1).	the European Parliament and of the Council, Directives 94/22/EC, 98/70/EC, 2009/31/EC, 2009/73/EC, 2010/31/EU, 2012/27/EU and 2013/30/EU of the European Parliament and of the Council, Council Directives 2009/119/EC and (EU) 2015/652 and repealing Regulation (EU) No 525/2013 of the European Parliament and of the Council (OJ L 328, 21.12.2018, p. 1).	the European Parliament and of the Council, Directives 94/22/EC, 98/70/EC, 2009/31/EC, 2009/73/EC, 2010/31/EU, 2012/27/EU and 2013/30/EU of the European Parliament and of the Council, Council Directives 2009/119/EC and (EU) 2015/652 and repealing Regulation (EU) No 525/2013 of the European Parliament and of the Council (OJ L 328, 21.12.2018, p. 1).	
Article 1, first paragraph, point (2)(b), amending provision (Article 2)				
36a		<i><u>(b) paragraph 1a is inserted:</u></i>		
Article 1, first paragraph, point (2)(b), amending provision (Article 2)				
36b		<i><u>1a. For the purpose of this Regulation, only biofuels, bioliquids, and biomass fuels which comply with the sustainability and greenhouse gas emission savings criteria established by Directive (EU) 2018/2001 of the European Parliament and of the Council<sup>a</sup> can be considered to have zero emissions. If the share of biofuels and bioliquids, as well as the share of biomass fuels consumed</u></i>		



		<p><u><i>in transport, that is produced from food and feed crops is higher than the maximum share established in Article 26 of Directive (EU) 2018/2001, those fuels and liquids shall not be considered to have zero emissions for the purpose of this Regulation. By January 2024, the Commission shall, where appropriate, present to the European Parliament and the Council a legislative proposal to amend the rules concerning the greenhouse gas emissions determination and reporting requirements enshrined in the Regulation (EU) 2018/1999 pursuant to this Article.</i></u></p> <p><u><i>1a Directive (EU) 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable source (OJ L 328, 21.12.2018, p. 82).</i></u></p>		
Article 1, first paragraph, point (3), introductory part, amending provision (Article 4)				
37	(3) In Article 4, paragraphs 2 and 3 are replaced by the following:	(3) <del>In Article 4, paragraphs 2 and 3 are replaced by the following</del> <u>is amended as follows:</u>	(3) <del>In Article 4, paragraphs 2 and 3 are replaced by the following</del> <b>is amended as follows:</b>	

Article 1, first paragraph, point (3)(a), amending provision (Article 4)				
37a		<u>(a) paragraphs 2 and 3 are replaced by the following:</u>	(a) paragraphs 1, 2 and 3 are replaced by the following:	
Article 1, first paragraph, point (3), introductory part, amending provision (Article 4), amending provision, numbered paragraph (-1a)				
37b			<b>1. Each Member State shall, in 2030, limit its greenhouse gas emissions at least by the percentage set for that Member State in column 2 of Annex I in relation to its greenhouse gas emissions in 2005, determined pursuant to paragraph 3 of this Article.</b>	
Article 1, first paragraph, point (3) (a), amending provision (Article 4)				
38	2. Subject to the flexibilities provided for in Articles 5, 6 and 7 of this Regulation and the adjustment pursuant to its Article 10(2) and taking into account any deduction resulting from the application of Article 7 of Decision No 406/2009/EC, each Member State shall ensure that its greenhouse gas emissions:	2. Subject to the flexibilities provided for in Articles 5, 6 and 7 of this Regulation and the adjustment pursuant to its Article 10(2) and taking into account any deduction resulting from the application of Article 7 of Decision No 406/2009/EC, each Member State shall ensure that its greenhouse gas emissions:	2. Subject to the flexibilities provided for in Articles 5, 6 and 7 of this Regulation and the adjustment pursuant to its Article 10(2) <b>of this Regulation</b> , and taking into account any deduction resulting from the application of Article 7 of Decision No 406/2009/EC, each Member State shall ensure that its greenhouse gas emissions:	

Article 1, first paragraph, point (3)(a), amending provision (Article 4)				
39	(a) do not exceed, in the years 2021 and 2022, the limit defined by a linear trajectory, starting on the average of its greenhouse gas emissions during 2016, 2017 and 2018, as set out pursuant to paragraph 3 of this Article, and ending in 2030 at the limit set for that Member State in column 1 of Annex I to this Regulation. The linear trajectory of a Member State shall start either at five-twelfths of the distance from 2019 to 2020 or in 2020, whichever results in a lower allocation for that Member State;	(a) do not exceed, in the years 2021 and 2022, the limit defined by a linear trajectory, starting on the average of its greenhouse gas emissions during 2016, 2017 and 2018, as set out pursuant to paragraph 3 of this Article, and ending in 2030 at the limit set for that Member State in column 1 of Annex I to this Regulation. The linear trajectory of a Member State shall start either at five-twelfths of the distance from 2019 to 2020 or in 2020, whichever results in a lower allocation for that Member State;	(a) do not exceed, in the years 2021 and 2022, the limit defined by a linear trajectory, starting on the average of its greenhouse gas emissions <del>during</del> in 2016, 2017 and 2018, as set out pursuant to paragraph 3 of this Article, and ending in 2030 at the limit set for that Member State in column 1 of Annex I to this Regulation. The linear trajectory of a Member State shall start either at five-twelfths of the distance from 2019 to 2020 or in 2020, whichever results in a lower <b>annual emission</b> allocation for that Member State;	
Article 1, first paragraph, point (3)(a) amending provision (Article 4)				
40	(b) do not exceed, in the years 2023, 2024 and 2025, the limit defined by a linear trajectory starting in 2022 at the annual emission allocation for that Member State, as set out pursuant to paragraph 3 of this Article for that year, and ending in 2030 at the limit set for that Member State in column 2 of Annex I to this Regulation;	(b) do not exceed, in the years 2023, <del>2024 and 2025</del> <u>to 2030</u> , the limit defined by a linear trajectory starting <del>in 2022 at the annual emission allocation for that Member State</del> <u>on the average of its greenhouse gas emissions during 2016, 2017, and 2018</u> , as set out pursuant to paragraph 3 of this Article for that year, and ending in 2030 at the limit set for that	(b) do not exceed, in the years 2023, 2024 and 2025, the limit defined by a linear trajectory starting in 2022 at the annual emission allocation for that Member State, as set out pursuant to paragraph 3 of this Article for that year, and ending in 2030 at the limit set for that Member State in column 2 of Annex I to this Regulation;	

		Member State in column 2 of Annex I to this Regulation; <u><i>The linear trajectory of a Member State shall start either at five-twelfths of the distance from 2019 to 2020 or in 2020, whichever results in a lower allocation for that Member State</i></u>		
Article 1, first paragraph, point (3)(a), amending provision (Article 4)				
41	(c) do not exceed, in the years 2026 to 2030, the limit defined by a linear trajectory starting in 2024, at the average of its greenhouse gas emissions during the years 2021, 2022 and 2023, as submitted by the Member State pursuant to Article 26 of Regulation (EU) 2018/1999, and ending in 2030 at the limit set for that Member State in column 2 of Annex I to this Regulation.	<del>(c) do not exceed, in the years 2026 to 2030, the limit defined by a linear trajectory starting in 2024, at the average of its greenhouse gas emissions during the years 2021, 2022 and 2023, as submitted by the Member State pursuant to Article 26 of Regulation (EU) 2018/1999, and ending in 2030 at the limit set for that Member State in column 2 of Annex I to this Regulation.</del>	(c) do not exceed, in the years 2026 to 2030, the limit defined by a linear trajectory starting in <b>2022, at the annual allocation for that Member State, as set out pursuant to paragraph 3 of this Article for that year, or starting in 2024</b> , at the average of its greenhouse gas emissions during the years 2021, 2022 and 2023, as submitted by <del>the</del> <b>that</b> Member State pursuant to Article 26 of Regulation (EU) 2018/1999, <b>whichever results in a higher allocation for that Member State</b> , and ending in 2030 at the limit set for that Member State in column 2 of <b>the table in</b> Annex I to this Regulation.	

Article 1, first paragraph, point (3)(a), amending provision (Article 4)				
42	3. The Commission shall adopt implementing acts setting out the annual emission allocations for each Member State for the years from 2021 to 2030 in tonnes of CO <sub>2</sub> equivalent in accordance with the linear trajectories set out in paragraph 2.	3. The Commission shall adopt implementing acts <u>following close consultation with Member States</u> , setting out the annual emission allocations for each Member State for the years from 2021 to 2030 in tonnes of CO <sub>2</sub> equivalent in accordance with the linear trajectories set out in paragraph 2.	3. The Commission shall adopt implementing acts setting out the annual emission allocations for each Member State for the years from 2021 to 2030 in tonnes of CO <sub>2</sub> equivalent in accordance with the linear trajectories set out in paragraph 2 <b>of this Article</b> .	
Article 1, first paragraph, point (3)(a), amending provision (Article 4)				
43	For the years 2021 and 2022, it shall determine the annual emission allocations based on a comprehensive review of the most recent national inventory data for the years 2005 and 2016 to 2018 submitted by the Member States pursuant to Article 7 of Regulation (EU) No 525/2013 and indicate the value for the 2005 greenhouse gas emissions of each Member State used to determine those annual emission allocations.	For the years 2021 and 2022, it shall determine the annual emission allocations based on a comprehensive review of the most recent national inventory data for the years 2005 and 2016 to 2018 submitted by the Member States pursuant to Article 7 of Regulation (EU) No 525/2013 and indicate the value for the 2005 greenhouse gas emissions of each Member State used to determine those annual emission allocations.	For the years 2021 and 2022, <del>the</del> <b>Commission</b> shall determine the annual emission allocations based on a comprehensive review of the most recent national inventory data for the years 2005 and 2016, <b>2017 and</b> <del>to</del> 2018 submitted by the Member States pursuant to Article 7 of Regulation (EU) No 525/2013 and indicate the value for the 2005 greenhouse gas emissions of each Member State used to determine those annual emission allocations.	
Article 1, first paragraph, point (3)(a) amending provision (Article 4)				
44	For the years 2023, 2024 and 2025, it shall determine the annual	For the years 2023, <del>2024 and 2025</del> <u>to 2030</u> , it shall determine the	For the years 2023, 2024 and 2025, it shall determine the annual	

	emission allocations based on the value for the 2005 greenhouse gas emissions of each Member State indicated pursuant to the second subparagraph and the reviewed values of the national inventory data for the years 2016, 2017 and 2018 referred to in the second subparagraph.	annual emission allocations based on the value for the 2005 greenhouse gas emissions of each Member State indicated pursuant to the second subparagraph and the reviewed values of the national inventory data for the years 2016, 2017 and 2018 referred to in the second subparagraph.	emission allocations based on the value for the 2005 greenhouse gas emissions of each Member State indicated pursuant to the second subparagraph <b>of this paragraph and on</b> the reviewed values of the national inventory data for the years 2016, 2017 and 2018 referred to in the second subparagraph.	
Article 1, first paragraph, point (3)(a), amending provision (Article 4)				
45	For the years 2026 to 2030, it shall determine the annual emission allocations based on the value for the 2005 greenhouse gas emissions of each Member State indicated pursuant to the second subparagraph and on a comprehensive review of the most recent national inventory data for the years 2021, 2022 and 2023 submitted by the Member States pursuant to Article 26 of Regulation (EU) 2018/1999.	<del>For the years 2026 to 2030, it shall determine the annual emission allocations based on the value for the 2005 greenhouse gas emissions of each Member State indicated pursuant to the second subparagraph and on a comprehensive review of the most recent national inventory data for the years 2021, 2022 and 2023 submitted by the Member States pursuant to Article 26 of Regulation (EU) 2018/1999.</del>	For the years 2026 to 2030, it shall determine the annual emission allocations based on the value for the 2005 greenhouse gas emissions of each Member State indicated pursuant to the second subparagraph <b>of this paragraph and either on the reviewed values of the national inventory data for the years 2016, 2017 and 2018 referred to in the second subparagraph or</b> on a comprehensive review of the most recent national inventory data for the years 2021, 2022 and 2023 submitted by the Member States pursuant to Article 26 of Regulation (EU) 2018/1999, <b>whichever results in a higher allocation for that Member State.’;</b>	

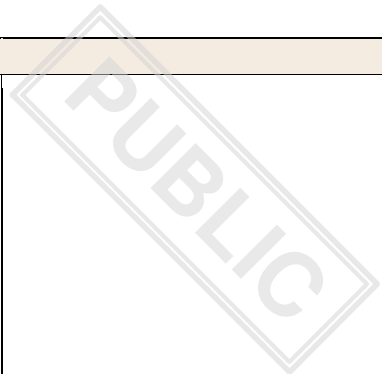
Article 1, first paragraph, point (3)(b), amending provision (Article 4)				
45a			(b) In paragraph 4, "Article 6(3)" is replaced by "Article 6(3), (3a) and (3b)".	
Article 1, first paragraph, point (3)(c), amending provision (Article 4)				
45b		<u>(c) paragraph 5a is inserted:</u>		
Article 1, first paragraph, point (3)(c), amending provision (Article 4)				
45c		<u>5a. The actions undertaken to limit the greenhouse gas emissions as set out in paragraphs 1, 2 and 3 shall be implemented in line with a fair and just transition for all. The Commission shall adopt common guidelines identifying methods to support Member States in implementing that fair and just transition for all.</u>		
Article 1, first paragraph, point (3a), introductory part (Article 4a)				
45d		<u>(3a) The following Article is inserted:</u>		

Article 1, first paragraph, point (3a), amending provision (Article 4a)			
45e		<p style="text-align: center;"><u>Article 4a</u></p> <p style="text-align: center;">"</p> <p style="text-align: center;"><u>Minimum emissions reduction contribution from non-CO<sub>2</sub> greenhouse gases for 2030</u></p>	
Article 1, first paragraph, point (3a), amending provision (Article 4a)			
45f		<p><u>1. By July 2023, the Commission shall, where appropriate, present to the European Parliament and the Council a legislative proposal setting one or more Union-wide targets for the reduction of non-CO<sub>2</sub> emissions covered by Article 2(1) of this Regulation by 2030. The target or targets shall be aligned with estimated emission reductions necessary for the fulfilment of the target set in Article 1 of this Regulation and the objective set in Article 2 of Regulation (EU) 2021/1119 and shall be proposed following close consultation with the Scientific Advisory Board on Climate Change.</u></p>	

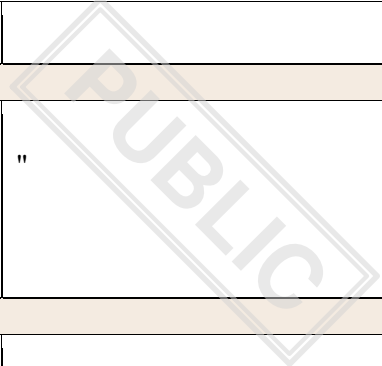
45g

2. By 31 July 2023, the Commission shall submit a report to the European Parliament and the Council, assessing the Union-wide non-CO<sub>2</sub> emissions reductions planned and implemented under relevant Union and national laws and policies, including the integrated national energy and climate plans pursuant to Regulation (EU) 2018/1999 and the Common Agricultural Policy Strategic Plans pursuant to Regulation (EU) 2021/2115 of the European Parliament and of the Council<sup>1a</sup>. Where the Commission presents a legislative proposal pursuant to paragraph 1 and assesses that the non-CO<sub>2</sub> emission reductions are not expected to reach the target or targets referred to in that paragraph, the Commission shall make recommendations for additional mitigation measures and Member States shall take appropriate actions.

1a. Regulation (EU) 2021/2115 of the European Parliament and of the Council of 2 December 2021 establishing rules on support for strategic plans to be drawn up by Member States under the common



		<a href="#"><u>agricultural policy (CAP Strategic Plans) and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) and repealing Regulations (EU) No 1305/2013 and (EU) No 1307/2013 (OJ L 435, 6.12.2021, p. 1).</u></a>		
Article 1, first paragraph, point (3a), amending provision (Article 4a)				
45h		<a href="#"><u>3. If the Commission concludes, in the report referred to in paragraph 2 of this Article or in its annual assessment under Article 26 of Regulation (EU) 2018/1999, that the Union is not making sufficient progress towards meeting the minimum emission contribution as regards the non-CO<sub>2</sub> emissions pursuant to Article 1 of this Regulation, the Commission shall, where appropriate, present legislative proposals to the European Parliament and the Council, which may include sectoral targets or sector specific measures, or both, to that effect.</u></a>	"	
Article 1, first paragraph, point (3b), introductory part (Article 5)				
45i		<a href="#"><u>(3b) Article 5 is amended as follows:</u></a>	(3a) Article 5 is amended as follows:	



Article 1, first paragraph, point (3b)(a), amending provision (Article 5)				
45j		" <u>(a) paragraphs 1, 2, 3 and 4 are replaced as follows:</u>	"	
Article 1, first paragraph, point (3b)(a), amending provision (Article 5)				
45k		<u>1. In respect of the years 2021 to 2029, a Member State may borrow a quantity of up to 5 % from its annual emission allocation for the following year."</u>		
Article 1, first paragraph, point (3b)(a), amending provision (Article 5)				
45l		<u>2. Deleted</u> <u>[In respect of the years 2026 to 2029, a Member State may borrow a quantity of up to 5 % from its annual emission allocation for the following year.]</u>		
Article 1, first paragraph, point (3b)(a), amending provision (Article 5)				
45m		<u>3. A Member State whose greenhouse gas emissions for a given year are below its annual emission allocation for that year, taking into account the use of</u>		



		<p><u>flexibilities pursuant to this Article and Article 6, may:</u></p> <p><u>(a) in respect of the year 2021, bank the excess part of its annual emission allocation up to a level of 5 % of its annual emission allocation to subsequent years until 2025 and</u></p> <p><u>(b) in respect of the years 2022 to 2024, bank the excess part of its annual emission allocation up to a level of 10 % of its annual emission allocations up to that year to subsequent years until 2025.</u></p> <p><u>(ba) in respect of the years 2026 to 2029, bank the excess part of its annual emission allocation up to a level of 10 % of its annual emission allocations up to that year to subsequent years until 2030.</u></p>		
Article 1, first paragraph, point (3b)(a), amending provision (Article 5)				
45n		<p><u>4. A Member State may transfer up to 5 % of its annual emission allocation for a given year to other Member States in respect of the years 2021 to 2025. The receiving Member State may use that</u></p>	<p>(a) in paragraph 4, "5%" is replaced by "10%" and "10% is replaced by "20%";'</p>	



		<p><u>quantity for compliance under Article 9 for the given year or for subsequent years until 2025.</u></p> <p><u>A Member State may transfer up to 5 % of its annual emission allocation for a given year to other Member States in respect of the years 2026 to 2030. The receiving Member State may use that quantity for compliance under Article 9 for the given year or for subsequent years until 2030.</u></p> <p><u>Member States shall inform the Commission of any actions taken pursuant to this paragraph, and the transfer price per tonne of CO<sub>2</sub> equivalent.</u></p>		
Article 1, first paragraph, point (3b)(b), amending provision (Article 5)				
45o			<b>(b) the following paragraph is inserted:</b>	
Article 1, first paragraph, point (3b)(b), amending provision (Article 5)				
45p			<b>5a. ‘Before any effective transfer of annual emission allocations pursuant to paragraphs 4 and 5, a Member State shall inform, in electronic form, the Climate Change Committee of its</b>	

			intention to proceed to a transfer of part of its annual emission allocation for a given year.' "	
Article 1, first paragraph, point (3b)(c), amending provision (Article 5)				
45q		<u>(c) paragraph 6 is replaced by the following:</u>		
Article 1, first paragraph, point (3b)(c), amending provision (Article 5)				
45r		<u>6. Member States shall use revenues generated by transfers of annual emission allocations pursuant to paragraphs 4 and 5 to tackle climate change in the Union or in third countries. Member States shall inform the Commission of any actions taken pursuant to this paragraph and shall make this information public in an easily accessible form. A Member State which transfers annual emissions allocations to another Member State shall publish the record of the transfer and make public the remuneration received for those allocations.</u> "		

Article 1, first paragraph, point (4), introductory part (Article 6)				
46	(4) in Article 6 the following paragraph 3a is inserted:	(4) <del>in</del> -Article 6 <del>the following paragraph 3a is inserted</del> <u>is amended as follows:</u>	(4) <del>in</del> -Article 6 the following paragraph 3a is inserted <u>is amended as follows:</u>	
Article 1, first paragraph, point (4)(a), amending provision (Article 6)				
46a		<u>(a) subparagraph 2 of paragraph 3 is replaced by the following:</u>	<b>(a) In the second paragraph of paragraph 3, the word "downwards" is deleted.</b>	
Article 1, first paragraph, point (4)(a), amending provision (Article 6)				
46b		<u>The Member States listed in Annex II may decide to revise their notification decision by 2023 and to revise the notified percentage downwards once in 2024 and once in 2027. In such case, the Member State concerned shall notify the Commission thereof by 31 December 2023, by 31 December 2024 or by 31 December 2027, respectively.</u>		
Article 1, first paragraph, point (4)(b), amending provision (Article 6)				
46c		<u>(b) the following paragraph 3a is inserted</u>	<b>(b) the following paragraphs 3a and 3b are inserted:</b>	

Article 1, first paragraph, point (4)(b), amending provision (Article 6)				
47	3a. Malta shall notify the Commission by 31 December 2023 if it intends to make use of the limited cancellation of EU ETS allowances referred to in paragraph 1, up to the percentage listed in Annex II for each of the years 2025 to 2030 for its compliance under Article 9.	3a. Malta shall notify the Commission by 31 December 2023 if it intends to make use of the limited cancellation of EU ETS allowances referred to in paragraph 1, up to the percentage listed in Annex II for each of the years 2025 to 2030 for its compliance under Article 9.	3a. Malta shall notify the Commission by 31 December 2023 if it intends to make use of the limited cancellation of EU ETS allowances referred to in paragraph 1, up to the percentage listed in Annex II for each of the years 2025 to 2030 for its compliance under Article 9.	
Article 1, first paragraph, point (4)(b), amending provision (Article 6)				
47a			<b>3b. Notwithstanding paragraph 3, the Member States listed in Annex II which have not notified the Commission by 31 December 2019 of an intention to make use of the limited cancellation of EU ETS allowances referred to in paragraph 1 of this Article shall notify the Commission by 31 December 2023 if they intend to make use of the limited cancellation of EU ETS allowances referred to in paragraph 1 of this Article, up to the percentage listed in Annex II for each year of the period from</b>	

			<b>2025 to 2030 for each Member State concerned, for its compliance under Article 9.’;</b>	
Article 1, first paragraph, point (4)(c), amending provision (Article 6)				
47b			<b>(c) The following is inserted at the end of paragraph 4:</b>	
Article 1, first paragraph, point (4)(c), amending provision (Article 6)				
47c			<b>‘One-sixth of the total quantity of EU ETS allowances determined pursuant to Article 4(4) of this Regulation shall be cancelled pursuant to Article 12(4) of Directive 2003/87/EC for each year from 2025 to 2030 for Member States that have notified the Commission pursuant to paragraphs 3a and 3b of this Article.’</b>	
Article 1, first paragraph, point (5), introductory part (Article 7)				
48	(5) Article 7 is amended as follows:	(5) Article 7 is amended as follows:	(5) Article 7 is amended as follows:	

Article 1, first paragraph, point (5)(a), introductory part, amending provision (Article 7)				
49	(a) the title is replaced by the following:	(a) the title is replaced by the following:	(a) the title is replaced by the following:	
Article 1, first paragraph, point (5)(b), title, amending provision (Article 7)				
50	‘ Additional use of net removals from LULUCF ’	‘ Additional use of net removals from LULUCF ’	‘ Additional use of net removals from LULUCF ’	
Article 1, first paragraph, point (5)(b), introductory part (Article 7)				
51	(b) paragraph 1 is amended as follows:	(b) paragraph 1 is amended as follows:	(b) paragraph 1 is amended as follows:	
Article 1, first paragraph, point (5)(b)(i) (Article 7)				
52	(i) the introductory sentence is replaced by the following:	(i) the introductory sentence is replaced by the following:	(i) the introductory sentence is replaced by the following:	
Article 1, first paragraph, point (5)(b)(i), amending provision (Article 7)				
53	‘ To the extent that a Member State’s greenhouse gas emissions exceed its annual emission allocations for a given year, ’	‘ To the extent that a Member State’s greenhouse gas emissions exceed its annual emission allocations for a given year, ’	‘To the extent that a Member State’s greenhouse gas emissions exceed its annual emission allocations for a given year, ’	

	including any annual emission allocations banked pursuant to Article 5(3) of this Regulation, a quantity up to the sum of total net removals and total net emissions from the combined land accounting categories included in the scope of Regulation (EU) 2018/841, may be taken into account for its compliance under Article 9 of this Regulation for that year, provided that:.	including any annual emission allocations banked pursuant to Article 5(3) of this Regulation, a quantity up to the sum of total net removals and total net emissions from the combined land accounting categories included in the scope of Regulation (EU) 2018/841, may be taken into account for its compliance under Article 9 of this Regulation for that year, provided that:.	including any annual emission allocations banked pursuant to Article 5(3) of this Regulation, a quantity up to the sum of total net removals and total net emissions from the combined land accounting categories included in the scope of Regulation (EU) 2018/841, may be taken into account for its compliance under Article 9 of this Regulation for that year, provided that:.	
Article 1, first paragraph, point (5)(b)(ii), introductory part (Article 7)				
54	(ii) point (a) is replaced by the following:	(ii) point (a) is replaced by the following:	(ii) point (a) is replaced by the following:	
Article 1, first paragraph, point (5)(b)(ii), amending provision (Article 7)				
55	(a) the cumulative quantity taken into account for that Member State for the years 2021 to 2025 does not exceed half of the maximum amount of total net removals set out in Annex III to this Regulation for that Member State;	(a) the cumulative quantity taken into account for that Member State for the years 2021 to 2025 does not exceed half of the maximum amount of total net removals set out in Annex III to this Regulation for that Member State;	(a) the cumulative quantity taken into account for that Member State for the years 2021 to 2025 does not exceed half of the maximum amount of total net removals set out in Annex III to this Regulation for that Member State;	

Article 1, first paragraph, point (5)(b)(ii), amending provision (Article 7)				
56	(aa) the cumulative quantity taken into account for that Member State for the years 2026 to 2030 does not exceed half of the maximum amount of total net removals set out in Annex III to this Regulation for that Member State;.	(aa) the cumulative quantity taken into account for that Member State for the years 2026 to 2030 does not exceed half of the maximum amount of total net removals set out in Annex III to this Regulation for that Member State;.	(aa) the cumulative quantity taken into account for that Member State for the years 2026 to 2030 does not exceed half of the maximum amount of total net removals set out in Annex III to this Regulation for that Member State;.	
Article 1, first paragraph, point (5)(b)(iii), amending provision (Article 7)				
57	(iii) paragraph 2 is deleted.	(iii) paragraph 2 is deleted.	(iii) paragraph 2 is deleted.	
Article 1, first paragraph, point (5a), introductory part, amending provision (Article 8)				
57a		<u>(5a) Article 8 is replaced by the following:</u>		
Article 1, first paragraph, point (5a), amending provision (Article 8, title)				
57b		" <u>Article 8</u> <u>Corrective action</u>		
Article 1, first paragraph, point (5a), amending provision (Article 8)				
57c		<u>1. If the Commission finds, in its</u>		

		<u>annual assessment under Article 29 of Regulation (EU) 2018/1999 and taking into account the intended use of the flexibilities referred to in Articles 5, 6 and 7 of this Regulation, that a Member State is not making sufficient progress towards meeting its obligations under Article 4 of this Regulation, that Member State shall, within three months, submit to the Commission a corrective action plan that includes:</u>		
Article 1, first paragraph, point (5a), amending provision (Article 8)				
57d		<u>(-a) a detailed explanation identifying the reasons for which the Member State is failing to make sufficient progress towards meeting its obligations under Article 4 of this Regulation;</u>		
Article 1, first paragraph, point (5a), amending provision (Article 8)				
57e		<u>(-ab) the total amount of Union funding the Member State has received for spending and investments related to climate and the green transition, how the use of that funding has contributed to meeting its obligations under Article 4 of this Regulation, and</u>		



		<u>how it intends to use such funding for the purpose of meeting those obligations;</u>		
Article 1, first paragraph, point (5a), amending provision (Article 8)				
57f		<u>(a) additional actions that the Member State shall implement in order to meet its specific obligations under Article 4 of this Regulation, through domestic policies and measures and the implementation of Union action;</u>		
Article 1, first paragraph, point (5a), amending provision (Article 8)				
57g		<u>(b) a strict timetable for implementing such actions, which enables the assessment of annual progress in implementation; where a Member State has established a national climate advisory body, it shall seek the advice of this body to identify necessary actions;</u>		
Article 1, first paragraph, point (5a), amending provision (Article 8)				
57h		<u>(ba) a statement of the quantity of additional emission reductions which the Member State estimates will be achieved by those policies</u>		

		<u>and the method used to estimate those additional emission reductions;</u>		
Article 1, first paragraph, point (5a), amending provision (Article 8)				
57i		<u>(bb) how the corrective action plan will strengthen the Member State's integrated national energy and climate plan adopted under Regulation (EU) 2018/1999.</u>		
Article 1, first paragraph, point (5a), amending provision (Article 8)				
57j		<u>1a. If a Member State exceeds its annual emission allocation in two or more consecutive years it shall undertake a review of its integrated national energy and climate plan and its long-term strategy under Regulation (EU) 2018/1999. The Member State shall complete that review within 6 months. The Commission shall issue recommendations identifying how the integrated national energy and climate plan or national long-term strategy, or both, is to be revised. The Member State shall notify the revised plans to the Commission together with a statement setting out how the proposed revisions are to remedy</u>		



		<p><u><i>non-compliance with the its annual emission allocations and how it has responded to the Commission's recommendations where relevant. If the integrated national energy and climate plan or long-term strategy remains substantially unaltered, the Member State shall publish an explanation setting out its reasoning.</i></u></p>		
Article 1, first paragraph, point (5a), amending provision (Article 8)				
57k		<p><u><i>2. In accordance with its annual work programme, the European Environment Agency and the Scientific Advisory Board on Climate Change established in Article 3 of Regulation (EU) 2021/1119 shall assist the Commission in its work to assess any corrective action plans.</i></u></p>		
Article 1, first paragraph, point (5a), amending provision (Article 8)				
57l		<p><u><i>3. The Commission shall issue an opinion regarding the robustness of the corrective action plans submitted in accordance with paragraph 1 and shall in that case do so within four months of receipt of those plans. The</i></u></p>		

		<u>Member State concerned shall take utmost account of the Commission's opinion and shall revise its corrective action plan. If the Member State concerned does not address the recommendation or a substantial part thereof, that Member State shall provide a justification to the Commission.</u>		
Article 1, first paragraph, point (5a), amending provision (Article 8)				
57m		<u>3a. The corrective action plans and Commission opinions as well as answers and justifications received from Member States referred to in paragraphs 1, 1a and 3 shall be accessible to the public.</u>		
Article 1, first paragraph, point (5a), amending provision (Article 8)				
57n		<u>3b. When updating their integrated national energy and climate plan under Article 14 of Regulation EU (2018)1999, Member States shall make references to their corrective action plans pursuant to paragraphs 1 and 1a and any opinions issued by the Commission under this Article, as appropriate.</u>		

			"	
Article 1, first paragraph, point (6), introductory part (Article 9)				
58	(6) In Article 9, paragraph 2 is replaced by the following:	(6) In Article 9, paragraph 2 is replaced by the following:	(6) In Article 9, paragraph 2 is replaced by the following:	
Article 1, first paragraph, point (6), amending provision (Article 9)				
59	2. If the greenhouse gas emissions of a Member State in the period from 2021 to 2025 referred to in Article 4 of Regulation (EU) 2018/841 exceeded its removals, as determined in accordance with Article 12 of that Regulation, the Central Administrator shall deduct from that Member State's annual emission allocations an amount equal to those excess greenhouse gas emissions in tonnes of CO <sub>2</sub> equivalent for the relevant years..	2. If the greenhouse gas emissions of a Member State in <i>either</i> the period from 2021 to 2025 <i>or the period from 2026 to 2030</i> referred to in Article 4 of Regulation (EU) 2018/841 exceeded its removals, as determined in accordance with Article 12 of that Regulation, the Central Administrator shall deduct from that Member State's annual emission allocations an amount equal to those excess greenhouse gas emissions in tonnes of CO <sub>2</sub> equivalent for the relevant years..	2. If the greenhouse gas emissions of a Member State in the period from 2021 to 2025 referred to in Article 4 of Regulation (EU) 2018/841 exceeded its removals, as determined in accordance with Article 12 of that Regulation, the Central Administrator shall deduct from that Member State's annual emission allocations an amount equal to those excess greenhouse gas emissions in tonnes of <del>CO<sub>2</sub></del> CO <sub>2</sub> equivalent for the relevant years.'	
Article 1, first paragraph, point (7), introductory part (Article 11a)				
60	(7) The following article is inserted:	(7) <del>The following article is inserted:</del>	(7) The following article is inserted:	

Article 1, first paragraph, point (7), amending provision (Article 11a)				
61	Article 11a	<del>Article 11a</del>	Article 11a	
Article 1, first paragraph, point (7), amending provision (Article 11a, title)				
62	Additional reserve	<del>Additional reserve</del>	Additional reserve	
Article 1, first paragraph, point (7), amending provision (Article 11a)				
63	1. If, by 2030, the Union has reduced net greenhouse gas emissions by at least 55% compared to 1990 levels in compliance with Article 3 of Regulation (EU) 2021/1119 of the European Parliament and of the Council**, and taking into account the maximum limit of the contribution of net removals, an additional reserve shall be established in the Union Registry.	<del>1. If, by 2030, the Union has reduced net greenhouse gas emissions by at least 55% compared to 1990 levels in compliance with Article 3 of Regulation (EU) 2021/1119 of the European Parliament and of the Council**, and taking into account the maximum limit of the contribution of net removals, an additional reserve shall be established in the Union Registry.</del>	1. If, by 2030, the Union has reduced net greenhouse gas emissions by at least 55% compared to 1990 levels in compliance with Article 34 of Regulation (EU) 2021/1119 of the European Parliament and of the Council**, and taking into account the maximum limit of the contribution of net removals, an additional reserve shall be established in the Union Registry.	
Article 1, first paragraph, point (7), amending provision (Article 11a)				
64	2. Member States which decide to neither contribute nor benefit from the additional reserve shall notify their decision to the Commission no later than six months after the	<del>2. Member States which decide to neither contribute nor benefit from the additional reserve shall notify their decision to the Commission no later than six months after the</del>	2. Member States which decide to neither contribute to nor benefit from the additional reserve shall notify their decision to the Commission no later than	

	entry into force of this Regulation.	<del>entry into force of this Regulation.</del>	sixtwelve months after the <b>date of</b> entry into force of this <b>amending</b> Regulation.	
Article 1, first paragraph, point (7), amending provision (Article 11a)				
65	3. The additional reserve shall consist of the net removals that participating Member States have generated in the period 2026 to 2030 in excess of their respective targets pursuant to Regulation (EU) 2018/841, after deduction of both of the following:	<del>3. The additional reserve shall consist of the net removals that participating Member States have generated in the period 2026 to 2030 in excess of their respective targets pursuant to Regulation (EU) 2018/841, after deduction of both of the following:</del>	3. The additional reserve shall consist of the net removals that participating Member States have generated in the period <b>from</b> 2026 to 2030 in excess of their respective targets pursuant to Regulation (EU) 2018/841, after deduction of <del>both of the following:</del>	
Article 1, first paragraph, point (7), amending provision (Article 11a)				
66	(a) any flexibilities used under Articles 11 to 13b of Regulation (EU) 2018/841;	<del>(a) any flexibilities used under Articles 11 to 13b of Regulation (EU) 2018/841;</del>	(a) any flexibilities used under Articles 11 to 13b of Regulation (EU) 2018/841; <b>and</b>	
Article 1, first paragraph, point (7), amending provision (Article 11a)				
67	(b) the quantities taken into account for compliance pursuant to Article 7 of this Regulation.	<del>(b) the quantities taken into account for compliance pursuant to Article 7 of this Regulation.</del>	(b) the quantities taken into account for compliance pursuant to Article 7 of this Regulation.	
Article 1, first paragraph, point (7), amending provision (Article 11a)				
68	4. If an additional reserve is set up pursuant to paragraph 1, a	<del>4. If an additional reserve is set up pursuant to paragraph 1, a</del>	4. If an additional reserve is set up pursuant to paragraph 1, a	

	participating Member State may benefit from it if the following conditions are fulfilled:	<i>participating Member State may benefit from it if the following conditions are fulfilled:</i>	participating Member State may benefit from it if the following conditions are fulfilled:	
Article 1, first paragraph, point (7), amending provision (Article 11a)				
69	(a) the greenhouse gas emissions of the Member State exceed its annual emission allocations in the period from 2026 to 2030;	(a) <i>the greenhouse gas emissions of the Member State exceed its annual emission allocations in the period from 2026 to 2030;</i>	(a) the greenhouse gas emissions of <del>the</del> that Member State exceed its annual emission allocations in the period from 2026 to 2030;	
Article 1, first paragraph, point (7), amending provision (Article 11a)				
70	(b) the Member State has exhausted the flexibilities pursuant to Article 5(2) and (3);	(b) <i>the Member State has exhausted the flexibilities pursuant to Article 5(2) and (3);</i>	(b) <del>the</del> that Member State has exhausted the flexibilities pursuant to Article 5(2) and (3);	
Article 1, first paragraph, point (7), amending provision (Article 11a)				
71	(c) the Member State has made the maximum use possible of net removals in accordance with Article 7, even if that quantity does not reach the level set in Annex III; and	(c) <i>the Member State has made the maximum use possible of net removals in accordance with Article 7, even if that quantity does not reach the level set in Annex III; and</i>	(c) <del>the</del> that Member State has made the maximum use possible of net removals in accordance with Article 7, even if <del>that</del> the quantity <b>of those net removals</b> does not reach the level set in Annex III; <b>and.</b>	
Article 1, first paragraph, point (7), amending provision (Article 11a)				
72	(d) the Member State has made no net transfers to other Member	(d) <i>the Member State has made no net transfers to other Member</i>	<i>deleted</i>	

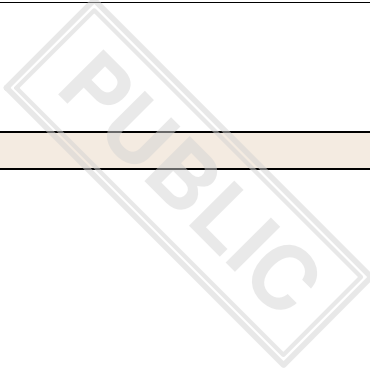
	States under Article 5.	<del>States under Article 5.</del>		
Article 1, first paragraph, point (7), amending provision (Article 11a)				
73	5. If a Member States fulfils the conditions set out in paragraph 4, it shall receive an additional quantity from the additional reserve up to its shortfall to be used for compliance under Article 9.	<del>5. If a Member States fulfils the conditions set out in paragraph 4, it shall receive an additional quantity from the additional reserve up to its shortfall to be used for compliance under Article 9.</del>	5. If a Member StatesState fulfils the conditions set out in paragraph 4 <b>of this Article</b> , it shall receive an additional quantity from the additional reserve up to its shortfall to be used for compliance under Article 9 <b>after deduction of any net transfers to other Member States under Article 5.</b>	
Article 1, first paragraph, point (7), amending provision (Article 11a)				
74	If the resulting collective quantity to be received by all of the Member States which fulfil the conditions set out in paragraph 4 of this Article exceeds the quantity allocated to the additional reserve under paragraph 3 of this Article, the quantity to be received by each of those Member States shall be reduced on a pro rata basis.'	<del>If the resulting collective quantity to be received by all of the Member States which fulfil the conditions set out in paragraph 4 of this Article exceeds the quantity allocated to the additional reserve under paragraph 3 of this Article, the quantity to be received by each of those Member States shall be reduced on a pro rata basis.'</del>	If the resulting collective quantity to be received by all of the Member States which fulfil the conditions set out in paragraph 4 of this Article exceeds the quantity allocated to the additional reserve under paragraph 3 of this Article, the quantity to be received by each of those Member States shall be reduced on a pro rata basis.'	
Article 1, first paragraph, point (7), amending provision (Article 11a, footnote)				
75	** Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021	<del>** Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021</del>	** Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021	

	establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law') (OJ L 243, 9.7.2021, p. 1).	<del>establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law') (OJ L 243, 9.7.2021, p. 1).</del>	establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law') (OJ L 243, 9.7.2021, p. 1).	
Article 1, first paragraph, point (7a), introductory part (Article 12)				
75a			<b>(7a) Article 12 is amended as follows:</b>	
Article 1, first paragraph, point (7a)(a), amending provision (Article 12)				
75b			<b>(a) in point (d), the word "and" is deleted;</b>	
Article 1, first paragraph, point (7a)(b), amending provision (Article 12)				
75c			<b>(b) in point (e), the full stop is replaced by a semicolon;</b>	
Article 1, first paragraph, point (7a)(c), amending provision (Article 12)				
75d			<b>(c) the following point is inserted:</b>	

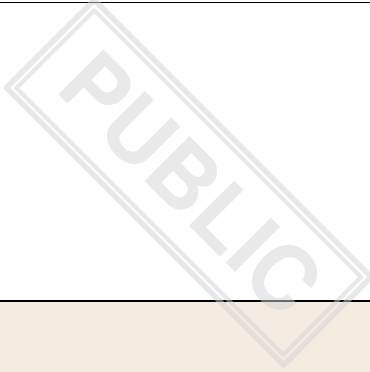
Article 1, first paragraph, point (7a)(c), amending provision (Article 12)				
75e			(ea) the additional reserve under Article 11a.?	
Article 1, first paragraph, point (7b), introductory part (Article 15)				
75f		<u>(7b) Article 15 is replaced by the following:</u>	(7b) In Article 15, paragraph 2 is replaced by the following:	
Article 1, first paragraph, point (7b), amending provision (Article 15, title)				
75g		" <u>Article 15</u>  <u>Review</u>		
Article 1, first paragraph, point (7b), amending provision (Article 15)				
75h		<u>1. This Regulation shall be kept under review taking into account, inter alia, evolving national circumstances, the manner in which all sectors of the economy contribute to the reduction of greenhouse gas emissions, international developments and efforts undertaken to achieve the long-term objectives of the Paris Agreement and Regulation (EU) 2021/1119.</u>		

Article 1, first paragraph, point (7b), amending provision (Article 15)				
75i		<p><u><i>2. The Commission shall submit a report to the European Parliament and to the Council, within six months of each global stocktake agreed under Article 14 of the Paris Agreement, on the operation of this Regulation, including the balance between supply and demand for annual emission allocations, as well as on the contribution of this Regulation to the Union's climate-neutrality objective and the Union's intermediate climate targets pursuant to Articles 2 and 4 of Regulation (EU) 2021/1119 and its contribution to the goals of the Paris Agreement, in particular with regard to the need for additional Union policies and measures in view of the necessary greenhouse gas emission reductions by the Union and its Member States, including a post-2030 framework, and may make proposals if appropriate.</i></u></p>	<p>"</p> <p><b>2. The Commission shall submit a report to the European Parliament and to the Council, within six months of each global stocktake agreed under Article 14 of the Paris Agreement, on the operation of this Regulation, including the balance between supply and demand for annual emission allocations, as well as on the contribution of this Regulation to the Union's overall 2030 greenhouse gas emission reduction target, its contribution to the objective of climate neutrality within the Union at the latest by 2050, and its contribution to the goals of the Paris Agreement, in particular with regard to the need for additional Union policies and measures in view of the necessary greenhouse gas emission reductions by the Union and its Member States, including a post-2030 framework, and may make proposals if appropriate.</b></p> <p>"</p>	

Article 1, first paragraph, point (7b) , amending provision (Article 15)				
75j		<u><i>Those reports shall take into account the strategies prepared pursuant to Article 15 of Regulation (EU) No 2018/1999 with a view to contributing to the formulation of a long-term Union strategy.</i></u>	Those reports shall take into account the strategies prepared pursuant to Article 4 of Regulation (EU) No 525/2013 with a view to contributing to the formulation of a long-term Union strategy.’	
Article 1, first paragraph, point (7c), introductory part (Article 15a)				
75k		<u><i>(7c) The following article is inserted:</i></u>		
Article 1, first paragraph, point (7c), amending provision (Article 15a, title)				
75l		” <u><i>Article 15a</i></u> <u><i>Alignment with Union and Member State climate-neutrality objective</i></u>		
Article 1, first paragraph, point (7c), amending provision (Article 15a)				
75m		<u><i>1. By the adoption of the legislative act establishing the Union's 2040 climate target pursuant to Article 4(3) of Regulation (EU) 2021/1119, the Commission shall submit a report</i></u>		



		<u>to the European Parliament and the Council which sets out:</u>		
Article 1, first paragraph, point (7c), amending provision (Article 15a)				
75n		<u>(a) the suitability of the current national targets under Annex I of this Regulation as regards their contribution to achieving the objective of climate neutrality by 2050 at the latest under Regulation (EU) 2021/1119 in a cost-effective and fair manner;</u>		
Article 1, first paragraph, point (7c), amending provision (Article 15a)				
75o		<u>(b) a reduction pathway for each Member State of the greenhouse gas emissions covered by this Regulation that is compatible with the objective of climate neutrality for each Member State by 2050 at the latest.</u>		
Article 1, first paragraph, point (7c), amending provision (Article 15a)				
75p		<u>2. Within six months of the publication of the report referred to in paragraph 1, the Commission shall make proposals to limit greenhouse gas emissions for the sectors covered by this</u>		



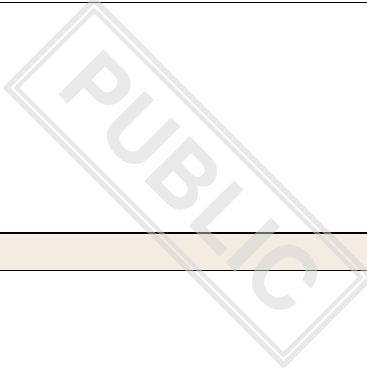
		<p><u>Regulation. Those proposals shall ensure the cost-effective and fair distribution of reduction efforts across the Union based on the reduction pathways referred to in paragraph 1, point (b).</u></p>		
Article 1, first paragraph, point (7d), introductory part, amending provision (Article 15b)				
75q		<p><u>(7d) The following article is inserted:</u></p>		
Article 1, first paragraph, point (7d), amending provision (Article 15b, title)				
75r		<p><u>Article 15b</u></p> <p>"</p> <p><u>Access to justice</u></p>		
Article 1, first paragraph, point (7d), amending provision (Article 15b)				
75s		<p><u>1. Member States shall ensure that, in accordance with their national legal system, members of the public concerned who meet the conditions set out in paragraph 2, including natural or legal persons or their associations, organisations or groups, have access to a review procedure before a court of law, or another</u></p>		



		<p><u>independent and impartial body established by law, to challenge the substantive or procedural legality of decisions, acts and omissions:</u></p> <p><u>(a) that fail to comply with the legal obligations provided for in Articles 4 to 8 of this Regulation;</u> <u>or</u></p> <p><u>(b) that are subject to Article 10 of Regulation (EU) 2018/1999.</u></p> <p><u>For the purposes of this paragraph, an act or omission that fails to comply with legal obligations arising under Articles 4 or 8 includes an act or omission with respect to a policy or measure adopted for the purposes of implementing those obligations, where that policy or measure fails to make a sufficient contribution to such implementation.</u></p>		
Article 1, first paragraph, point (7d), amending provision (Article15b)				
75t		<p><u>2. Members of the public concerned shall be deemed to meet the conditions referred to in paragraph 1 where:</u></p> <p><u>(a) they have sufficient interest;</u></p>		



		<p><u>or</u></p> <p><u>(b) they maintain impairment of a right, where administrative procedural law of a Member State requires that as a precondition.</u></p> <p><u>What constitutes a sufficient interest shall be determined by Member States consistently with the objective of giving the members of the public concerned wide access to justice and in conformity with the Aarhus Convention. To that end, the interest of any non-governmental organisation promoting environmental protection and meeting any requirements under national law shall be deemed to have sufficient interest for the purposes of this paragraph.</u></p>		
Article 1, first paragraph, point (7d), amending provision (Article 15b)				
75u		<p><u>3. Paragraphs 1 and 2 shall not exclude the possibility of being able to have recourse to a preliminary review procedure before an administrative authority and shall not affect the requirement to exhaust administrative review procedures prior to having recourse to</u></p>		



		<u>judicial review procedures, where such a requirement exists under national law. Any such procedure shall be fair, equitable, timely and not prohibitively expensive.</u>		
Article 1, first paragraph, point (7d), amending provision (Article 15b)				
75v		<u>4. Member States shall ensure that practical information is made easily available to the public on access to administrative and judicial review procedures.</u> "		
Article 1, first paragraph, point (7e), introductory part, amending provision (Article 16a)				
75w		<u>(7e) The following article is inserted:</u>		
Article 1, first paragraph, point (7e), amending provision (Article 16a, title)				
75x		" <u>Article 16a</u> <u>Scientific advice regarding ESR/CARE sectors</u>		
Article 1, first paragraph, point (7e), amending provision (Article 16a)				
75y		<u>In line with its mandate set out</u>		

		<p><u>under Article 3(2) of Regulation (EU) 2021/1119, the European Scientific Advisory Board on Climate Change (ESABCC) shall be invited, on its own initiative, to provide scientific advice and issue reports on the trajectory of this Regulation, annual emissions levels and flexibilities, and their consistency with the climate objectives, in particular with a view to informing any subsequent revision of the this Regulation. The Commission shall take due account of the ESABCC's advice or publicly justify the reasons for disregarding it.</u></p>		
Article 1, first paragraph, point (8), amending provision (Annex I)				
76	(8) Annex I to Regulation (EU) 2018/842 is replaced by the text in the Annex to this Regulation;	(8) Annex I to Regulation (EU) 2018/842 is replaced by the text in the Annex to this Regulation;	(8) Annex I to Regulation (EU) 2018/842 is replaced by the text in the Annex to this Regulation;	
Article 1, first paragraph, point (9), introductory part, amending provision (Annex II)				
77	(9) In Annex II the entry for Malta is replaced by the following:	(9) In Annex II the entry for Malta is replaced by the following:	(9) In Annex II–, the entry for Malta is replaced by the following:	



Article 1, first paragraph, point (9), Table 1, Column 1, Row 1 (Annex II)				
78				
Article 1, first paragraph, point (9), Table 1, Column 1, Row 2 (Annex II)				
79	“Malta	“Malta	“Malta	
Article 1, first paragraph, point (9), Table 1, Column 2, Row 1 (Annex II)				
80	Maximum percentage of 2005 greenhouse gas emissions determined in accordance with Article 4(3)	Maximum percentage of 2005 greenhouse gas emissions determined in accordance with Article 4(3)	Maximum percentage of 2005 greenhouse gas emissions determined in accordance with Article 4(3)	
Article 1, first paragraph, point (9), Table 1, Column 2, Row 2 (Annex II)				
81	7%”	7%”	7%”	
Article 1, first paragraph, point (10), introductory part (Annex III)				
82	(10) The title of Annex III is replaced by the following:	(10) The title of Annex III is replaced by the following:	(10) <del>The title of Annex III is replaced by the following</del> <b>amended as follows:</b>	
Article 1, first paragraph, point (10), amending provision (Annex III)				
82a			(a) <b>The title of Annex III is</b>	

			<b>replaced by the following:</b>	
Article 1, first paragraph, point (10), amending provision (Annex III, title)				
83	‘ TOTAL NET REMOVALS FROM THE CATEGORIES OF LAND COVERED BY REGULATION (EU) 2018/841 THAT MEMBER STATES MAY TAKE INTO ACCOUNT FOR COMPLIANCE FOR THE PERIOD 2021 TO 2030 PURSUANT TO POINT (a) OF ARTICLE 7(1) OF THIS REGULATION ’	‘ TOTAL NET REMOVALS FROM THE CATEGORIES OF LAND COVERED BY REGULATION (EU) 2018/841 THAT MEMBER STATES MAY TAKE INTO ACCOUNT FOR COMPLIANCE FOR THE PERIOD 2021 TO 2030 PURSUANT TO POINT (a) OF ARTICLE 7(1) OF THIS REGULATION ’	‘TOTAL NET REMOVALS FROM THE CATEGORIES OF LAND COVERED BY REGULATION (EU) 2018/841 THAT MEMBER STATES MAY TAKE INTO ACCOUNT FOR COMPLIANCE FOR THE PERIOD 2021 TO 2030 PURSUANT TO <del>POINT (a)</del> <b>POINTS (a) and (aa)</b> OF ARTICLE 7(1) OF THIS REGULATION’;	
Article 1, first paragraph, point (10), amending provision (Annex III)				
83a			<b>(b) The entry for the United Kingdom is deleted;</b>	
Article 1, first paragraph, point (10), amending provision (Annex III)				
83b			<b>(c) In the last row of the table, "280" is replaced by "262,2".</b>	

Article 1a, amending proposal				
83c			<b>Article 2 Amendments to Regulation (EU) 2018/1999</b>	
Article 1a, amending proposal				
83d			<b>Regulation (EU) 2018/1999 is amended as follows:</b>	
Article 1a, amending proposal				
83e			<b>(a) In Article 26, paragraph 3 is replaced by the following:</b>	
Article 1a, amending proposal				
83f			<b>3. From 2023, Member States shall determine and report to the Commission final greenhouse gas inventory data by 15 March each year (year X) and preliminary data by 15 January each year, including the greenhouse gases and the inventory information listed in Annex V. The report on the final greenhouse gas inventory data shall also include a complete and up-to-date national inventory report.</b>	

			<p><b>Within three months of receiving the reports, the Commission shall make the information referred to in point (n) of Part I of Annex V available in electronic form to the Climate Change Committee referred to in point (a) of Article 44(1).’;</b></p>	
Article 1a, amending proposal				
83g			<p><b>(b) In Annex V, Part 1, point (n) is replaced by the following:</b></p>	
Article 1a, amending proposal				
83h			<p><b>(n) information of:</b></p>	
Article 1a, amending proposal				
83i			<p><b>i. the Member State's intentions to make use of the flexibilities in Article 5(4) and (5) of Regulation (EU) 2018/842 including, where possible, information regarding quantities, type of transfer and estimated range of prices,</b></p>	
Article 1a, amending proposal				
83j			<p><b>ii. the use of revenues under</b></p>	

			Article 5(6) of Regulation (EU) 2018/842,	
Article 1a, amending proposal				
83k			iii. the Member State's intentions to make use of the flexibility in Article 7(1) of Regulation (EU) 2018/842.'	
Article 2				
84	Article 2	Article 2	Article 2	
Article 2, amending proposal				
85	This Regulation shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union.	This Regulation shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union.	This Regulation shall enter into force on the twentieth day following that of its publication in the <i>Official Journal of the European Union</i> <del>Official Journal of the European Union.</del>	
Article 2, amending proposal				
86	This Regulation shall be binding in its entirety and directly applicable in all Member States.	This Regulation shall be binding in its entirety and directly applicable in all Member States.	This Regulation shall be binding in its entirety and directly applicable in all Member States.	

Formula			
87	Done at Brussels,	Done at Brussels,	Done at Brussels...
Formula			
88	For the European Parliament	For the European Parliament	For the European Parliament
Formula			
89	The President	The President	The President
Formula			
90	For the Council	For the Council	For the Council
Formula			
91	The President	The President	The President

**ANNEX to the Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL amending Regulation (EU) 2018/842 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement (Text with EEA relevance)**

**2021/0200 (COD)**

**COMMISSION PROPOSAL:**

**ANNEX**

MEMBER STATE GREENHOUSE GAS EMISSION REDUCTIONS PURSUANT TO ARTICLE 4(1)

	Member State greenhouse gas emission reductions in 2030 in relation to their 2005 levels determined in accordance with Article 4(3)	
	Column 1	Column 2
Belgium	- 35 %	-47%
Bulgaria	- 0 %	-10%
Czechia	- 14 %	-26%
Denmark	- 39 %	-50%
Germany	- 38 %	-50%
Estonia	- 13 %	-24%
Ireland	- 30 %	-42%
Greece	- 16 %	-22.7%
Spain	- 26 %	-37.7%
France	- 37 %	-47.5%
Croatia	- 7 %	-16.7%
Italy	- 33 %	-43.7%
Cyprus	- 24 %	-32%
Latvia	- 6 %	-17%
Lithuania	- 9 %	-21%
Luxembourg	- 40 %	-50%
Hungary	- 7 %	-18.7%

Malta	- 19 %	-19%
Netherlands	- 36 %	-48%
Austria	- 36 %	-48%
Poland	- 7 %	-17.7%
Portugal	- 17 %	-28.7%
Romania	- 2 %	-12.7%
Slovenia	- 15 %	-27%
Slovakia	- 12 %	-22.7%
Finland	- 39 %	-50%
Sweden	- 40 %	-50%

**EP MANDATE:**

*(no amendments to Commission proposal)*



**COUNCIL MANDATE:****ANNEX I****MEMBER STATE GREENHOUSE GAS EMISSION REDUCTIONS PURSUANT TO  
ARTICLE 4(1)**

	Member State greenhouse gas emission reductions in 2030 in relation to their 2005 levels determined in accordance with Article 4(3)	
	Column 1	Column 2
Belgium	- 35 %	-47%
Bulgaria	- 0 %	-10%
<del>Czechia</del> <b>Czech Republic</b>	- 14 %	-26%
Denmark	- 39 %	-50%
Germany	- 38 %	-50%
Estonia	- 13 %	-24%
Ireland	- 30 %	-42%
Greece	- 16 %	-22.7%
Spain	- 26 %	-37.7%
France	- 37 %	-47.5%
Croatia	- 7 %	-16.7%
Italy	- 33 %	-43.7%
Cyprus	- 24 %	-32%
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Malta	- 19 %	-19%
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