



2021/0214(COD)

16.3.2022

AMENDMENTS

1029 - 1316

Draft report
Mohammed Chahim
(PE697.970v01-00)

Establishing a carbon border adjustment

Proposal for a regulation
(COM(2021)0564 – C9-0328/2021 – 2021/0214(COD))

Amendment 1029
Ivan David

Proposal for a regulation
Article 27 – paragraph 3

Text proposed by the Commission

3. *A Member State or any party affected or benefitted by the situations described in paragraph 2 may notify the Commission if it is confronted, over a two-month period compared with the same period in the preceding year with a significant decrease in the volume of imported goods included in the scope of this Regulation and an increase of volume of imports of slightly modified products, which are not included in the list of goods in Annex I. The Commission shall continually monitor any significant change of pattern of trade of goods and slightly modified products at Union level.*

Amendment

3. *Following a complaint from an interested party or on its own initiative, the Commission may decide, following an investigation, to extend obligations laid down in this regulation, in whatever way is necessary to prevent future circumvention of the Mechanism, when circumvention of the measures in force is taking place.*

Or. en

Justification

Enforcement rules on circumvention cases need to be strengthened because such practices undermine significantly the environmental benefits of the CBAM. Since the concept of circumvention should be broader than the Commission proposal, also the procedures and penalties need to be amended accordingly (including the possibility of withdrawing import authorisation).

Amendment 1030
Ondřej Knotek

Proposal for a regulation
Article 27 – paragraph 3

Text proposed by the Commission

3. *A Member State or any party affected or benefitted by the situations described in paragraph 2 may notify the Commission if it is confronted, over a two-month period compared with the same period in the preceding year with a*

Amendment

3. *Following a complaint from an interested party or on its own initiative, the Commission may decide, following an investigation, to extend obligations laid down in this Regulation, in whatever way is necessary to prevent future*

significant decrease in the volume of imported goods included in the scope of this Regulation and an increase of volume of imports of slightly modified products, which are not included in the list of goods in Annex I. The Commission shall continually monitor any significant change of pattern of trade of goods and slightly modified products at Union level.

circumvention of the Mechanism, when circumvention of the measures in force is taking place.

Or. en

Amendment 1031
Alexandr Vondra

Proposal for a regulation
Article 27 – paragraph 3

Text proposed by the Commission

3. *A Member State or any party affected or benefitted by the situations described in paragraph 2 may notify the Commission if it is confronted, over a two-month period compared with the same period in the preceding year with a significant decrease in the volume of imported goods included in the scope of this Regulation and an increase of volume of imports of slightly modified products, which are not included in the list of goods in Annex I. The Commission shall continually monitor any significant change of pattern of trade of goods and slightly modified products at Union level.*

Amendment

3. *Following a complaint from an interested party or on its own initiative, the Commission may decide, following an investigation, to extend obligations laid down in this regulation, in whatever way is necessary to prevent future circumvention of the Mechanism, when circumvention of the measures in force is taking place.*

Or. en

Amendment 1032
Agnès Evren

Proposal for a regulation
Article 27 – paragraph 3

Text proposed by the Commission

3. A Member State or any party affected or benefitted by the situations described in paragraph 2 may notify the Commission if it is confronted, over a two-month period compared with the same period in the preceding year with ***a significant decrease in the volume of imported goods included in the scope of this Regulation and an increase of volume of imports of slightly modified products, which are not included in the list of goods in Annex I.*** The Commission shall continually monitor any significant change of pattern of trade of goods and slightly modified products at Union level.

Amendment

3. A Member State or any party affected or benefitted by the situations described in paragraph 2 may notify the Commission if it is confronted, over a two-month period compared with the same period in the preceding year with ***one*** of the ***situations described in paragraph 2.*** The Commission shall continually monitor any significant change of pattern of trade of goods and slightly modified products at Union level.

Or. fr

Amendment 1033

Hermann Tertsch, Alexandr Vondra, Pietro Fiocchi

Proposal for a regulation

Article 27 – paragraph 3

Text proposed by the Commission

3. A Member State or ***any*** party ***affected or benefitted by the situations described in paragraph 2 may notify*** the Commission ***if it is confronted, over a two-month period compared with the same period in the preceding year with a significant decrease in the volume of imported goods included in the scope of this Regulation and an increase of volume of imports of slightly modified products, which are not included in the list of goods in Annex I.*** The Commission shall continually monitor any significant change of pattern of trade of goods and slightly modified products at Union level.

Amendment

3. ***Following a complaint from*** a Member State or ***an interested*** party the Commission ***may decide, after investigation, to take the appropriate measures, including the withdrawal of import authorisation, to avoid the circumvention of the mechanism.*** The Commission shall continually monitor any significant change of pattern of trade of goods and slightly modified products at Union level ***as well as other potential circumvention practices.***

Or. en

Amendment 1034
Laura Huhtasaari

Proposal for a regulation
Article 27 – paragraph 3

Text proposed by the Commission

3. *A Member State or any party affected or benefitted by the situations described in paragraph 2 may notify the Commission if it is confronted, over a two-month period compared with the same period in the preceding year with a significant decrease in the volume of imported goods included in the scope of this Regulation and an increase of volume of imports of slightly modified products, which are not included in the list of goods in Annex I. The Commission shall continually monitor any significant change of pattern of trade of goods and slightly modified products at Union level.*

Amendment

3. *Following a complaint from an interested party or on its own initiative, the Commission may decide, following an investigation, to extend obligations laid down in this regulation, in whatever way is necessary to prevent future circumvention of the Mechanism, when circumvention of the measures in force is taking place.*

Or. en

Amendment 1035
Yannick Jadot

Proposal for a regulation
Article 27 – paragraph 3

Text proposed by the Commission

3. A Member State or any party affected or benefitted by the situations described in paragraph 2 *may* notify the Commission *if it is confronted, over a two-month period compared with the same period in the preceding year with a significant decrease in the volume of imported goods included in the scope of this Regulation and an increase of volume of imports of slightly modified products, which are not included in the list of goods in Annex I.* The Commission shall continually monitor *any significant change of pattern of trade of goods and*

Amendment

3. A Member State or any party affected or benefitted by *any of* the situations described in paragraph 2 *shall notify the Commission. Interested parties other than directly affected parties, such as environmental organisations and non-governmental organisations, which find concrete evidence of circumvention of this Regulation, may also* notify the Commission *of their findings.* The Commission shall continually monitor *the occurrence of the situations described in paragraph 2, including based on market surveillance and on any relevant source*

slightly modified products at Union level.

*of information, including submissions by
and reporting from civil society
organisations.*

Or. en

Amendment 1036

**Danilo Oscar Lancini, Elena Lizzi, Catherine Griset, Rosanna Conte, Silvia Sardone,
Matteo Adinolfi, Gianantonio Da Re**

Proposal for a regulation Article 27 – paragraph 3

Text proposed by the Commission

3. A Member State or any party affected or benefitted by the situations described in **paragraph 2** may notify the Commission if it is confronted, over a two-month period compared with the same period in the preceding year with a significant decrease in the volume of imported goods included in the scope of this Regulation and an increase of volume of imports of slightly modified products, which are not included in the list of goods in Annex I. The Commission shall continually monitor any significant change of pattern of trade of goods and slightly modified products at Union level.

Amendment

3. A Member State or any party affected or benefitted by the situations described in **paragraphs 2 to 2f** may notify the Commission if it is confronted, over a two-month period compared with the same period in the preceding year with a significant decrease in the volume of imported goods included in the scope of this Regulation and an increase of volume of imports of slightly modified products, which are not included in the list of goods in Annex I. The Commission shall continually monitor any significant change of pattern of trade of goods and slightly modified products at Union level.

Or. en

Amendment 1037

Hermann Tertsch, Alexandr Vondra, Pietro Fiocchi

Proposal for a regulation Article 27 – paragraph 3 – subparagraph 1 a (new)

Text proposed by the Commission

Amendment

Circumvention practices include resource shuffling, cost absorption, manipulation of emissions data, wrongful labelling of goods and slight modifications of the product so as to import a product under a

different customs code thereby avoiding the payment of the levy. The Commission shall pay special attention to control the following non exhaustive list of circumvention practices:

- a) Substitution of products*
- b) Slightly modified products*
- c) Absorption of the CBAM levy*
- d) Changes in the value chain*
- e) Resource shuffling*

Or. en

Amendment 1038

Radan Kanev

Proposal for a regulation

Article 27 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

3a. Following a complaint from an interested party or on its own initiative, the Commission may decide, following an investigation, to extend obligations laid down in this Regulation, in whatever way is necessary to prevent future circumvention of the CBAM, when circumvention of the measures in force is taking place.

Or. en

Amendment 1039

Radan Kanev

Proposal for a regulation

Article 27 – paragraph 4

Text proposed by the Commission

Amendment

4. The notification referred to in paragraph 3 shall state the reasons on which it is based and shall include

deleted

relevant data and statistics regarding the goods and products referred to in paragraph 2.

Or. en

Amendment 1040

Alexandr Vondra

Proposal for a regulation

Article 27 – paragraph 4

Text proposed by the Commission

4. *The notification* referred to in paragraph 3 shall *state the reasons on which it is based and shall include relevant data and statistics regarding the goods and products referred to in paragraph 2.*

Amendment

4. *Decisions* referred to in paragraph 3 shall *be subject to the appeal procedure as set out in Article 30.*

Or. en

Amendment 1041

Ondřej Knotek

Proposal for a regulation

Article 27 – paragraph 4

Text proposed by the Commission

4. *The notification* referred to in paragraph 3 shall *state the reasons on which it is based and shall include relevant data and statistics regarding the goods and products referred to in paragraph 2.*

Amendment

4. *Decisions* referred to in *the third* paragraph shall *be subject to the appeal procedure as set out in Article 30.*

Or. en

Amendment 1042

Ivan David

Proposal for a regulation
Article 27 – paragraph 4

Text proposed by the Commission

4. ***The notification*** referred to in ***paragraph 3 shall state the reasons on which it is based and shall include relevant data and statistics regarding the goods and products referred to in paragraph 2.***

Amendment

4. ***Decisions*** referred to in ***the third paragraph shall be subject to the appeal procedure as set out in Article 30.***

Or. en

Justification

Enforcement rules on circumvention cases need to be strengthened because such practices undermine significantly the environmental benefits of the CBAM. Since the concept of circumvention should be broader than the Commission proposal, also the procedures and penalties need to be amended accordingly (including the possibility of withdrawing import authorisation).

Amendment 1043
Laura Huhtasaari

Proposal for a regulation
Article 27 – paragraph 4

Text proposed by the Commission

4. ***The notification*** referred to in ***paragraph 3 shall state the reasons on which it is based and shall include relevant data and statistics regarding the goods and products referred to in paragraph 2.***

Amendment

4. ***Decisions*** referred to in ***the third paragraph shall be subject to the appeal procedure asset out in Article 30.***

Or. en

Amendment 1044
Anna Zalewska

Proposal for a regulation
Article 27 – paragraph 4

Text proposed by the Commission

4. The notification referred to in paragraph 3 shall state the reasons on which it is based and shall include relevant data and statistics regarding the goods and products referred to in paragraph 2.

Amendment

4. The notification referred to in paragraph 3 shall state the reasons on which it is based and, ***if it is possible***, shall include relevant data and statistics regarding the goods and products referred to in paragraph 2.

Or. en

Amendment 1045
Dan-Ștefan Motreanu

Proposal for a regulation
Article 27 – paragraph 4

Text proposed by the Commission

4. ***The notification*** referred to in ***paragraph 3 shall state the reasons on which it is based and shall include relevant data and statistics regarding the goods and products referred to in*** paragraph 2.

Amendment

4. ***Decisions*** referred to in ***the third paragraph shall be subject to the appeal procedure as set out in Article 30.***

Or. en

Amendment 1046
Radan Kanev

Proposal for a regulation
Article 27 – paragraph 4 a (new)

Text proposed by the Commission

Amendment

4a. Decisions referred to in the third paragraph shall be subject to the appeal procedure as set out in Article 30.

Or. en

Amendment 1047

Radan Kanev

Proposal for a regulation

Article 27 – paragraph 5

Text proposed by the Commission

Amendment

5. Where the Commission, taking into account the relevant data, reports and statistics, including when provided by the customs authorities of Member States, has sufficient reasons to believe that the circumstances referred to in paragraph 3 are occurring in one or more Member States, it is empowered to adopt delegated acts in accordance with Article 28 to supplement the scope of this Regulation in order to include slightly modified products for anti-circumvention purposes.

deleted

Or. en

Amendment 1048

Laura Huhtasaari

Proposal for a regulation

Article 27 – paragraph 5

Text proposed by the Commission

Amendment

5. Where the Commission, taking into account the relevant data, reports and statistics, including when provided by the customs authorities of Member States, has sufficient reasons to believe that the circumstances referred to in paragraph 3 are occurring in one or more Member States, it is empowered to adopt delegated acts in accordance with Article 28 to supplement the scope of this Regulation in order to include slightly modified products for anti-circumvention purposes.

5. Investigations shall be initiated pursuant to this Article on the initiative of the Commission or at the request of a Member State or of any interested party on the basis of sufficient evidence regarding the factors set out in the second paragraph. Initiations shall be made by means of a Commission regulation which shall also instruct customs authorities of Member States to subject imports to registration. The Commission shall provide information to the Member States once an interested party or a Member State has submitted a request justifying the initiation of an investigation and the Commission has completed its analysis thereof, or where the Commission has

itself determined that there is a need to initiate an investigation.

Or. en

Amendment 1049

Ondřej Knotek

Proposal for a regulation

Article 27 – paragraph 5

Text proposed by the Commission

5. *Where the Commission, taking into account the relevant data, reports and statistics, including when provided by the customs authorities of Member States, has sufficient reasons to believe that the circumstances referred to in paragraph 3 are occurring in one or more Member States, it is empowered to adopt delegated acts in accordance with Article 28 to supplement the scope of this Regulation in order to include slightly modified products for anti-circumvention purposes.*

Amendment

5. *Investigations shall be initiated pursuant to this Article on the initiative of the Commission or at the request of a Member State or of any interested party on the basis of sufficient evidence regarding the factors set out in the second paragraph. Initiations shall be made by means of a Commission regulation which shall also instruct customs authorities of Member States to subject imports to registration. The Commission shall provide information to the Member States once an interested party or a Member State has submitted a request justifying the initiation of an investigation and the Commission has completed its analysis thereof, or where the Commission has itself determined that there is a need to initiate an investigation.*

Or. en

Amendment 1050

Ivan David

Proposal for a regulation

Article 27 – paragraph 5

Text proposed by the Commission

5. *Where the Commission, taking into account the relevant data, reports and statistics, including when provided by the*

Amendment

5. *Investigations shall be initiated pursuant to this Article on the initiative of the Commission or at the request of a*

customs authorities of Member States, *has sufficient reasons to believe that the circumstances referred to in paragraph 3 are occurring in one or more Member States, it is empowered to adopt delegated acts in accordance with Article 28 to supplement the scope of this Regulation in order to include slightly modified products for anti-circumvention purposes.*

Member State or of any interested party on the basis of sufficient evidence regarding the factors set out in the second paragraph. Initiations shall be made by means of a Commission regulation which shall also instruct customs authorities of Member States to subject imports to registration. The Commission shall provide information to the Member States once an interested party or a Member State has submitted a request justifying the initiation of an investigation and the Commission has completed its analysis thereof, or where the Commission has itself determined that there is a need to initiate an investigation.

Or. en

Justification

Enforcement rules on circumvention cases need to be strengthened because such practices undermine significantly the environmental benefits of the CBAM. Since the concept of circumvention should be broader than the Commission proposal, also the procedures and penalties need to be amended accordingly (including the possibility of withdrawing import authorisation).

Amendment 1051

Alexandr Vondra

Proposal for a regulation

Article 27 – paragraph 5

Text proposed by the Commission

5. *Where the Commission, taking into account the relevant data, reports and statistics, including when provided by the customs authorities of Member States, has sufficient reasons to believe that the circumstances referred to in paragraph 3 are occurring in one or more Member States, it is empowered to adopt delegated acts in accordance with Article 28 to supplement the scope of this Regulation in order to include slightly modified products for anti-circumvention purposes.*

Amendment

5. *Investigations shall be initiated pursuant to this Article on the initiative of the Commission or at the request of a Member State or of any interested party on the basis of sufficient evidence regarding the factors set out in the second paragraph. Initiations shall be made by means of a Commission regulation which shall also instruct customs authorities of Member States to subject imports to registration. The Commission shall provide information to the Member States once an interested party or a Member*

State has submitted a request justifying the initiation of an investigation and the Commission has completed its analysis thereof, or where the Commission has itself determined that there is a need to initiate an investigation.

Or. en

Amendment 1052
Dan-Ștefan Motreanu

Proposal for a regulation
Article 27 – paragraph 5

Text proposed by the Commission

5. *Where the Commission, taking into account the relevant data, reports and statistics, including when provided by the customs authorities of Member States, has sufficient reasons to believe that the circumstances referred to in paragraph 3 are occurring in one or more Member States, it is empowered to adopt delegated acts in accordance with Article 28 to supplement the scope of this Regulation in order to include slightly modified products for anti-circumvention purposes.*

Amendment

5. *Investigations shall be initiated pursuant to this Article on the initiative of the Commission or at the request of a Member State or of any interested party on the basis of sufficient evidence regarding the factors set out in the second paragraph. Initiations shall be made by means of commission regulation which shall also instruct customs authorities of Member States to subject imports to registration. The Commission shall provide information to the Member States once an interested party or a Member State has submitted a request justifying the initiation of an investigation and the Commission has completed its analysis thereof, or where the Commission has itself determined that there is a need to initiate an investigation.*

Or. en

Amendment 1053
Yannick Jadot

Proposal for a regulation
Article 27 – paragraph 5

Text proposed by the Commission

5. Where the Commission, taking into account the relevant data, reports and statistics, including when provided by the customs authorities of Member States, has sufficient reasons to believe that the circumstances referred to in paragraph 3 are occurring in one or more Member States, it ***is empowered to adopt delegated acts in accordance with Article 28 to supplement the scope of this Regulation in order to include slightly modified products for anti-circumvention purposes.***

Amendment

5. Where the Commission, taking into account the relevant data, reports and statistics, including when provided by the customs authorities of Member States, has sufficient reasons to believe that the circumstances referred to in paragraph 2 are occurring in one or more Member States, it ***may proceed according to the following options:***

Or. en

Amendment 1054

Hermann Tertsch, Pietro Fiocchi

**Proposal for a regulation
Article 27 – paragraph 5**

Text proposed by the Commission

5. Where the Commission, taking into account the relevant data, reports and statistics, including when provided by the customs authorities of Member States, has sufficient reasons to believe that the circumstances referred to in paragraph 3 are occurring in one or more Member States, it is empowered to adopt delegated acts in accordance with Article 28 to supplement the scope of this Regulation in order to include ***slightly modified*** products for anti-circumvention purposes.

Amendment

5. Where the Commission, taking into account the relevant data, reports and statistics, including when provided by the customs authorities of Member States, has sufficient reasons to believe that the circumstances referred to in paragraph 3 are occurring in one or more Member States, it is empowered to adopt delegated acts in accordance with Article 28 to supplement the scope of this Regulation in order to include products ***and practices*** for anti-circumvention purposes.

Or. en

Amendment 1055

Yannick Jadot

**Proposal for a regulation
Article 27 – paragraph 5 – point a (new)**

Text proposed by the Commission

Amendment

(a) it is empowered to adopt delegated acts in accordance with Article 28 to supplement the scope of this Regulation as necessary in order to include slightly modified additional products for anti-circumvention purposes and, if necessary, it may adopt a new legislative proposal;

Or. en

Amendment 1056

Yannick Jadot

Proposal for a regulation

Article 27 – paragraph 5 – point b (new)

Text proposed by the Commission

Amendment

(b) if in particular the practices of circumvention referred to in point (d) of paragraph 2 materialise in a country referred to under paragraph 3 a of Article 2, the Commission may temporarily remove the relevant exemption from CBAM referred to in paragraph 3 a of Article 2, and may introduce a tariff-rate quota based on export levels during the three preceding years. Beyond the level set by the tariff-rate quota, the exemption for the country in question shall cease to apply.

Or. en

Amendment 1057

Radan Kanev

Proposal for a regulation

Article 27 – paragraph 5 a (new)

Text proposed by the Commission

Amendment

5a. Investigations shall be initiated

pursuant to this Article on the initiative of the Commission or at the request of a Member State or of any interested party on the basis of sufficient evidence regarding the factors set out in the second paragraph. Initiations shall be made by means of a Commission Regulation which shall also instruct customs authorities of Member States to subject imports to registration. The Commission shall provide information to the Member States once an interested party or a Member State has submitted a request justifying the initiation of an investigation and the Commission has completed its analysis thereof, or where the Commission has itself determined that there is a need to initiate an investigation.

Or. en

Amendment 1058
Dolors Montserrat

Proposal for a regulation
Article 27 – paragraph 5 a (new)

Text proposed by the Commission

Amendment

5a. *The Commission shall publish all cases of circumvention investigations and their results in an annual report. This report shall also include information on the status of ongoing appeal procedures against penalties. The report shall also contain aggregated information on the emission intensity per country of origin for the different products listed in Annex I.*

Or. en

Amendment 1059
Hermann Tertsch, Alexandr Vondra, Pietro Fiocchi

Proposal for a regulation
Article 27 – paragraph 5 a (new)

Text proposed by the Commission

Amendment

5a. Investigations shall be carried out by the Commission with the support of custom authorities and Member States. These investigations shall be concluded within nine months.

Or. en

Amendment 1060
Alexandr Vondra

Proposal for a regulation
Article 27 – paragraph 5 a (new)

Text proposed by the Commission

Amendment

5a. Investigations shall be carried out by the Commission. The Commission may be assisted by customs authorities and the investigation shall be concluded in due time.

Or. en

Amendment 1061
Dan-Ştefan Motreanu

Proposal for a regulation
Article 27 – paragraph 5 a (new)

Text proposed by the Commission

Amendment

5a. Investigations shall be carried out by the Commission. The Commission may be assisted by customs authorities and the investigation shall be concluded in due time.

Or. en

Amendment 1062

Ondřej Knotek

Proposal for a regulation

Article 27 – paragraph 5 a (new)

Text proposed by the Commission

Amendment

5a. Investigations shall be carried out by the Commission. The Commission may be assisted by customs authorities and the investigation shall be concluded in due time.

Or. en

Amendment 1063

Ivan David

Proposal for a regulation

Article 27 – paragraph 5 a (new)

Text proposed by the Commission

Amendment

5a. Investigations shall be carried out by the Commission. The Commission may be assisted by customs authorities and the investigation shall be concluded in due time.

Or. en

Justification

Enforcement rules on circumvention cases need to be strengthened because such practices undermine significantly the environmental benefits of the CBAM. Since the concept of circumvention should be broader than the Commission proposal, also the procedures and penalties need to be amended accordingly (including the possibility of withdrawing import authorisation).

Amendment 1064

Laura Huhtasaari

Proposal for a regulation

Article 27 – paragraph 5 a (new)

Text proposed by the Commission

Amendment

5a. Investigations shall be carried out by the Commission. The Commission may be assisted by customs authorities and the investigation shall be concluded in due time

Or. en

**Amendment 1065
Dan-Ștefan Motreanu**

**Proposal for a regulation
Article 27 – paragraph 5 b (new)**

Text proposed by the Commission

Amendment

5b. The Commission Decision finding circumvention shall impose a penalty pursuant to article 26 on an Authorised Declarant involved in the circumvention and, if appropriate, the operator of the installation located in the third country that is linked to the Authorised Declarant.

Where appropriate, the penalty shall also entail the withdrawal of import authorisation and be extended to the operator.

Or. en

Justification

Enforcement rules on circumvention cases need to be strengthened because such practices undermine significantly the environmental benefits of the CBAM. Since the concept of circumvention should be broader than the Commission proposal, also the procedures and penalties need to be amended accordingly (including the possibility of withdrawing import authorisation).

**Amendment 1066
Laura Huhtasaari**

**Proposal for a regulation
Article 27 – paragraph 5 b (new)**

Text proposed by the Commission

Amendment

5b. The Commission Decision finding circumvention shall impose a penalty pursuant to article 26 on an Authorised Declarant involved in the circumvention and, if appropriate, the operator of the installation located in the third country that is linked to the Authorised Declarant. Where appropriate, the penalty shall also entail the withdrawal of import authorisation and be extended to the operator

Or. en

Amendment 1067

Ondřej Knotek

Proposal for a regulation

Article 27 – paragraph 5 b (new)

Text proposed by the Commission

Amendment

5b. The Commission Decision finding circumvention shall impose a penalty pursuant to article 26 on an Authorised Declarant involved in the circumvention and, if appropriate, the operator of the installation located in the third country that is linked to the Authorised Declarant. Where appropriate, the penalty shall also entail the withdrawal of import authorisation and be extended to the operator.

Or. en

Amendment 1068

Ivan David

Proposal for a regulation

Article 27 – paragraph 5 b (new)

5b. The Commission Decision finding circumvention shall impose a penalty pursuant to article 26 on an Authorised Declarant involved in the circumvention and, if appropriate, the operator of the installation located in the third country that is linked to the Authorised Declarant. Where appropriate, the penalty shall also entail the withdrawal of import authorisation and be extended to the operator.

Or. en

Justification

Enforcement rules on circumvention cases need to be strengthened because such practices undermine significantly the environmental benefits of the CBAM. Since the concept of circumvention should be broader than the Commission proposal, also the procedures and penalties need to be amended accordingly (including the possibility of withdrawing import authorisation).

Amendment 1069

Alexandr Vondra

Proposal for a regulation

Article 27 – paragraph 5 b (new)

5b. The Commission Decision finding circumvention shall impose a penalty pursuant to Article 26 on an Authorised Declarant involved in the circumvention and, if appropriate, the operator of the installation located in the third country that is linked to the Authorised Declarant. Where appropriate, the penalty shall also entail the withdrawal of import authorisation and be extended to the operator.

Or. en

Amendment 1070
Hermann Tertsch, Alexandr Vondra, Pietro Fiocchi

Proposal for a regulation
Article 27 – paragraph 5 b (new)

Text proposed by the Commission

Amendment

5b. The Commission shall make public all cases of circumvention, the results of the investigation and the potential penalties. The Commission shall present an annual report including all relevant information on circumvention cases.

Or. en

Amendment 1071
Radan Kanev

Proposal for a regulation
Article 27 – paragraph 5 b (new)

Text proposed by the Commission

Amendment

5b. Investigations shall be carried out by the Commission. The Commission may be assisted by customs authorities and the investigation shall be concluded within nine months.

Or. en

Amendment 1072
Radan Kanev

Proposal for a regulation
Article 27 – paragraph 5 c (new)

Text proposed by the Commission

Amendment

5c. The Commission Decision finding circumvention shall impose a penalty on an Authorised Declarant involved in the circumvention. Where appropriate, the

penalty shall also entail the withdrawal of import authorisation.

Or. en

Amendment 1073

Radan Kanev

Proposal for a regulation

Article 27 – paragraph 5 d (new)

Text proposed by the Commission

Amendment

5d. The Commission shall publish all cases of circumvention investigations, their results and potential penalties in an annual report. This report shall also include information on the status of ongoing appeal procedures against penalties. The report shall also contain aggregated information on the emission intensity per country of origin for the different products listed in Annex I.

Or. en

Amendment 1074

Laura Huhtasaari

Proposal for a regulation

Article 27 a (new)

Text proposed by the Commission

Amendment

Article 27 a

Absorption

1. Where any party submits sufficient information showing that, after the entry into force of this Regulation, an Authorised Declarant has been absorbing the cost of the CBAM Certificates, such that there has been no movement, or insufficient movement, in the resale prices or subsequent selling prices of the imported product in the Union, and that

such situation has insufficient due cause or economic justification other than undermining the effects of the obligations as laid down in this Regulation, the Commission shall open an investigation. The Commission shall provide information to the Member States once a party has submitted sufficient information justifying the opening of the investigation and the Commission has completed its analysis thereof.

2. The investigation may also be opened, under the conditions set out in the first subparagraph, on the initiative of the Commission or at the request of a Member State.

3. During an investigation pursuant to this Article, any interested party shall be provided with an opportunity to clarify the situation with regard to resale prices and subsequent selling prices.

4. Investigations shall be carried out by the Commission. The Commission may be assisted by customs authorities and the investigation shall be concluded within nine months

5. If it is concluded that the obligations as laid down in this Regulation should have led to movements in such prices, the Commission shall take appropriate measures to re-establish the effectiveness of the obligations as set out in this Regulations. Such measures imposed pursuant to this Article shall not exceed the amount of the penalties as set out in Article 26.

Or. en

Amendment 1075

Ivan David

**Proposal for a regulation
Article 27 a (new)**

Article 27 a

Absorption

- 1. Where any party submits sufficient information showing that, after the entry into force of this Regulation, an Authorised Declarant has been absorbing the cost of the CBAM Certificates, such that there has been no movement, or insufficient movement, in the resale prices or subsequent selling prices of the imported product in the Union, and that such situation has insufficient due cause or economic justification other than undermining the effects of the obligations as laid down in this Regulation, the Commission shall open an investigation. The Commission shall provide information to the Member States once a party has submitted sufficient information justifying the opening of the investigation and the Commission has completed its analysis thereof.***
- 2. The investigation may also be opened, under the conditions set out in the first subparagraph, on the initiative of the Commission or at the request of a Member State.***
- 3. During an investigation pursuant to this Article, any interested party shall be provided with an opportunity to clarify the situation with regard to resale prices and subsequent selling prices.***
- 4. Investigations shall be carried out by the Commission. The Commission may be assisted by customs authorities and the investigation shall be concluded in due time.***
- 5. If it is concluded that the obligations as laid down in this Regulation should have led to movements in such prices, the Commission shall take appropriate measures to re-establish the effectiveness of the obligations as set out in this Regulations, including the application of***

the mark up calculated pursuant to Article 7. Such measures imposed pursuant to this Article shall not exceed the amount of the penalties as set out in Article 26.

Or. en

Justification

The objective of the CBAM is to ensure that the cost of carbon emissions is reflected in the price of the concerned product in order to set an incentive to reduce emissions. Therefore, absorbing the CBAM levy shall be considered as an illegal practice, since it undermines the environmental objective of the CBAM.

Amendment 1076
Dan-Ştefan Motreanu

Proposal for a regulation
Article 27 a (new)

Text proposed by the Commission

Amendment

Article 27 a

Absorption

1. Where any party submits sufficient information showing that, after the entry into force of this Regulation, an Authorised Declarant has been absorbing the cost of the CBAM Certificates, such that there has been no movement, or insufficient movement, in the resale prices or subsequent selling prices of the imported product in the Union, and that such situation has insufficient due cause or economic justification other than undermining the effects of the obligations as laid down in this Regulation, the Commission shall open an investigation. The Commission shall provide information to the Member States once a party has submitted sufficient information justifying the opening of the investigation and the Commission has completed its analysis thereof.

2. The investigation may also be opened, under the conditions set out in the first

subparagraph, on the initiative of the Commission or at the request of a Member State.

3. During an investigation pursuant to this Article, any interested party shall be provided with inopportunity to clarify the situation with regard to resale prices and subsequent selling prices.

4. Investigations shall be carried out by the Commission. The Commission may be assisted by customs authorities and the investigation shall be concluded in due time.

5. If it is concluded that the obligations as laid down in this Regulation should have led to movements in such prices, the Commission shall take appropriate measures to re-establish the effectiveness of the obligations as set out in this Regulations, including the application of the mark up calculated pursuant to Article 7. Such measures imposed pursuant to this Article shall not exceed the amount of the penalties as set out in Article 26.

Or. en

Justification

The objective of the CBAM is to ensure that the cost of carbon emissions is reflected in the price of the concerned product in order to set an incentive to reduce emissions. Therefore, absorbing the CBAM levy shall be considered as an illegal practice, since it undermines the environmental objective of the CBAM.

Amendment 1077

Danilo Oscar Lancini, Elena Lizzi, Catherine Griset, Rosanna Conte, Silvia Sardone, Matteo Adinolfi, Gianantonio Da Re

Proposal for a regulation Article 27 a (new)

Text proposed by the Commission

Amendment

Article 27 a

Absorption

1. Where any party submits sufficient information showing that, after the entry into force of this Regulation, an Authorised Declarant has been absorbing the cost of the CBAM Certificates, such that there has been no movement, or insufficient movement, in the resale prices or subsequent selling prices of the imported product in the Union, and that such situation has insufficient due cause or economic justification other than undermining the effects of the obligations as laid down in this Regulation, the Commission shall open an investigation. The Commission shall provide information to the Member States once a party has submitted sufficient information justifying the opening of the investigation and the Commission has completed its analysis thereof.

2. The investigation may also be opened, under the conditions set out in the first subparagraph, on the initiative of the Commission or at the request of a Member State.

3. During an investigation pursuant to this Article, any interested party shall be provided with an opportunity to clarify the situation with regard to resale prices and subsequent selling prices.

4. Investigations shall be carried out by the Commission. The Commission may be assisted by customs authorities and the investigation shall be concluded within nine months.

5. If it is concluded that the obligations as laid down in this Regulation should have led to movements in such prices, the Commission shall take appropriate measures to re-establish the effectiveness of the obligations as set out in this Regulations. Such measures imposed pursuant to this Article shall not exceed the amount of the penalties as set out in Article 26.

Or. en

Amendment 1078

Alexandr Vondra

Proposal for a regulation

Article 27 a (new)

Text proposed by the Commission

Amendment

Article 27 a

Absorption

- 1. Where any party submits sufficient information showing that, after the entry into force of this Regulation, an Authorised Declarant has been absorbing the cost of the CBAM Certificates, such that there has been no movement, or insufficient movement, in the resale prices or subsequent selling prices of the imported product in the Union, and that such situation has insufficient due cause or economic justification other than undermining the effects of the obligations as laid down in this Regulation, the Commission shall open an investigation. The Commission shall provide information to the Member States once a party has submitted sufficient information justifying the opening of the investigation and the Commission has completed its analysis thereof.***
- 2. The investigation may also be opened, under the conditions set out in the first subparagraph, on the initiative of the Commission or at the request of a Member State.***
- 3. During an investigation pursuant to this Article, any interested party shall be provided with an opportunity to clarify the situation with regard to resale prices and subsequent selling prices.***
- 4. Investigations shall be carried out by the Commission. The Commission may be assisted by customs authorities and the investigation shall be concluded within nine months.***

5. If it is concluded that the obligations as laid down in this Regulation should have led to movements in such prices, the Commission shall take appropriate measures to re-establish the effectiveness of the obligations as set out in this Regulations. Such measures imposed pursuant to this Article shall not exceed the amount of the penalties as set out in Article 26.

Or. en

Amendment 1079
Cristian-Silviu Buşoi

Proposal for a regulation
Article 27 a (new)

Text proposed by the Commission

Amendment

Article 27 a

Absorption

1. Where any party submits sufficient information showing that, after the entry into force of this Regulation, an Authorised Declarant has been absorbing the cost of the CBAM Certificates, such that there has been no movement, or insufficient movement, in the resale prices or subsequent selling prices of the imported product in the Union, and that such situation has insufficient due cause or economic justification other than undermining the effects of the obligations under this Regulation, the Commission shall open an investigation. The Commission shall provide information to the Member States once a party has submitted sufficient information justifying the opening of the investigation and the Commission has completed its analysis thereof. The Commission may also open, at its own request or at the request of a Member State, an investigation , under the conditions specified in the first

subparagraph.

2. The Commission shall provide all interested parties with an opportunity to clarify the situation with regard to resale prices and subsequent selling prices.

3. While carrying out an investigation the Commission may be assisted by customs authorities. The Commission shall conclude an investigation in due time.

4. If the Commission concludes that the obligations under this Regulation would have led to movements in such prices, the Commission shall take appropriate measures to re-establish the effectiveness of those obligations, including the application of the mark up calculated pursuant to Article

5. Any measures imposed by the Commission pursuant to this Article shall not exceed the amount of the penalties set out in Article 26.

Or. en

Amendment 1080
Delara Burkhardt

Proposal for a regulation
Article 27 a (new)

Text proposed by the Commission

Amendment

Article 27 a

*Appeals against decisions taken by the
CBAM authority*

1. An appeal shall lie from decisions of the CBAM authority that adversely affect any interested party, including decisions on penalties, circumvention and actual emission values. Those decisions shall take effect only as from the date of expiration of the appeal period of two months. The filing of the appeal shall have suspensive effect. The products concerned by an appeal shall be subject to

registration in accordance with Article 25a(5).

2. Any party to proceedings adversely affected by a decision may appeal. Any other parties to the proceedings shall be parties to the appeal proceedings as of right.

3. The Board of Appeal shall be set up and consist of three full members. The European Parliament, the Council and the Commission shall each appoint a member. The Council shall appoint the chair. The European Parliament and the Council shall each appoint an additional alternate member.

4. The Commission shall adopt delegated acts in accordance to Article 28 supplementing this Regulation in order to establish the composition, the appointment and the rules of procedure of the Board of Appeal, with a view to assure the independence of its members, including during the transitional period. During the transitional period the Commission holds the functions of the Board of Appeal.

Or. en

Amendment 1081

Adam Jarubas

on behalf of the EPP Group

Esther de Lange, Ewa Kopacz, Maria Spyra, Radan Kanev, Liudas Mažylis, Cristian-Silviu Buşoi, Dolors Montserrat

Proposal for a regulation

Chapter VI a (new)

Text proposed by the Commission

Amendment

Chapter VI a

Appeals

Or. en

Amendment 1082

Adam Jarubas

on behalf of the EPP Group

Esther de Lange, Ewa Kopacz, Maria Spyra, Radan Kanev, Liudas Mažylis, Cristian-Silviu Buşoi, Dolors Montserrat

Proposal for a regulation

Article 27 a (new)

Text proposed by the Commission

Amendment

Article 27a

***Appeals against decisions taken by the
CBAM Authority***

- 1. An appeal shall lie from decisions of the CBAM Authority that adversely affect any interested person, including decisions on penalties, circumvention and actual emission values. Those decisions shall take effect only as from the date of expiration of the appeal period of two months. The filing of the appeal shall have suspensive effect. Products concerned by an appeal will be subject to registration according to Article 25(5a).***
- 2. Any party to proceedings adversely affected by a decision may appeal. Any other parties to the proceedings shall be parties to the appeal proceedings as of right.***
- 3. The Board of Appeal shall be newly set up and consist of three full members, to be respectively appointed by the Council, by the European Parliament and by the Commission. The chair will be appointed by the Council. The Council and the European Parliament will respectively appoint two additional alternate members.***
- 4. The Commission shall adopt delegated acts pursuant to Article 28, to define the composition, the appointment and the procedures of the Board of Appeal with a view to assure the independence of its members, including during the transitional period. During the transitional period the Commission will hold the functions of the Board of Appeal.***

Amendment 1083

Danilo Oscar Lancini, Elena Lizzi, Catherine Griset, Rosanna Conte, Silvia Sardone, Matteo Adinolfi, Gianantonio Da Re

**Proposal for a regulation
Article 27 b (new)**

Text proposed by the Commission

Amendment

Article 27 b

Following a complaint made by any party, or at the request of Member States or on its own initiative, the Commission may decide, following an investigation, to extend obligations laid down in this regulation, in whatever way is necessary to prevent future circumvention of the present Regulation, when circumvention of the measures in force is taking place. This includes the possibility for the Commission to impose a penalty on an authorised Declarant involved in the circumvention, if this is proportionate, from the date of registration of imports. Given the circumstances of the individual case, the Commission may also decide to ban those imports from entering the Union territory during a certain period or to prevent the authorized Declarant and any of its related parties to import goods subject to the present Regulation into the Union for a certain period.

Or. en

Amendment 1084

Adam Jarubas

on behalf of the EPP Group

Esther de Lange, Ewa Kopacz, Maria Spyra, Radan Kanev, Liudas Mažylis, Cristian-Silviu Buşoi, Dolors Montserrat

**Proposal for a regulation
Article 27 b (new)**

Article 27b

Examination of appeals

- 1. The Board of Appeal shall examine whether the appeal is admissible.***
- 2. In the examination of the appeal, the Board of Appeal shall invite the parties, as often as necessary, to file observations, within a period to be fixed by the Board of Appeal, on communications from the other parties or issued by itself.***
- 3. Following the examination as to the admissibility of the appeal, the Board of Appeal shall decide on the appeal. The Board of Appeal may either exercise any power within the competence of the CBAM Authority or remit the case to the latter for further prosecution.***
- 4. If the Board of Appeal remits the case for further prosecution to the CBAM Authority, the latter shall be bound by the line of reasoning of the Board of Appeal, in so far as the facts are the same. 5. The decisions of the Board of Appeal shall take effect only as from the date of expiry of a period of two months, if an action has been brought before the General Court within that period, as from the date of dismissal of such action or of any appeal filed with the Court of Justice against the decision of the General Court.***

Or. en

Amendment 1085

Danilo Oscar Lancini, Elena Lizzi, Catherine Griset, Rosanna Conte, Silvia Sardone, Matteo Adinolfi, Gianantonio Da Re

**Proposal for a regulation
Article 27 c (new)**

Text proposed by the Commission

Amendment

Article 27 c

***Decisions referred to in paragraph 2b
shall be subject to an appeal procedure.***

Or. en

Amendment 1086

Adam Jarubas

on behalf of the EPP Group

Esther de Lange, Ewa Kopacz, Maria Spyra, Radan Kanev, Liudas Mažylis, Cristian-Silviu Buşoi, Dolors Montserrat

Proposal for a regulation

Article 27 c (new)

Text proposed by the Commission

Amendment

Article 27c

Actions before the Court of Justice

- 1. Actions may be brought before the General Court against decisions of the Boards of Appeal in relation to appeals.***
- 2. Actions may be brought before the General Court against any decision of the CBAM Authority. In this case administrative appeal under Article 27b will be precluded.***
- 3. The action may be brought on grounds of lack of competence, infringement of an essential procedural requirement, infringement of the TFEU, infringement of this Regulation or of any rule of law relating to their application or misuse of power.***
- 4. The General Court shall have jurisdiction to annul or to alter the contested decision.***
- 5. The action shall be open to any party to proceedings before the Board of Appeal adversely affected by its decision.***
- 6. The action shall be brought before the***

General Court within two months of the date of notification of the decision of the Board of Appeal in case of action under paragraph 1 of this Article and within two month of the date of the notification of the decision of the CBAM Authority in case of actions under paragraph 2 of this Article.

7. The CBAM Authority shall take the necessary measures to comply with the judgment of the General Court or, in the event of an appeal against that judgment, the Court of Justice.

Or. en

Amendment 1087

Danilo Oscar Lancini, Elena Lizzi, Catherine Griset, Rosanna Conte, Silvia Sardone, Matteo Adinolfi, Gianantonio Da Re

**Proposal for a regulation
Article 27 d (new)**

Text proposed by the Commission

Amendment

Article 27 d

Investigations shall be initiated pursuant to this Article on the initiative of the Commission or at the request of a Member State or of any interested party on the basis of sufficient evidence regarding possible circumvention practices as defined in paragraphs 2 and 2a. Initiations shall be made by means of a Commission regulation which shall also instruct customs authorities of Member States to subject imports to registration in accordance with Article 27(5). The Commission shall provide information to the Member States once a party or a Member State has submitted a request to initiate an investigation and the Commission has completed its analysis thereof, or where the Commission has itself determined that there is a need to initiate an investigation.

Amendment 1088

Danilo Oscar Lancini, Elena Lizzi, Catherine Griset, Rosanna Conte, Silvia Sardone, Matteo Adinolfi, Gianantonio Da Re

Proposal for a regulation

Article 27 e (new)

Text proposed by the Commission

Amendment

Article 27 e

Investigations shall be carried out by the Commission. The Commission may be assisted by customs authorities and the investigation shall be concluded within 4 months.

Or. en

Amendment 1089

Danilo Oscar Lancini, Elena Lizzi, Catherine Griset, Rosanna Conte, Silvia Sardone, Matteo Adinolfi, Gianantonio Da Re

Proposal for a regulation

Article 27 f (new)

Text proposed by the Commission

Amendment

Article 27 f

Where the facts as finally ascertained justify the extension of obligations, this shall be done by the Commission adopting delegated acts.

Or. en

Amendment 1090

Agnès Evren

Proposal for a regulation

Article 28 – paragraph 2

Text proposed by the Commission

2. The power to adopt delegated acts referred to in Articles 2(10), 2(11), 18(3) and 27(5) shall be conferred on the Commission for an indeterminate period of time.

Amendment

2. The power to adopt delegated acts referred to in Articles 2(10), 2(11), **7(6), 9(4)**, 18(3) and 27(5) shall be conferred on the Commission for an indeterminate period of time.

Or. fr

Amendment 1091
Antoni Comín i Oliveres

Proposal for a regulation
Article 28 – paragraph 2

Text proposed by the Commission

2. The power to adopt delegated acts referred to in Articles 2(10), 2(11), **18(3) and 27(5)** shall be conferred on the Commission for an indeterminate period of time.

Amendment

2. The power to adopt delegated acts referred to in Articles **2(6)**, 2(10), 2(11), **7(3), 8(3), 18(3), 27(5), 27a (4), 31(2) and 35(6)** shall be conferred on the Commission for an indeterminate period of time.

Or. en

Amendment 1092
Radan Kanev

Proposal for a regulation
Article 28 – paragraph 2

Text proposed by the Commission

2. The power to adopt delegated acts referred to in Articles 2(10), 2(11), 18(3) and 27(5) shall be conferred on the Commission for an indeterminate period of time.

Amendment

2. **2.** The power to adopt delegated acts referred to in Articles 2(10), 2(11), **7(3 -2a new)**, 18(3) and 27(5) shall be conferred on the Commission for an indeterminate period of time.

Or. en

Amendment 1093

Liudas Mažylis, Andrius Kubilius, Danuta Maria Hübner, Michael Gahler, Ladislav Ilčí, Petras Auštrevičius, Ondřej Knotek, Martin Hlaváček

Proposal for a regulation

Article 28 – paragraph 2

Text proposed by the Commission

2. The power to adopt delegated acts referred to in Articles 2(10), 2(**11**), 18(3) and 27(5) shall be conferred on the Commission for an indeterminate period of time.

Amendment

2. The power to adopt delegated acts referred to in Articles 2(10), 2(**14**), 18(3) and 27(5) shall be conferred on the Commission for an indeterminate period of time.

Or. en

Amendment 1094

Rovana Plumb

Proposal for a regulation

Article 28 – paragraph 2

Text proposed by the Commission

2. The power to adopt delegated acts referred to in Articles 2(10), 2(11), 18(3) and 27(5) shall be conferred on the Commission for an indeterminate period of time.

Amendment

2. The power to adopt delegated acts referred to in Articles 2(10), 2(11), **7(3)**, 18(3) and 27(5) shall be conferred on the Commission for an indeterminate period of time.

Or. en

Justification

Technical amendment to ensure that the Commission is empowered to adopt the relevant delegated acts on indirect emissions

Amendment 1095

Radan Kanev

Proposal for a regulation

Article 28 – paragraph 3

Text proposed by the Commission

3. The delegation of power referred to in Articles 2(10), 2(11), 18(3) and 27(5) may be revoked at any time by the European Parliament or by the Council.

Amendment

3. The delegation of power referred to in Articles 2(10), 2(11), **7(3-2a new)**, 18(3) and 27(5) may be revoked at any time by the European Parliament or by the Council.
[...]

Or. en

Amendment 1096

Agnès Evren

Proposal for a regulation

Article 28 – paragraph 3

Text proposed by the Commission

3. The delegation of power referred to in Articles 2(10), 2(11), 18(3) and 27(5) may be revoked at any time by the European Parliament or by the Council.

Amendment

3. The delegation of power referred to in Articles 2(10), 2(11), **7(6), 9(4)** 18(3) and 27(5) may be revoked at any time by the European Parliament or by the Council.

Or. fr

Amendment 1097

Antoni Comín i Oliveres

Proposal for a regulation

Article 28 – paragraph 3

Text proposed by the Commission

3. The delegation of power referred to in Articles 2(10), 2(11), **18(3) and 27(5)** may be revoked at any time by the European Parliament or by the Council.

Amendment

3. The delegation of power referred to in Articles **2(6)**, 2(10), 2(11), **7(3), 8(3), 18(3), 27(5), 27a (4), 31(2) and 35(6)** may be revoked at any time by the European Parliament or by the Council.

Or. en

Amendment 1098

Liudas Mažylis, Andrius Kubilius, Danuta Maria Hübner, Michael Gahler, Ladislav

Ilčić, Petras Auštrevičius, Ondřej Knotek, Martin Hlaváček

**Proposal for a regulation
Article 28 – paragraph 3**

Text proposed by the Commission

3. The delegation of power referred to in Articles 2(10), 2(**11**), 18(3) and 27(5) may be revoked at any time by the European Parliament or by the Council.

Amendment

3. The delegation of power referred to in Articles 2(10), 2(**14**), 18(3) and 27(5) may be revoked at any time by the European Parliament or by the Council.

Or. en

**Amendment 1099
Rovana Plumb**

**Proposal for a regulation
Article 28 – paragraph 3**

Text proposed by the Commission

3. The delegation of power referred to in Articles 2(10), 2(11), 18(3) and 27(5) may be revoked at any time by the European Parliament or by the Council.

Amendment

3. The delegation of power referred to in Articles 2(10), 2(11), **7(3)**, 18(3) and 27(5) may be revoked at any time by the European Parliament or by the Council.

Or. en

Justification

Technical amendment to ensure that the Commission is empowered to adopt the relevant delegated acts on indirect emissions.

**Amendment 1100
Radan Kanev**

**Proposal for a regulation
Article 28 – paragraph 7**

Text proposed by the Commission

7. A delegated act adopted pursuant to Articles 2(10), 2(11), 18(3) and 27(5) shall enter into force only if no objection has been expressed either by the European

Amendment

7. 7. A delegated act adopted pursuant to Articles 2(10), 2(11), **7(3-2a new)**, 18(3) and 27(5) shall enter into force only if no objection has been expressed either by the

Parliament or by the Council within a period of two months of notification of that act to the European Parliament and to the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.

European Parliament or by the Council within a period of two months of notification of that act to the European Parliament and to the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council *into force only if no objection has been expressed either by the European Parliament or by the Council within a period of two months of notification of that act to the European Parliament and to the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.*

Or. en

Amendment 1101

Agnès Evren

Proposal for a regulation

Article 28 – paragraph 7

Text proposed by the Commission

7. A delegated act adopted pursuant to Articles 2(**10**), 2(**11**), 18(3) and 27(5) shall enter into force only if no objection has been expressed either by the European Parliament or **by** the Council within a period of **two** months of notification of that act to the European Parliament and **to** the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.

Amendment

7. A delegated act adopted pursuant to Articles 2(**2**), 4(**7**), 6(**9**), 7(**6**) and 9(**4**), 18(3) and 27(5) shall enter into force only if no objection has been expressed either by the European Parliament or by the Council within a period of two months of notification of that act to the European Parliament and to the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.

Amendment 1102

Antoni Comín i Oliveres

Proposal for a regulation

Article 28 – paragraph 7

Text proposed by the Commission

7. A delegated act adopted pursuant to Articles 2(10), 2(11), **18(3) and 27(5)** shall enter into force only if no objection has been expressed either by the European Parliament or by the Council within a period of two months of notification of that act to the European Parliament and to the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.

Amendment

7. A delegated act adopted pursuant to Articles **2(6), 2(10), 2(11), 7(3), 8(3), 18(3), 27(5), 27a (4), 31(2) and 35(6)** shall enter into force only if no objection has been expressed either by the European Parliament or by the Council within a period of two months of notification of that act to the European Parliament and to the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.

Or. en

Amendment 1103

Liudas Mažylis, Andrius Kubilius, Danuta Maria Hübner, Michael Gahler, Ladislav Ilčík, Petras Auštrevičius, Ondřej Knotek, Martin Hlaváček

Proposal for a regulation

Article 28 – paragraph 7

Text proposed by the Commission

7. A delegated act adopted pursuant to Articles 2(10), 2(**11**), 18(3) and 27(5) shall enter into force only if no objection has been expressed either by the European Parliament or by the Council within a period of two months of notification of that act to the European Parliament and to the Council or if, before the expiry of that period, the European Parliament and the

Amendment

7. A delegated act adopted pursuant to Articles 2(10), 2(**14**), 18(3) and 27(5) shall enter into force only if no objection has been expressed either by the European Parliament or by the Council within a period of two months of notification of that act to the European Parliament and to the Council or if, before the expiry of that period, the European Parliament and the

Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.

Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.

Or. en

Amendment 1104
Rovana Plumb

Proposal for a regulation
Article 28 – paragraph 7

Text proposed by the Commission

7. A delegated act adopted pursuant to Articles 2(10), 2(11), 18(3) and 27(5) shall enter into force only if no objection has been expressed either by the European Parliament or by the Council within a period of two months of notification of that act to the European Parliament and to the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.

Amendment

7. A delegated act adopted pursuant to Articles 2(10), 2(11), **7(3)**, 18(3) and 27(5) shall enter into force only if no objection has been expressed either by the European Parliament or by the Council within a period of two months of notification of that act to the European Parliament and to the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.

Or. en

Justification

Technical amendment to ensure that the Commission is empowered to adopt the relevant delegated acts on indirect emissions.

Amendment 1105
Edina Tóth, Enikő Győri

Proposal for a regulation
Article 29 a (new)

Text proposed by the Commission

Amendment

Article 29 a

Measures in case of unforeseen damages
The Commission shall in a timely manner establish an effective compensation mechanism, according to the procedures established in articles 28 and 29, for damages caused by unforeseen reactions of third countries as a result of the implementation of the CBAM regulation.

Or. en

Justification

The review clause with the possibility to establish a compensation mechanism aims to ensure the effectiveness of the CBAM regulation. The compensation should be strictly limited to concrete damages caused by the implementation of the CBAM regulation, without undermining the climate objectives.

Amendment 1106

Alexander Bernhuber, Angelika Winzig

Proposal for a regulation

Article 30 – paragraph 1

Text proposed by the Commission

Amendment

1. The Commission shall collect the information necessary with a view to extending the scope of this Regulation to indirect emissions and goods other than those listed in Annex I, and develop methods of calculating embedded emissions based on environmental footprint methods.

1. The Commission shall collect the information necessary with a view to ***monitoring the impact of the CBAM mechanism on climate and environmental protection, on the competitiveness of the Union economy, especially in the agricultural and food sector, and with regard to SMEs, on the viability of production facilities in the sectors covered by the Regulation, on the structure and volume of Union imports, on the costs of final customers and on developing countries. Based on the outcome of that scrutiny, the Commission shall examine the feasibility and relevance of*** extending the scope of this Regulation to indirect emissions and goods other than those listed

in Annex I and *Ia, giving high priority to assessing the impact of the potential inclusion of further agricultural products. The Commission shall also* develop methods of calculating embedded emissions based on environmental footprint methods *and ensure an efficient and transparent verification and control system to guarantee the accuracy of the information received from third-country producers.*

Or. en

Amendment 1107
Anna Zalewska

Proposal for a regulation
Article 30 – paragraph 1

Text proposed by the Commission

1. The Commission shall collect the information necessary with a view to extending the scope of this Regulation to indirect emissions and goods other than those listed in Annex I, and develop methods of calculating embedded emissions based on environmental footprint methods.

Amendment

1. The Commission shall collect the information necessary with a view *monitoring the impact of the CBAM mechanism on climate and environmental protection, on the competitiveness of the Union economy, especially in the sectors which have their competitiveness affected by climate policies, and with regard to SMEs, on the viability of production facilities in the sectors covered by the Regulation, on the structure and volume of Union imports, and on the costs to final customers. On the basis of the results of the scrutiny of that data, the Commission shall examine the feasibility and relevance of* to extending the scope of this Regulation to indirect emissions and goods other than those listed in Annex I, *giving high priority to assessing the impact of including agricultural products in the scope of the Regulation* and develop methods of calculating embedded emissions based on environmental footprint methods.

Amendment 1108**Christian Doleschal, Angelika Niebler****Proposal for a regulation****Article 30 – paragraph 1***Text proposed by the Commission*

1. The Commission shall collect the information necessary with a view to extending the scope of this Regulation to indirect emissions and goods other than those listed in Annex I, and develop methods of calculating embedded emissions based on environmental footprint methods.

Amendment

1. The Commission shall collect the information necessary with a view to extending the scope of this Regulation to indirect emissions and goods other than those listed in Annex I, and develop methods of calculating embedded emissions based on environmental footprint methods. ***Any future extension of the scope shall be based on internationally accepted methods for measuring embedded emissions and shall be preceded by an analysis of the carbon leakage effect on both exports and imports.***

Amendment 1109**Hermann Tertsch, Pietro Fiocchi****Proposal for a regulation****Article 30 – paragraph 1***Text proposed by the Commission*

1. The Commission shall collect the information necessary ***with a view to extending*** the scope of this Regulation to indirect emissions and goods other than those listed in Annex I, ***and*** develop methods of calculating embedded emissions based on environmental footprint methods.

Amendment

1. The Commission shall collect ***in cooperation with relevant stakeholders*** the information necessary ***to extend*** the scope of this Regulation ***without further delay*** to indirect emissions ***and sectors*** and goods other than those listed in Annex I, ***such as downstream products using goods covered by this Regulation and to*** develop methods of calculating embedded emissions based on environmental footprint methods.

Amendment 1110**Jan Huitema****Proposal for a regulation****Article 30 – paragraph 1***Text proposed by the Commission*

1. The Commission shall collect the information necessary with a view to extending the scope of this Regulation to indirect emissions **and goods** other than those listed in Annex I, and develop methods of calculating embedded emissions based on environmental footprint methods.

Amendment

1. The Commission shall collect the information necessary with a view to extending the scope of this Regulation to indirect emissions, **transportation services such as air transport, manufacturing of transport equipment such as ship hulls and floating structures, and other goods** than those listed in Annex I, and develop methods of calculating embedded emissions based on environmental footprint methods.

Or. en

Amendment 1111**Susana Solís Pérez, María Soraya Rodríguez Ramos****Proposal for a regulation****Article 30 – paragraph 1***Text proposed by the Commission*

1. The Commission shall collect the information necessary with a view to extending the scope of this Regulation to **indirect emissions and** goods other than those listed in Annex I, and develop methods of calculating embedded emissions based on environmental footprint methods.

Amendment

1. The Commission shall collect, **in consultation with the relevant industrial sectors**, the information necessary with a view to extending the scope of this Regulation to goods other than those listed in Annex I, **such as downstream products using goods covered by this Regulation**, and develop methods of calculating embedded emissions based on environmental footprint methods.

Or. en

Amendment 1112
Laura Huhtasaari

Proposal for a regulation
Article 30 – paragraph 1

Text proposed by the Commission

1. The Commission shall collect the information necessary with a view to extending the scope of this Regulation to indirect emissions and goods other than those listed in Annex I, and develop methods of calculating embedded emissions based on environmental footprint methods.

Amendment

1. The Commission shall collect the information necessary with a view to extending the scope of this Regulation to indirect emissions and goods other than those listed in Annex I, ***including downstream products using goods covered by this Regulation***, and develop methods of calculating embedded emissions based on environmental footprint methods.

Or. en

Amendment 1113
Danilo Oscar Lancini, Elena Lizzi, Catherine Griset, Rosanna Conte, Silvia Sardone, Matteo Adinolfi, Gianantonio Da Re

Proposal for a regulation
Article 30 – paragraph 1

Text proposed by the Commission

1. The Commission shall collect the information necessary with a view to extending the scope of this Regulation to indirect emissions and goods other than those listed in Annex I, and develop methods of calculating embedded emissions based on environmental footprint methods.

Amendment

1. The Commission shall collect the information necessary with a view to extending the scope of this Regulation to indirect emissions and goods other than those listed in Annex I, ***including downstream products using goods covered by this Regulation***, and develop methods of calculating embedded emissions based on environmental footprint methods.

Or. en

Amendment 1114
Simona Bonafè

Proposal for a regulation
Article 30 – paragraph 1

Text proposed by the Commission

1. The Commission shall collect the information necessary with a view to extending the scope of this Regulation to indirect emissions **and** goods other than those listed in Annex I, and develop methods of calculating embedded emissions based on environmental footprint methods.

Amendment

1. The Commission shall collect the information necessary with a view to extending the scope of this Regulation to indirect emissions, goods other than those ***listed in Annex I and downstream products containing good*** listed in Annex I, and develop methods of calculating embedded emissions based on environmental footprint methods.

Or. en

Amendment 1115
Andreas Glück

Proposal for a regulation
Article 30 – paragraph 1

Text proposed by the Commission

1. The Commission shall collect the information necessary with a view to extending the scope of this Regulation to indirect emissions and goods other than those listed in Annex I, and develop methods of calculating embedded emissions based on environmental footprint methods.

Amendment

1. The Commission shall collect , ***in consultation with the relevant stakeholders***, the information necessary with a view to extending the scope of this Regulation to indirect emissions and goods other than those listed in Annex I, and develop methods of calculating embedded emissions based on environmental footprint methods.

Or. en

Justification

Relevant stakeholders must be able to contribute to further development of the mechanism to ensure policy-making is evidence based and fit for purpose to the extend possible.

Amendment 1116
Ondřej Knotek

Proposal for a regulation
Article 30 – paragraph 1

Text proposed by the Commission

1. The Commission shall collect the information necessary with a view to extending the scope of this Regulation to indirect emissions and goods other than those listed in Annex I, and develop methods of calculating embedded emissions based on environmental footprint methods.

Amendment

1. The Commission shall collect, ***in consultation with relevant stakeholders***, the information necessary with a view to extending the scope of this Regulation to indirect emissions and goods other than those listed in Annex I, and develop methods of calculating embedded emissions based on environmental footprint methods.

Or. en

Amendment 1117
Rovana Plumb

Proposal for a regulation
Article 30 – paragraph 1

Text proposed by the Commission

1. The Commission shall collect the information necessary with a view to extending the scope of this Regulation ***to indirect emissions and*** goods other than those listed in Annex I, and develop methods of calculating embedded emissions ***based on environmental footprint methods***.

Amendment

1. The Commission shall collect the information necessary with a view to extending the scope of this Regulation goods other than those listed in Annex I, and develop methods of calculating embedded emissions.

Or. en

Amendment 1118
Yannick Jadot

Proposal for a regulation
Article 30 – paragraph 1

Text proposed by the Commission

1. The Commission shall collect the information necessary with a view to extending the scope of this Regulation ***to indirect emissions and goods other than***

Amendment

1. The Commission shall collect the information necessary with a view to extending the scope of this Regulation and develop methods of calculating embedded

those listed in Annex I, and develop methods of calculating embedded emissions based on environmental footprint methods.

emissions based on environmental footprint methods.

Or. en

Amendment 1119
Michal Wiezik

Proposal for a regulation
Article 30 – paragraph 1

Text proposed by the Commission

1. The Commission shall collect the information necessary with a view to extending the scope of this Regulation to *indirect emissions and* goods other than those listed in Annex I, and develop methods of calculating embedded emissions based on environmental footprint methods.

Amendment

1. The Commission shall collect the information necessary with a view to extending the scope of this Regulation to goods other than those listed in Annex I and develop methods of calculating embedded emissions based on environmental footprint methods.

Or. en

Amendment 1120
Hermann Tertsch, Alexandr Vondra, Pietro Fiocchi

Proposal for a regulation
Article 30 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. The Commission shall monitor and evaluate the CBAM effectiveness with regard to the risk of carbon leakage before phasing out free allocation to sectors at risk of carbon leakage covered by this regulation. To this end, the Commission shall, after consultation of the downstream sectors, present a legislative proposal to the European Parliament and the Council.

Or. en

Amendment 1121

Christian Doleschal, Angelika Niebler

Proposal for a regulation

Article 30 – paragraph 2

Text proposed by the Commission

2. Before the end of the transitional period, ***the Commission shall present a report to the European Parliament and the Council on the application of this Regulation. The report shall contain, in particular, the assessment of the possibilities to further extend the scope of embedded emissions to indirect emissions and to other goods at risk of carbon leakage than those already covered by this Regulation, as well as an assessment of the governance system. It shall also contain the assessment of the possibility to further extend the scope to embedded emissions of transportation services as well as to goods further down the value chain and services that may be subject to the risk of carbon leakage in the future.***

Amendment

2. ***The Commission shall evaluate the application of this Regulation before the end of the administrative transitional period, and report to the European Parliament and the Council. The first report of the Commission shall focus on possibilities to enhance climate actions towards the objective of a climate neutral Union by 2050. The Commission shall, as part of that evaluation, in particular evaluate the impact on sectors listed in Annex I to ensure that the complex production processes and deeply integrated value chains of specific sectors have been taken into account appropriately. Furthermore, the Commission shall, as part of that evaluation, initiate collection of information necessary to possibly extend the scope of Annex I to indirect emissions, as well as to other goods and services at risk of carbon leakage, such as finished goods, and to develop methods of calculating embedded emissions based on the environmental footprint methods:***

(a) the impact on competitiveness of European industry and downstream industry, impact on SMEs, possible disproportionate administrative burden, possible circumvention practices, distortion in trade patterns and possibilities to enhance climate actions towards a climate neutral Union by 2050. Accompanied by proposals to avoid negative impact on such sectors;

(b) a proposal to avoid possible carbon leakage in export markets;

(c) a proposal to extend the scope of this Regulation to finished goods containing

goods listed in Annex I; to ensure competitiveness of European manufacturing industry and prevent carbon leakage;

(d) the assessment of the possibilities to further **extend the** scope of embedded emissions to indirect emissions and to other goods **at risk** of carbon leakage than those already covered by this Regulation, as **well as** an assessment of the governance system. It shall also contain the **assessment of** the possibility to further extend the scope to embedded emissions **of transportation** services as well as to goods further down the value chain **and services** that may be subject to the risk of carbon leakage in the future.

Or. en

Justification

The Commission should also evaluate in its reports the impact of the Regulation on specific sectors listed in Annex I that are characterized by complex production processes and deeply integrated value chains. Furthermore, When selecting the sectors that will be covered under this Regulation, the complex production processes and deeply integrated value chains of those sectors have to be considered in order to avoid economic burdens on these sectors.

Amendment 1122 **Jessica Polfjärd**

Proposal for a regulation **Article 30 – paragraph 2**

Text proposed by the Commission

2. Before the end of the transitional period, ***the Commission shall present a*** report to the European Parliament and the Council on the ***application*** of this Regulation. ***The report shall contain, in particular,*** the assessment of the possibilities to further extend the scope of embedded emissions to indirect emissions and to other goods at risk of carbon leakage than those already covered by this Regulation, as well as an assessment of the governance system. It shall also contain the

Amendment

2. ***The Commission shall evaluate the application of this Regulation*** before the end of the ***administrative*** transitional period ***and*** report to the European Parliament and the Council. ***The first report of the Commission should in particular focus on possibilities to enhance climate actions towards the objective of a climate neutral Union by2050. The Commission should, as part of that evaluation, initiate collection of information necessary to possibly extend***

assessment of the possibility to further extend the scope to embedded emissions of transportation services as well as to goods further down the value chain and services that may be subject to the risk of carbon leakage in the future.

the scope of Annex I to indirect emissions, as well as to other goods and services at risk of carbon leakage, such as finished goods, and to develop methods of calculating embedded emissions based on the environmental footprint methods:

(a) the impact on competitiveness of European industry and downstream industry, impact on SMEs, possible disproportionate administrative burden, possible circumvention practices, distortion in trade patterns and possibilities to enhance climate actions towards a climate neutral Union by 2050. Accompanied by proposals to avoid negative impact on such sectors;

(b) a proposal to avoid possible carbon leakage in export markets;

(c) a proposal to extend the scope of this Regulation to finished goods containing goods listed in Annex I; to ensure competitiveness of European manufacturing industry and prevent carbon leakage;

(d) the assessment of the possibilities to further extend the scope of embedded emissions to indirect emissions and to other goods at risk of carbon leakage than those already covered by this Regulation, as well as an assessment of the governance system. It shall also contain the assessment of the possibility to further extend the scope to embedded emissions of transportation services as well as to goods further down the value chain and services that may be subject to the risk of carbon leakage in the future.

Or. en

Amendment 1123

Adam Jarubas

on behalf of the EPP Group

Esther de Lange, Ewa Kopacz, Deirdre Clune, Agnès Evren, Maria Spyraiki, Pernille Weiss, Radan Kanev, Liudas Mažylis, Cristian-Silviu Buşoi

Proposal for a regulation
Article 30 – paragraph 2

Text proposed by the Commission

2. Before the end of the transitional period, ***the Commission shall present a report to the European Parliament and the Council on the application of this Regulation. The report shall contain, in particular,*** the assessment of the possibilities to further extend the scope of embedded emissions to indirect emissions and to other goods at risk of carbon leakage than those already covered by this Regulation, as well as an assessment of the governance system. It shall also contain the assessment of the possibility to further extend the scope to embedded emissions of transportation services as well as to goods further down the value chain and services that may be subject to the risk of carbon leakage in the future.

Amendment

2. ***The Commission shall evaluate the application of this Regulation*** before the end of the *administrative* transitional period ***and*** report to the European Parliament and the Council. ***The first report of the Commission shall in particular focus on possibilities to enhance climate actions towards the objective of a climate neutral Union by 2050. The Commission shall, as part of that evaluation, initiate the collection of information that would be necessary to extend the scope of Annex I to indirect emissions, as well as to other goods and services at risk of carbon leakage, such as finished goods, and to develop methods of calculating embedded emissions based on the environmental footprint methods. The report shall include:***

(a) the impact on competitiveness of European industry and downstream industry, impact on SMEs, possible disproportionate administrative burden, possible circumvention practices, distortion in trade patterns and possibilities to enhance climate actions towards a climate neutral Union by 2050. Accompanied by proposals to avoid negative impact on such sectors;

(b) a proposal to avoid possible carbon leakage in export markets;

(c) a proposal to extend the scope of this Regulation to finished goods containing goods listed in Annex I; to ensure competitiveness of European manufacturing industry and prevent carbon leakage;

(d) the assessment of the possibilities to further extend the scope of embedded emissions to indirect emissions and to other goods at risk of carbon leakage than those already covered by this Regulation, as well as an assessment of the governance

system. It shall also contain the assessment of the possibility to further extend the scope to embedded emissions of transportation services as well as to goods further down the value chain and services that may be subject to the risk of carbon leakage in the future.

Or. en

Amendment 1124

Susana Solís Pérez, María Soraya Rodríguez Ramos

Proposal for a regulation Article 30 – paragraph 2

Text proposed by the Commission

2. Before the end of the transitional period, the Commission shall present a report to the European Parliament and the Council on the application of this Regulation. The report shall **contain**, in particular, the assessment of the possibilities to further extend the scope of embedded emissions **to indirect emissions and** to other goods at risk of carbon leakage than those already covered by this Regulation, as well as an assessment of the governance system. **It shall also contain** the assessment of the possibility to further extend the scope to embedded emissions of transportation services as well as to goods further down the value chain and services that may be subject to the risk of carbon leakage in the future.

Amendment

2. Before the end of the transitional period, **or at any moment at the request of the European Parliament, the Council or the CBAM Authority**, the Commission shall, **after closely consulting with the relevant stakeholders**, present a report to the European Parliament and the Council on the application of this Regulation. The report shall **highlight**, in particular:

- a) whether the Regulation effectively achieves carbon cost equalisation between imported and domestic products.**
- b) whether the CBAM effectively mitigates carbon leakage for both imports and exports.**
- c) whether the CBAM effectively contributes to reducing carbon emissions in third countries.**
- d) whether the CBAM operates effectively**

and does not lead to forms of circumvention.

e) whether, based on the above, the gradual phase-out of free allocations given in relation to the production of products listed in Annex I of the Regulation shall be accelerated.

f) the assessment of the possibilities to further extend the scope of embedded emissions to other goods at risk of carbon leakage than those already covered by this Regulation, as well as an assessment of the governance system.

g) the assessment of the possibility to further extend the scope to embedded emissions of transportation services as well as to goods further down the value chain and services that may be subject to the risk of carbon leakage in the future.

Or. en

Amendment 1125

Andreas Glück, Nils Torvalds

Proposal for a regulation

Article 30 – paragraph 2

Text proposed by the Commission

2. Before the end of the transitional period, the Commission shall present a report to the European Parliament and the Council on the application of this Regulation. The report shall ***contain***, in particular, the assessment of the possibilities to further extend the scope of embedded emissions to indirect emissions and to other goods at risk of carbon leakage than those already covered by this Regulation, as well as an assessment of the governance system. ***It shall also contain*** the assessment of the possibility to further extend the scope to embedded emissions of transportation services as well as to goods further down the value chain and services

Amendment

2. 2. Before the end of the transitional period, the Commission shall present a report to the European Parliament and the Council on the application of this Regulation. The report shall ***highlight***, in particular:

that may be subject to the risk of carbon leakage in the future.

a) whether the Regulation effectively achieves carbon cost equalisation between imported and domestic products.

b) whether the CBAM effectively mitigates carbon leakage for both imports and exports.

c) whether the CBAM effectively contributes to reducing carbon emissions in third countries.

d) whether the CBAM operates effectively and does not lead to forms of circumvention.

e) whether, based on the above, the gradual phase-out of free allocations given in relation to the production of products listed in Annex I of the Regulation shall be initiated.

f) the assessment of the possibilities to further extend the scope of embedded emissions to indirect emissions and to other goods at risk of carbon leakage than those already covered by this Regulation, as well as an assessment of the governance system.

g) the assessment of the possibility to further extend the scope to embedded emissions of transportation services as well as to goods further down the value chain and services that may be subject to the risk of carbon leakage in the future.

Or. en

Justification

Whether CBAM can reach its goals and this be an effective alternative to current leakage prevention tools is to be established empirically by the Commission before the end of the proposed transitional period towards this new and untested mechanism.

Amendment 1126

Hermann Tertsch, Alexandr Vondra, Pietro Fiocchi

Proposal for a regulation
Article 30 – paragraph 2

Text proposed by the Commission

2. Before the **end** of the **transitional period**, the Commission shall present a report to the European Parliament and the Council on the application of this Regulation. The report shall contain, in particular, the assessment **of the possibilities** to further extend the scope of embedded emissions to indirect emissions and to other goods at risk of carbon leakage than those already covered by this Regulation, as well as an assessment of the governance system. It shall also contain the assessment **of the possibility** to further extend the scope to embedded emissions of transportation services as well as to goods further down the value chain and services that may be subject to the risk of carbon leakage in the future.

Amendment

2. Before the **start** of the **removal of free allowances under ETS**, the Commission shall present a report to the European Parliament and the Council on the **transitional** application of this Regulation **and assess if the conditions are in place for the effective implementation of a CBAM before phasing out free allocations. The report by the European Commission shall be accompanied by a legislative proposal to amend the scope of this regulation, including if the assessment of the effectiveness of the CBAM in tackling carbon leakage shows that EU ETS allowances allocated free of charge in accordance with Article 10a of Directive 2003/87 remain necessary to prevent the risk of carbon leakage after 2030**

The report shall contain, in particular, the assessment to further extend the scope of embedded emissions to indirect emissions and to other **sectors and** goods at risk of carbon leakage than those already **covered by this Regulation, such as downstream products using goods** covered by this Regulation, as well as an assessment of the governance system. It shall also contain the assessment to further extend the scope to embedded emissions of transportation services as well as to goods further down the value chain and services that may be subject to the risk of carbon leakage in the future.

Or. en

Amendment 1127
Alexander Bernhuber, Angelika Winzig

Proposal for a regulation
Article 30 – paragraph 2

Text proposed by the Commission

2. Before the end of the transitional period, the Commission shall present a report to the European Parliament and the Council on the application of this Regulation. The report shall contain, in particular, ***the assessment of the possibilities to further extend the scope of embedded emissions to indirect emissions and to other goods at risk of carbon leakage than those already covered by this Regulation, as well as an assessment of the governance system. It shall also contain the assessment of the possibility to further extend the scope to embedded emissions of transportation services as well as to goods further down the value chain and services that may be subject to the risk of carbon leakage in the future.***

Amendment

2. Before the end of the transitional period, the Commission shall present a report to the European Parliament and the Council on the application of this Regulation. The report shall contain, in particular:

Or. en

Amendment 1128
Alexandr Vondra

Proposal for a regulation
Article 30 – paragraph 2

Text proposed by the Commission

2. Before the end of the transitional period, the Commission shall ***present*** a report to the European Parliament and the Council on the application of this Regulation. The report shall contain, in particular, the assessment of the possibilities to further extend the scope of embedded emissions to indirect emissions ***and*** to other goods at risk of carbon leakage than those already covered by this Regulation, as well as an assessment of the governance system. It shall also contain the assessment of the possibility to further extend the scope to embedded emissions of transportation services as well as to goods further down the value chain and services

Amendment

2. Before the end of the transitional period, the Commission shall ***submit*** a report to the European Parliament and the Council on the ***transitional*** application of this Regulation. The report shall contain, in particular:

that may be subject to the risk of carbon leakage in the future.

*(a) the assessment of the possibilities to further extend the scope of embedded emissions to indirect emissions, **with a particular focus on energy-intensive sectors and any potential loss of indirect ETS cost compensation under Article 10a(6) of Directive 2003/87/EC;***

(b) the assessment of the possibilities to further extend the scope of CBAM to other goods at risk of carbon leakage than those already covered by this Regulation;

(c) the impact of CBAM on downstream users with a proposal to remedy any negative impact on the competitiveness of such users;

(d) as well as an assessment of the governance system.

It shall also contain the assessment of the possibility to further extend the scope to embedded emissions of transportation services as well as to goods further down the value chain and services that may be subject to the risk of carbon leakage in the future.

Or. en

Amendment 1129
Laura Huhtasaari

Proposal for a regulation
Article 30 – paragraph 2

Text proposed by the Commission

2. Before the end of the transitional period, the Commission shall present a report to the European Parliament and the Council on the application of this Regulation. The report shall contain, in particular, *the* assessment of the possibilities to further extend the scope of embedded emissions to indirect emissions and to other goods at risk of carbon

Amendment

2. Before the end of the transitional period, the Commission shall present a report to the European Parliament and the Council on the application of this Regulation. The report shall contain, in particular, *an in-depth* assessment - *developed in close cooperation with the industrial sectors - of the rules to be applied during the trial period established*

leakage than those already covered by this Regulation, as well as an assessment of the governance system. It shall also contain the assessment of the possibility to further extend the scope to embedded emissions of transportation services as well as to goods further down the value chain and services that may be subject to the risk of carbon leakage in the future.

pursuing to article 30bis and of the possibilities to further extend the scope of embedded emissions to indirect emissions and to other goods at risk of carbon leakage than those already ***covered by this Regulation, including downstream products using goods*** covered by this Regulation, as well as an assessment of the governance system. It shall also contain the assessment of the possibility to further extend the scope to embedded emissions of transportation services as well as to goods further down the value chain and services that may be subject to the risk of carbon leakage in the future.

Or. en

Amendment 1130
Agnès Evren

Proposal for a regulation
Article 30 – paragraph 2

Text proposed by the Commission

2. Before the end of the transitional period, the Commission shall present a report to the European Parliament and the Council on the application of this Regulation. The report shall contain, in ***particular***, the assessment of the ***possibilities to further extend*** the scope of ***embedded*** emissions to indirect emissions and to other goods at risk of carbon leakage than those already covered by this Regulation, as well as an assessment of the governance system. It shall also contain the assessment of the possibility to further extend the scope to embedded emissions of transportation services as well as to goods further down the value chain and services that may be subject to the risk of carbon leakage in the future.

Amendment

2. Before the end of the transitional period, the Commission shall present a report to the European Parliament and the Council on the application of this Regulation. The report shall contain ***an impact analysis to determine to which sectors and/or products, in addition to those listed in Annex I, the scope of this Regulation should be extended, as well as an assessment of the governance system. This impact analysis should also ascertain the extent to which*** the scope of embedded emissions ***should be extended to cover*** indirect emissions and to other goods at risk of carbon leakage than those already covered by this Regulation, as well as an assessment of the governance system. It shall also contain the assessment of the possibility to further extend the scope to embedded emissions of transportation services as well as to goods further down the value chain and services that may be

subject to the risk of carbon leakage in the future. *Where appropriate, the report shall be accompanied by a legislative proposal.*

Or. fr

Amendment 1131
Dolors Montserrat

Proposal for a regulation
Article 30 – paragraph 2

Text proposed by the Commission

2. Before the end of the transitional period, *the Commission shall present a report to the European Parliament and the Council on the application of this Regulation. The report shall contain, in particular, the assessment of the possibilities to further extend the scope of embedded emissions to indirect emissions and to other goods at risk of carbon leakage than those already covered by this Regulation, as well as an assessment of the governance system. It shall also contain the assessment of the possibility to further extend the scope to embedded emissions of transportation services as well as to goods further down the value chain and services that may be subject to the risk of carbon leakage in the future.*

Amendment

2. *The Commission shall evaluate the application of this Regulation before the end of the administrative transitional period and report to the European Parliament and the Council. The first report of the Commission shall in particular focus on possibilities to enhance climate actions towards the objective of a climate neutral Union by 2050. The Commission shall, as part of that evaluation:*

(a) assess the impact on the competitiveness of the European industry and downstream sectors, the impact on SMEs, possible disproportionate administrative burden, circumvention practices, distortion in trade patterns and possibilities to enhance climate actions towards a climate neutral Union by 2050, accompanied by proposals to avoid negative impacts on such sectors;

(b) present a proposal to address the problem of carbon leakage in export markets;

(c) extend the scope of Annex I to other

goods **and services** at risk of carbon leakage, **such as finished** goods.

Or. en

Amendment 1132

Yannick Jadot

Proposal for a regulation

Article 30 – paragraph 2

Text proposed by the Commission

2. Before the end of the transitional period, the Commission shall present a report to the European Parliament and the Council on the application of this Regulation. The report shall contain, in particular, ***the assessment of the possibilities to further extend the scope of embedded emissions to indirect emissions and to other goods at risk of carbon leakage than those already covered by this Regulation, as well as*** an assessment of the governance system. ***It shall also contain the*** assessment of the possibility to further extend the scope to embedded emissions of transportation services ***as well as to goods further down the value chain and services that may be subject to the risk of carbon leakage in the future.***

Amendment

2. Before the end of the transitional period, the Commission shall ***present a legislative proposal to extend the scope of this Regulation to other sectors than those listed in Annex I, including but not limited to oil, gas and coal, pulp and paper, glass, and ceramics, as well as other inorganic chemicals, and to upstream products within the covered sectors. It shall also make a legislative proposal to cover downstream goods within the covered sectors. If the assessment related to the inclusion of oil, gas and coal concludes that the related social impacts may be negative, the proposal shall be accompanied with measures to mitigate such effects. The Commission shall also*** present a report to the European Parliament and the Council on the application of this Regulation. The report shall contain, in particular an assessment of the governance system ***and an*** assessment of the possibility to further extend the scope to embedded emissions of transportation services.

Or. en

Amendment 1133

Danilo Oscar Lancini, Elena Lizzi, Catherine Griset, Rosanna Conte, Silvia Sardone, Matteo Adinolfi, Gianantonio Da Re

Proposal for a regulation
Article 30 – paragraph 2

Text proposed by the Commission

2. Before the end of the transitional period, the Commission shall present a report to the European Parliament and the Council on the application of this Regulation. The report shall contain, in particular, **the** assessment of the possibilities to further extend the scope of embedded emissions to indirect emissions and to other goods at risk of carbon leakage than those already covered by this Regulation, as well as an assessment of the governance system. It shall also contain the assessment of the possibility to further extend the scope to embedded emissions of transportation services as well as to goods further down the value chain and services that may be subject to the risk of carbon leakage in the future.

Amendment

2. Before the end of the transitional period, the Commission shall present a report to the European Parliament and the Council on the application of this Regulation. The report shall contain, in particular, **an in-depth** assessment - **developed in close cooperation with the industrial sectors - of the rules to be applied during the trial period established pursuant to article 30a and** of the possibilities to further extend the scope of embedded emissions to indirect emissions and to other goods at risk of carbon leakage than those already **covered by this Regulation, including downstream products using goods** covered by this Regulation, as well as an assessment of the governance system. It shall also contain the assessment of the possibility to further extend the scope to embedded emissions of transportation services as well as to goods further down the value chain and services that may be subject to the risk of carbon leakage in the future.

Or. en

Amendment 1134
Ondřej Knotek

Proposal for a regulation
Article 30 – paragraph 2

Text proposed by the Commission

2. Before the **end** of the **transitional period**, the Commission shall present a report to the European Parliament and the Council on the application of this Regulation. The report shall contain, in **particular**, the assessment of the possibilities to further extend the scope of embedded emissions to indirect emissions

Amendment

2. Before the **start** of the **removal of free allowances under ETS**, the Commission shall present a report to the European Parliament and the Council on the application of this Regulation **and assess if the conditions are in place for the effective implementation of a CBAM before phasing out free allocation**. The

and to other goods at risk of carbon leakage than those already covered by this Regulation, as well as an assessment of the governance system. It shall also contain the assessment of the possibility to further extend the scope to embedded emissions of transportation services as well as to goods further down the value chain and services that may be subject to the risk of carbon leakage in the future.

report shall contain, in *addition, the assessment of the rules to be applied in the testing period established pursuant to article 30bis and* the assessment of the possibilities to further extend the scope of embedded emissions to indirect emissions and to other goods at risk of carbon leakage than those already covered by this Regulation, as well as an assessment of the governance system. It shall also contain the assessment of the possibility to further extend the scope to embedded emissions of transportation services as well as to goods further down the value chain and services that may be subject to the risk of carbon leakage in the future.

Or. en

Amendment 1135
Marian-Jean Marinescu

Proposal for a regulation
Article 30 – paragraph 2

Text proposed by the Commission

2. ***Before the end of the transitional period,*** the Commission shall present a report to the European Parliament and the Council on the application of this Regulation. The report shall contain, in particular, the assessment of the possibilities to further extend the scope of embedded emissions to indirect emissions and to other goods at risk of carbon leakage than those already covered by this Regulation, as well as an assessment of the governance system. It shall also contain the assessment of the possibility to further extend the scope to embedded emissions of transportation services as well as to goods further down the value chain and services that may be subject to the risk of carbon leakage in the future.

Amendment

2. ***2. The start of removal of free allowances in ETS should be planned once the CBAM has been proven to be effective and successfully implemented.*** The Commission shall present ***by 2023*** a report to the European Parliament and the Council on the application of this Regulation. The report shall contain, in particular, the assessment of ***the impact on competitiveness of the EU downstream industry,*** the possibilities to further extend the scope of embedded emissions to indirect emissions and to other goods at risk of carbon leakage than those already covered by this Regulation, as well as an assessment of the governance system. It shall also contain the assessment of the possibility to further extend the scope to embedded emissions of transportation services as well as to goods further down the value chain and services that may be

subject to the risk of carbon leakage in the future.

Or. en

Justification

Assessing the consequences of the proposed measures before the end of the transitional period would be too late. The Commission should be forward looking and pre-empt potential future competitive disadvantages on both the EU import and global export market. The removal of free allowances and the CBAM phase-in will have an impact on those industries which rely on steel, aluminium and cement to manufacture their product and place it on the Union market or export it to third countries. Therefore, the Commission needs to start to analyse these consequences and prepare measures to preserve EU competitiveness and avoid any carbon leakage on downstream industries.

Amendment 1136

Salvatore De Meo, Fulvio Martusciello, Aldo Patriciello

Proposal for a regulation

Article 30 – paragraph 2

Text proposed by the Commission

2. Before the end of the transitional period, the Commission shall present a report to the European Parliament and the Council on the application of this Regulation. The report shall contain, in particular, **the** assessment **of** the possibilities to further extend the scope of embedded emissions to indirect emissions and to other goods at risk of carbon leakage than those already covered by this Regulation, as well as an assessment of the governance system. It shall also contain the assessment of the possibility to further extend the scope to embedded emissions of transportation services as well as to goods further down the value chain and services that may be subject to the risk of carbon leakage in the future.

Amendment

2. Before the end of the transitional period, the Commission shall present a report to the European Parliament and the Council on the application of this Regulation. The report shall contain, in particular, **an in-depth** assessment - **developed in close cooperation with the industrial sectors, of the rules to be applied in the testing period established pursuant to Article 31 paragraph 4, and** the possibilities to further extend the scope of embedded emissions to indirect emissions and to other goods at risk of carbon leakage than those already covered by this Regulation, as well as an assessment of the governance system. It shall also contain the assessment of the possibility to further extend the scope to embedded emissions of transportation services as well as to goods further down the value chain and services that may be subject to the risk of carbon leakage in the future.

Justification

In the transitional period 2023-2025 proposed by the Commission, importers will neither have to pay any CBAM levy (only provide information) nor will other key provisions of the legal framework be in place (e.g. data provided by importers in 2023-2025 will not be verified, and the whole methodology for calculating embedded emissions will not be in place). Therefore, a 2026-2028 testing period should be introduced where importers pay the CBAM and the effectiveness of the measure is assessed before proceeding with subsequent steps such as the adjustment of the free allocation rules after 2030.

Amendment 1137

Ivan David

Proposal for a regulation

Article 30 – paragraph 2

Text proposed by the Commission

2. Before the end of the transitional period, the Commission shall present a report to the European Parliament and the Council on the application of this Regulation. The report shall contain, in particular, the assessment *of* the possibilities to further extend the scope of embedded emissions to indirect emissions and to other goods at risk of carbon leakage than those already covered by this Regulation, as well as an assessment of the governance system. It shall also contain the assessment of the possibility to further extend the scope to embedded emissions of transportation services as well as to goods further down the value chain and services that may be subject to the risk of carbon leakage in the future.

Amendment

2. Before the end of the transitional period, the Commission shall present a report to the European Parliament and the Council on the application of this Regulation. The report shall contain, in particular, ***in-depth*** the assessment ***developed in close cooperation with the industrial sectors, of the rules to be applied in the testing period established pursuant to article 30a and*** the possibilities to further extend the scope of embedded emissions to indirect emissions and to other goods at risk of carbon leakage than those already covered by this Regulation, as well as an assessment of the governance system. It shall also contain the assessment of the possibility to further extend the scope to embedded emissions of transportation services as well as to goods further down the value chain and services that may be subject to the risk of carbon leakage in the future.

Or. en

Justification

In the transitional period 2023-2025 proposed by the Commission, importers will not have to

pay any CBAM levy (only provide information) and the whole legal framework will not be yet in place (e.g. data provided by importers in 2023-2025 will not be verified, and the whole methodology for calculating embedded emissions will not be in place). Therefore, a 2026-2028 testing period should be introduced where importers pay the CBAM and the effectiveness of the measure is assessed before proceeding with subsequent steps such as the adjustment of the free allocation rules after 2030.

Amendment 1138

Dan-Ștefan Motreanu

Proposal for a regulation

Article 30 – paragraph 2

Text proposed by the Commission

2. Before the end of the transitional period, the Commission shall present a report to the European Parliament and the Council on the application of this Regulation. The report shall contain, in particular, *the* assessment *of* the possibilities to further extend the scope of embedded emissions to indirect emissions and to other goods at risk of carbon leakage than those already covered by this Regulation, as well as an assessment of the governance system. It shall also contain the assessment of the possibility to further extend the scope to embedded emissions of transportation services as well as to goods further down the value chain and services that may be subject to the risk of carbon leakage in the future.

Amendment

2. Before the end of the transitional period, the Commission shall present a report to the European Parliament and the Council on the application of this Regulation. The report shall contain, in particular, *an in-depth* assessment *developed in close cooperation with the industrial sectors, of the rules to be applied in the testing period established pursuant to article 30a and* the possibilities to further extend the scope of embedded emissions to indirect emissions and to other goods at risk of carbon leakage than those already covered by this Regulation, as well as an assessment of the governance system. It shall also contain the assessment of the possibility to further extend the scope to embedded emissions of transportation services as well as to goods further down the value chain and services that may be subject to the risk of carbon leakage in the future.

Or. en

Amendment 1139

Jan Huitema

Proposal for a regulation

Article 30 – paragraph 2

Text proposed by the Commission

2. Before the end of the transitional period, the Commission shall present a report to the European Parliament and the Council on the application of this Regulation. The report shall contain, in particular, the assessment of the possibilities to further extend the scope of embedded emissions to indirect emissions and to other goods at risk of carbon leakage than those already covered by this Regulation, as well as an assessment of the governance system. ***It shall also contain the assessment of the possibility to further extend the scope to embedded emissions of transportation services as well as to goods further down the value chain and services that may be subject to the risk of carbon leakage in the future.***

Amendment

2. Before the end of the transitional period, the Commission shall present a report, ***based on the information collected under paragraph 1***, to the European Parliament and the Council on the application of this Regulation. The report shall contain, in particular, the assessment of the possibilities to further extend the scope of embedded emissions to indirect emissions and to other goods at risk of carbon leakage than those already covered by this Regulation, as well as an assessment of the governance system. ***If the assessment shows that other sectors need to be included in the scope of this Regulation to goods further down the value chain and transportation services that may be subject to the risk of carbon leakage in the future, the report by the Commission shall be accompanied by a legislative proposal to extend the scope to these sectors.***

Or. en

Amendment 1140

Catherine Griset, Danilo Oscar Lancini, Aurélia Beigneux, Joëlle Mélin, Mathilde Androuët

**Proposal for a regulation
Article 30 – paragraph 2**

Text proposed by the Commission

2. Before the end of the transitional period, the Commission shall present a report to the European Parliament and the Council on the application of this Regulation. The report shall contain, in particular, the assessment of the possibilities to further extend the scope of embedded emissions to indirect emissions and to other goods at risk of carbon leakage than those already covered by this Regulation, as well as an assessment of the

Amendment

2. Before the end of the transitional period, the Commission shall present a report to the European Parliament and the Council on the application of this Regulation. The report shall contain, in particular, the assessment of the possibilities to further extend the scope of embedded emissions to indirect emissions and to other goods at risk of carbon leakage than those already covered by this Regulation, as well as an assessment of the

governance system. It shall also contain the assessment of the possibility to further extend the scope to embedded emissions of transportation services as well as to goods further down the value chain and services that may be subject to the risk of carbon leakage in the future.

governance system. It shall also contain the assessment of the possibility to further extend the scope to embedded emissions of transportation services as well as to goods further down the value chain and services that may be subject to the risk of carbon leakage in the future, ***without undermining the proper functioning of the internal market or increasing costs for consumers.***

Or. fr

Amendment 1141

Edina Tóth, Enikő Győri

Proposal for a regulation

Article 30 – paragraph 2

Text proposed by the Commission

2. Before the end of the transitional period, the Commission shall present a report to the European Parliament and the Council on the application of this Regulation. The report shall contain, in particular, ***the*** assessment of the possibilities to further extend the scope of embedded emissions to indirect emissions and to other goods at risk of carbon leakage than those already covered by this Regulation, as well as an assessment of the governance system. It shall also contain the assessment of the possibility to further extend the scope to embedded emissions of transportation services as well as to goods further down the value chain and services that may be subject to the risk of carbon leakage in the future.

Amendment

2. Before the end of the transitional period, the Commission shall present a report to the European Parliament and the Council on the application of this Regulation. The report shall contain, in particular, ***an in-depth assessment - developed in close cooperation with the stakeholders concerned,*** of the possibilities to further extend the scope of embedded emissions to indirect emissions and to other goods at risk of carbon leakage than those already covered by this Regulation, as well as an assessment of the governance system. It shall also contain the assessment of the possibility to further extend the scope to embedded emissions of transportation services as well as to goods further down the value chain and services that may be subject to the risk of carbon leakage in the future.

Or. en

Justification

During the transitional period 2023,2024,2025, when importers will not have to pay any CBAM levy, the Commission should work in close cooperation with the industrial sectors in order to assess the possibility to expand the scope ensuring an adequate level of protection

from the risk of carbon leakage.

Amendment 1142

Simona Bonafè

Proposal for a regulation

Article 30 – paragraph 2

Text proposed by the Commission

2. Before the end of the transitional period, the Commission shall present a report to the European Parliament and the Council on the application of this Regulation. The report shall contain, in particular, the assessment of the possibilities to further extend the scope of embedded emissions to indirect emissions and to other goods at risk of carbon leakage than those already covered by this Regulation, as well as an assessment of the governance system. It shall also contain the assessment of the possibility to further extend the scope to embedded emissions of transportation services as well as to goods further down the value chain and services that may be subject to the risk of carbon leakage in the future.

Amendment

2. Before the end of the transitional period, the Commission shall present a report to the European Parliament and the Council on the application of this Regulation. The report shall contain, in particular, the assessment of the possibilities to further extend the scope of embedded emissions to indirect emissions and to other goods at risk of carbon leakage than those already covered by this Regulation, as well as an assessment of the ***EU downstream industry and of the*** governance system. It shall also contain the assessment of the possibility to further extend the scope to embedded emissions of transportation services as well as to goods further down the value chain and services that may be subject to the risk of carbon leakage in the future.

Or. en

Amendment 1143

Rovana Plumb

Proposal for a regulation

Article 30 – paragraph 2

Text proposed by the Commission

2. Before the end of the transitional period, the Commission shall present a report to the European Parliament and the Council on the application of this Regulation. The report shall contain, in particular, the assessment of the

Amendment

2. Before the end of the transitional period, the Commission shall present a report to the European Parliament and the Council on the application of this Regulation. The report shall contain, in particular, the assessment of the

possibilities to further extend the scope of embedded emissions ***to indirect emissions and*** to other goods at risk of carbon leakage than those already covered by this Regulation, as well as an assessment of the governance system. It shall also contain the assessment of the possibility to further extend the scope to embedded emissions of transportation services as well as to goods further down the value chain and services that may be subject to the risk of carbon leakage in the future.

possibilities to further extend the scope of embedded emissions to other goods at risk of carbon leakage than those already covered by this Regulation, as well as an assessment of the governance system. It shall also contain the assessment of the possibility to further extend the scope to embedded emissions of transportation services as well as to goods further down the value chain and services that may be subject to the risk of carbon leakage in the future.

Or. en

Justification

European industries are facing today significant indirect emissions and costs related to these. These will rise in the future as key decarbonisation technologies are introduced, and through electrification of production processes. It is therefore crucial that indirect emissions are included in the Commission proposals to ensure a level playing field. This should be done as part of Article 7 on the calculation of embedded emissions, and not pushed back to a subsequent new CBAM legislative proposal that would only come in a few years. Furthermore, it is not relevant to develop methods of calculating embedded emissions “based on environmental footprint methods”. Indeed, CBAM is currently designed as a system where imported products will be facing equivalent CO2 costs to domestic products, and, as such, the system is designed to mirror the EU Emission Trading Scheme (ETS). It therefore seems appropriate that methodologies to calculate embedded emissions mirror strictly those used in the EU ETS, as opposed to using a different system such as “environmental footprint methods”.

Amendment 1144

Alexander Bernhuber, Angelika Winzig

Proposal for a regulation

Article 30 – paragraph 2 – point a (new)

Text proposed by the Commission

Amendment

(a) an in-depth assessment developed in close cooperation with the industrial sectors, of the rules to be applied in the testing period established pursuant to article 30a and the possibilities to further extend the scope of embedded emissions to indirect emissions and to other goods at risk of carbon leakage than those already covered by this Regulation;

Amendment 1145

Alexander Bernhuber, Angelika Winzig

Proposal for a regulation

Article 30 – paragraph 2 – point b (new)

Text proposed by the Commission

Amendment

(b) an assessment of the governance system;

Or. en

Amendment 1146

Alexander Bernhuber, Angelika Winzig

Proposal for a regulation

Article 30 – paragraph 2 – point c (new)

Text proposed by the Commission

Amendment

(c) an assessment of the possibility to further extend the scope to embedded emissions of transportation services as well as to goods further down the value chain and services that may be subject to the risk of carbon leakage in the future;

Or. en

Amendment 1147

Alexander Bernhuber, Angelika Winzig

Proposal for a regulation

Article 30 – paragraph 2 – point d (new)

Text proposed by the Commission

Amendment

(d) an assessment of the real impact on climate and environmental protection;

Or. en

Amendment 1148

Alexander Bernhuber, Angelika Winzig

Proposal for a regulation

Article 30 – paragraph 2 – point e (new)

Text proposed by the Commission

Amendment

(e) an identification of the effects on sustainable innovation and changes in trade flows, supply chains and prices with regards to fertilisers and agricultural sector;

Or. en

Amendment 1149

Alexander Bernhuber

Proposal for a regulation

Article 30 – paragraph 2 – point f (new)

Text proposed by the Commission

Amendment

(f) an assessment of the effects from the potential extension of the scope of this Regulation to more agricultural and food products and its potential implications.

Or. en

Amendment 1150

Alexandr Vondra

Proposal for a regulation

Article 30 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. By the end of the third year following the end of the transitional period and every two years thereafter, the Commission shall submit a report to the European Parliament and the Council

with the assessment of the full application of this Regulation, following the end of the transitional period. That report shall contain, in particular:

(a) the assessment of impact of CBAM on Union trade in goods listed in Annex I, as well as downstream sectors, including both imports and exports;

(b) the assessment of whether a change in pattern in trade in goods listed in Annex I occurred in countries exporting those goods to the Union and whether resource-shuffling takes places;

(c) the assessment of impact of CBAM on emissions from sectors producing goods listed in Annex I, as relating to both emissions in the Union and emissions embedded in Union imports of those goods, as well as exports of those goods to third countries from third country installations exporting to the Union;

(d) the assessment of efficacy of emission reporting in CBAM declarations, verifications of CBAM declarations by verifiers, third country inspections, actual and default emissions data collection and use, as well as consistency of reporting data from the same imports among different importers and Member States;

(e) the description and analysis of any measures, if possible, preventing the decrease in exports of goods listed in Annex I caused by the withdrawal of existing measures to prevent carbon leakage, and any corresponding legislative proposal introducing such measures.

Or. en

Amendment 1151
Christian Doleschal, Angelika Niebler

Proposal for a regulation
Article 30 – paragraph 2 a (new)

2a. During the comprehensive transitional period, biannual between 2025-2030 and every year thereafter until 2035 the Commission shall evaluate the application of this Regulation and report to the European parliament and the Council. The Commission shall in particular focus on: (a) the impact on European industry and downstream industry of sectors listed in Annex I to ensure that the complex production processes and deeply integrated value chains of specific sectors listed in Annex I are taken into account appropriately, the effect of this Regulation on exports from the Union in the sectors covered by this Regulation and rectifying measures in case of negative impacts ; as well as on SMEs and possible additional administrative burden for SMEs; (b) the effectiveness of this Regulation in reducing carbon leakage and possible circumvention practices; and (c) the impact of CBAM on Union trade of goods listed in Annex I and possible distortion in trade patterns;

Or. en

Justification

The Commission should also evaluate in its reports the impact of the Regulation on specific sectors listed in Annex I that are characterized by complex production processes and deeply integrated value chains. This amendment is based on Amendment 35 of EPP- shadow rapporteur Tomas Tobé. The Commission should also evaluate in its reports the impact of the Regulation on specific sectors listed in Annex I that are characterized by complex production processes and deeply integrated value chains.

Amendment 1152

Adam Jarubas

on behalf of the EPP Group

Esther de Lange, Ewa Kopacz, Deirdre Clune, Maria Spyraiki, Pernille Weiss, Radan Kanev, Liudas Mažylis, Cristian-Silviu Buşoi, Dolors Montserrat

Proposal for a regulation
Article 30 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. During the comprehensive transitional period, biannual between 2025-2030 and every year thereafter until 2035 the Commission shall evaluate the application of this Regulation and report to the European Parliament and the Council. The Commission shall in particular focus on:

(a) the impact on European industry and downstream industry of sectors listed in Annex I, as well as on SMEs and possible additional administrative burden for SMEs;

(b) the effectiveness of this Regulation in reducing carbon leakage and possible circumvention practices; and

(c) the impact of CBAM on Union trade of goods listed in Annex I and possible distortion in trade patterns;

Or. en

Amendment 1153
Rovana Plumb

Proposal for a regulation
Article 30 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. Before the end of the transitional period, the Commission shall present a report to the European Parliament and the Council accompanied with a legislative proposal to address the carbon leakage risk on export markets. This proposal should consider WTO-compatible solutions such as export adjustment mechanisms that would equalise CO₂ costs, taking into account the carbon pricing schemes developed by third countries. Pending the development

and adoption of such legislative proposal, free allocation related to EU exports of the products listed in Annex I should not be subject to the phasing out of the free allowances in accordance with the procedure of Article 10a of Directive 2003/87/EC (ETS).

Or. en

Justification

Already today, European exporting sectors are faced with an increasing competitive disadvantage in relation to producers in third countries, when the latter are not subject to similar emission reduction efforts as those applied to EU operators under the EU ETS. While the surrendering of CBAM certificates for EU imports addresses the risk of carbon leakage on the EU market, it is essential to also avoid the risk that EU exports on global markets are replaced by more carbon intensive goods or by goods that are not subject to equivalent carbon costs. For this purpose, the European Commission should develop as soon as possible a WTO-compatible solution to avoid carbon leakage on European exports. Until such solution is developed, it is essential that free allocation for European exports is maintained.

Amendment 1154

Jessica Polfjärd

Proposal for a regulation

Article 30 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. During the comprehensive transitional period, biannual between 2025-2030 and every year thereafter until 2035 the Commission shall evaluate the application of this Regulation and report to the European parliament and the Council. The Commission should in particular focus on:

(a) the impact on European industry and downstream industry of sectors listed in Annex I, as well as on SMEs and possible additional administrative burden for SMEs;

(b) the effectiveness of this Regulation in reducing carbon leakage and possible circumvention practices; and

(c) the impact of CBAM on Union trade of goods listed in Annex I and possible distortion in trade patterns;

Or. en

Amendment 1155

Javi López, César Luena, Nicolás González Casares, Marcos Ros Sempere, Estrella Durá Ferrandis

Proposal for a regulation

Article 30 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. At the end of the first year after the transitional period of this Regulation and to ensure a level playing field for the EU production destined to the export, of the sectors covered by the scope of Annex I of this Regulation, the Commission shall submit to the European Parliament and to the Council a report, if necessary accompanied by legislative measures, on the impact of EU exports of those sectors in the global markets and shall consider an export adjustment mechanism that equalize the costs of CO₂ with the different pricing schemes of the third countries. Such measures shall comply the WTO rules.

Or. en

Amendment 1156

Nicolae Ștefănuță, Emma Wiesner, Frédérique Ries, María Soraya Rodríguez Ramos, Jan Huitema, Linea Sogaard-Lidell, Michal Wiezik, Martin Hojsík

Proposal for a regulation

Article 30 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. By 1 January 2028, the Commission shall present a report to the European Parliament and the Council on

the application of this Regulation, based on the first years of effective application from the Regulation. That report shall highlight, in particular the impact of CBAM on CO2 cost equalisation and on carbon leakage mitigation and to what extent forms of circumventions are avoided

Or. en

Amendment 1157

Adam Jarubas

on behalf of the EPP Group

Esther de Lange, Ewa Kopacz, Deirdre Clune, Pernille Weiss, Maria Spyraiki, Radan Kanev, Liudas Mažylis, Cristian-Silviu Buşoi, Dolors Montserrat

Proposal for a regulation

Article 30 – paragraph 2 b (new)

Text proposed by the Commission

Amendment

2b. By 1 January 2028 Commission shall evaluate the risk of carbon leakage in downstream sectors and end users, including from loss of exports, for operators that produce products covered by Regulation (EU) No 1308/2013 or which use those products as their main input as a cause of the gradual phase-out of free allocation in favour of the obligation to surrender CBAM certificates. To address that risk, the Commission shall present legislative proposals under the Common Agricultural Policy.

Or. en

Amendment 1158

Marian-Jean Marinescu

Proposal for a regulation

Article 30 – paragraph 3

Text proposed by the Commission

3. ***The report by the Commission shall, if appropriate, be accompanied by a legislative proposal.***

Amendment

3. A legislative proposal ***shall be presented once the CBAM has been successfully implemented to prevent distortion of competition in the EU and on global markets, that will occur as an indirect effect from the removal of free allocations of ETS, between products containing goods as listed under Annex I produced in the EU and those produced in third countries. The legislative proposal shall take into account Article 2.5 to prevent carbon leakage and be in line with WTO rules.***

Or. en

Amendment 1159

Catherine Griset, Danilo Oscar Lancini, Aurélia Beigneux, Joëlle Mélin, Mathilde Androuët

**Proposal for a regulation
Article 30 – paragraph 3**

Text proposed by the Commission

3. The report by the Commission shall, if appropriate, be accompanied by a legislative proposal.

Amendment

3. The report by the Commission shall, if appropriate, be accompanied by a legislative proposal. ***The proposal should consider, inter alia, the option to maintain the allocation of free allowances for EU exports and to allocate a refund for the carbon costs that EU producers incur under the EU Emissions Trading System.***

Or. fr

Amendment 1160

Michał Wiezik

**Proposal for a regulation
Article 30 – paragraph 3**

Text proposed by the Commission

3. The report by the Commission shall, if appropriate, be accompanied by a legislative proposal.

Amendment

3. The report by the Commission shall, if appropriate, be accompanied by a legislative proposal ***to extend the scope of this Regulation as set out in paragraphs 1 and 2 and including the measure to calculate embedded emissions based on the environmental footprint methods.***

Or. en

Amendment 1161

Hermann Tertsch, Alexandr Vondra, Pietro Fiocchi

Proposal for a regulation

Article 30 – paragraph 3

Text proposed by the Commission

3. The report by the Commission shall, ***if appropriate***, be accompanied by a legislative proposal.

Amendment

3. The report by the Commission shall be accompanied by a legislative proposal. ***Impacted sectors addressed by the legislative proposal shall be informed at least two years ahead of its publication and fully involved in the consultation process by the European Commission.***

Or. en

Amendment 1162

Agnès Evren

Proposal for a regulation

Article 30 – paragraph 3

Text proposed by the Commission

3. The report by the Commission shall, if appropriate, be accompanied by a legislative proposal.

Amendment

3. ***The Commission, in cooperation with the competent authorities, shall regularly submit to the European Parliament and the Council a report on the implementation of this Regulation.***
The report by the Commission shall, if appropriate, be accompanied by a

legislative proposal.

Or. fr

Amendment 1163

Yannick Jadot

Proposal for a regulation

Article 30 – paragraph 3

Text proposed by the Commission

3. *The report by the Commission shall, if appropriate, be accompanied by a legislative proposal.*

Amendment

3. The Commission shall ***monitor the functioning of the CBAM. Each year, it shall submit a report to the European Parliament and to the Council on the functioning of the CBAM and its ability to reduce the Union's imported emissions.***

Or. en

Amendment 1164

Pietro Fiocchi

Proposal for a regulation

Article 30 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

3a. The Commission shall review the functioning of the CBAM on the basis of the data gathered in the period 2026-2028 with a view to assessing its effectiveness in protecting industries against the risk of carbon leakage and its impact on the security of national supply and on value chains. In 2029, the Commission shall submit a report to the European Parliament and the Council on the effectiveness of the CBAM on the basis of the impact assessment conducted on the data gathered in the period 2026-2028, and shall also do so whenever the assessment of the effectiveness of the CBAM in addressing carbon leakage dictates that EU ETS allowances should

continue to be allocated free of charge pursuant to Article 10a of Directive 2003/87/EC in order to prevent the risk of carbon leakage post-2030. The report shall also cover the mechanism established to protect exports.

Or. it

Amendment 1165

Rovana Plumb

Proposal for a regulation

Article 30 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

3a. No later than 1st January 2028, the European Commission shall present a report to the European Parliament and the Council on the application of this Regulation, based on the first years of effective application from the Regulation. The report should highlight, in particular:

- whether the Regulation effectively achieves CO₂ cost equalisation between imported and domestic products;**
- whether CBAM effectively mitigates carbon leakage for both imports and exports;**
- whether the CBAM operates effectively and does not lead to forms of circumventions;**
- whether, based on the above, the gradual phase-out of the free allocation given in relation to the production of products listed in Annex I of Regulation shall be initiated as of 2030.**

Or. en

Justification

CBAM is by definition an untested mechanism. It is indispensable to ensure that CBAM effectively equalises CO₂ costs between EU and non-EU suppliers before any phase-out of free allocation is initiated.

Amendment 1166

Radan Kanev

Proposal for a regulation

Article 30 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

3a. 4. No later than 1st January 2028, the European Commission shall present a report to the European Parliament and the Council on the application of this Regulation, based on the first years of effective application from the Regulation. The report should highlight, in particular:
- whether the Regulation effectively achieves CO₂ cost equalisation between imported and domestic products; - whether CBAM effectively mitigates carbon leakage for both imports and exports; - whether the CBAM operates effectively and does not lead to forms of circumventions; - whether, based on the above, the gradual phase-out of the free allocation given in relation to the production of products listed in Annex I of Regulation shall be initiated as of 2030.

Or. en

Amendment 1167

Jessica Polfjärd

Proposal for a regulation

Article 30 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

3a. In case the CBAM is proven not to be efficient in lowering carbon leakage, the Commission shall present a new or revised legislative proposal aiming at lowering carbon leakage. Once the CBAM has fully demonstrated its WTO-compatibility, its effectiveness in equalising CO₂ costs between imported

and domestic products and in protecting the competitiveness of European exports, the free allocation received by these sectors should be gradually phased out, however not prior to 2030. This phase-out of free allocation should be kept under review in light of the entry into force and effective implementation of the Carbon Border Adjustment Mechanism.

Or. en

Amendment 1168
Alexander Bernhuber

Proposal for a regulation
Article 30 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

3a. By 31 December 2026, the Commission shall submit a report to the European Parliament and the Council on the impact of this Regulation on exports from the Union in sectors covered by the EU ETS. This report shall include, in particular, an assessment of the impact of this Regulation on the competitiveness of exports of products covered by Annex I. In addition, the report shall include an assessment of the impact of this Regulation on input and food prices in the EU and an assessment of the impact on the competitiveness of food production in the EU.

Or. en

Amendment 1169
Hermann Tertsch, Alexandr Vondra, Pietro Fiocchi

Proposal for a regulation
Article 30 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

3a. A legislative proposal shall be presented at least one year before the start of removal of free allowances in ETS, to prevent distortion of competition in the EU and on global markets, that will occur as an indirect effect from the removal of free allocations of ETS, between products containing goods as listed under Annex I produced in the EU and those produced in third countries. The legislative proposal shall take into account Article 2.5 to prevent carbon leakage and be in line with WTO rules.

Or. en

Amendment 1170
Nikos Androulakis

Proposal for a regulation
Article 30 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

3a. Before the end of the transitional period, the Commission shall present a report to the European Parliament and the Council, assessing the impact of this regulation on the competitiveness of the exports of goods covered by Annex I, accompanied with a legislative proposal to address any possible carbon leakage risk on export markets. This proposal shall be WTO compatible and be able to equalise CO₂ costs, taking into account any carbon pricing schemes developed by third countries.

Or. en

Amendment 1171
Susana Solís Pérez, María Soraya Rodríguez Ramos

Proposal for a regulation
Article 30 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

3a. The report, described in paragraph 2, shall additionally contain a binding calendar to extend the scope of this Regulation to the rest of sectors at risk of carbon leakage and covered by the Commission Delegated Decision (EU) 2019/708. The calendar must be binding and contain specific implementation dates.

Or. en

Amendment 1172
Radan Kanev

Proposal for a regulation
Article 30 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

3a. The export adjustment shall be reduced to reflect the extent to which EU ETS allowances continue to be allocated free of charge in accordance with Article 10a of Directive 2003/87 to operators of installations producing the goods listed in Annex I in the Union.

Or. en

Amendment 1173
Radan Kanev

Proposal for a regulation
Article 30 – paragraph 3 b (new)

Text proposed by the Commission

Amendment

3b. The Commission shall regularly assess, on a third country or group of countries basis, whether EU producers

continue to require the export adjustment of paragraph 1 in order to prevent the risk of carbon leakage. In doing so, the Commission shall monitor and consult with third countries on the extent to which they adopt carbon prices and equivalent measures comparable to that in the Union, with special attention to interrelated carbon leakage protection measures, taking into account the principle of common but differentiated responsibilities and respective capabilities, in the light of different national circumstances.

On the basis of this assessment, by December 2025 [i.e., end of transitional period] and every five years thereafter, the Commission shall present a report on the progress made by third countries and the extent to which a Union export adjustment continues to be necessary. Where justified, the Commission shall present to the European Parliament and Council a legislative proposal.

Or. en

Amendment 1174
Alexander Bernhuber

Proposal for a regulation
Article 30 – paragraph 3 b (new)

Text proposed by the Commission

Amendment

3b. *If the report referred to in paragraph 3a determines that this Regulation has a significant negative impact on the competitiveness of food production in the EU and the competitiveness of exports of products covered by Annex I, and that those exports risk carbon leakage, the Commission's report shall be accompanied, if appropriate, by a legislative proposal to address those impacts and risks. Such a legislative*

proposal shall comply with WTO rules, in particular the legal principles on non-discrimination, and shall not have the effect of distorting existing trade flows to the benefit of the Union.

Or. en

Amendment 1175

Jessica Polfjärd

Proposal for a regulation

Article 30 – paragraph 3 b (new)

Text proposed by the Commission

Amendment

3b. In the event that the Commission in its annual report between 2031-2035 concludes that, the CBAM has been effectively implemented in a way that leads to a level of carbon leakage protection at least equivalent to that of the free allocation system which it replaces under this Article, the allowances placed in the Carbon Border Adjustment Reserve for the preceding calendar year shall be made available to support innovation in accordance with Article 10a(8) of Directive 2003/87/EC.

Or. en

Amendment 1176

Radan Kanev

Proposal for a regulation

Article 30 – paragraph 3 b (new)

Text proposed by the Commission

Amendment

3b. Based on the report and no later than 2030, the Commission should either activate the phasing out of the free allowances as of 2030 in accordance with the procedure of Article 10a of Directive 2003/87/EC (ETS) in relation to the

products listed in Annex I of the Regulation, or propose a revision of this Regulation.

Or. en

Amendment 1177

Rovana Plumb

Proposal for a regulation

Article 30 – paragraph 3 b (new)

Text proposed by the Commission

Amendment

3b. Based on the report and no later than 2030, the Commission should either activate the phasing out of the free allowances as of 2030 in accordance with the procedure of Article 10a of Directive 2003/87/EC (ETS) in relation to the products listed in Annex I of the Regulation, or propose a revision of this Regulation.

Or. en

Justification

CBAM is by definition an untested mechanism. It is indispensable to ensure that CBAM effectively equalises CO2 costs between EU and non-EU suppliers before any phase-out of free allocation is initiated.

Amendment 1178

Radan Kanev

Proposal for a regulation

Article 30 – paragraph 3 b (new)

Text proposed by the Commission

Amendment

3b. The Commission is empowered to adopt implementing acts, in accordance with the examination procedure referred to in Article 29(2), establishing methodologies to define the amount of the export adjustment in accordance with

paragraph 2 and 3.

Or. en

Amendment 1179

Jessica Polfjärd

Proposal for a regulation

Article 30 – paragraph 3 c (new)

Text proposed by the Commission

Amendment

3c. In the event that the Commission in its report concludes that the CBAM has not been effectively implemented in a way that leads to a level of carbon leakage protection at least equivalent to that of the free allocation system which it replaces, the allowances placed in the Carbon Border Adjustment Reserve for the preceding calendar year shall be reallocated to installations in accordance with Article 10a(1) of Directive 2003/87/EC.

Or. en

Amendment 1180

Radan Kanev

Proposal for a regulation

Article 30 – paragraph 3 c (new)

Text proposed by the Commission

Amendment

3c. When drafting the implementing and delegated acts of paragraphs 5 and 6 above, the Commission shall give all interested parties and third countries an opportunity to comment.

Or. en

Text proposed by the Commission

Amendment

Article 30 a

***Export Adjustment to Reduce the Risk of
Carbon Leakage and Associated
Increases in Global Emissions***

1. An export adjustment shall be granted to operators of installations subject to Directive 2003/87i for goods manufactured in the EU listed in Annex I and that are exported to third countries and territories other than those listed in Annex II, Section A.

2. The amount of the export adjustment shall be equal to the Euro value of the CBAM certificates published in accordance with Article 22(2) during the calendar week of export of the exported goods, multiplied by default values based on the average emission intensity of the 10 percent best performing EU installations for that type of good, multiplied by tons of goods falling within the scope of paragraph 1. This calculation shall take also into account ETS benchmarking methodologies already established for which the denominator is not expressed in tons of goods (e.g., for refined products and steam-cracking), as well as other alternative methodologies, to the extent applicable.

3. Notwithstanding paragraph 2, where goods within the scope of paragraph 1 are produced in EU installations with an emission intensity that is lower than the default value for that type of product as set pursuant to paragraph 2, the amount of the export adjustment shall be calculated based on the actual embedded emissions per ton of product calculated in accordance with the methodology of points 2 and 3 of Annex III.

4. The export adjustment shall be reduced to reflect the extent to which EU ETS allowances continue to be allocated free of charge in accordance with Article 10a of Directive 2003/87 to operators of installations producing the goods listed in Annex I in the Union.

5. The European Commission is empowered to adopt implementing acts, in accordance with the examination procedure referred to in Article 29(2), establishing methodologies to define the amount of the export adjustment in accordance with paragraph 2 and 3.

6. The European Commission is empowered to adopt delegated acts, in accordance with Article 28, defining the procedures and requirements to grant an export adjustment under paragraph 1 in accordance with paragraphs 2, 3, and 4 and the methodologies defined in accordance with paragraph 5.

7. When drafting the implementing and delegated acts of paragraphs 5 and 6 above, the Commission shall give all interested parties and third countries an opportunity to comment.

8. The European Commission shall regularly assess, on a third country or group of countries basis, whether EU producers continue to require the export adjustment of paragraph 1 in order to prevent the risk of carbon leakage. In doing so, the Commission shall monitor and consult with third countries on the extent to which they adopt carbon prices and equivalent measures comparable to that in the Union, with special attention to interrelated carbon leakage protection measures, taking into account the principle of common but differentiated responsibilities and respective capabilities, in the light of different national circumstances.

On the basis of this assessment, by December 2025 [i.e., end of transitional period] and every five years thereafter, the Commission shall present a report on the

progress made by third countries and the extent to which a Union export adjustment continues to be necessary. Where justified, the European Commission shall present to the European Parliament and Council a legislative proposal suspending the export adjustment or introducing any necessary modifications.

Or. en

Amendment 1182

Alexander Bernhuber, Angelika Winzig

Proposal for a regulation

Article 30 a (new)

Text proposed by the Commission

Amendment

Article 30 a

1. The Commission shall monitor and evaluate the mechanism's effectiveness with regard to the risk of carbon leakage before phasing out free allocation to sectors at risk of carbon leakage covered by this regulation. To this end, the Commission shall, after consultation of the sectors subject to this regulation, present a report to the European Parliament and the Council evaluating:

(a) the first three years (2026-2028) of the surrendering obligation pursuant to Article 22;

(b) the risk of carbon leakage on export markets.

If the evaluation is positive, the report shall be accompanied by a legislative proposal phasing out free allocation to sectors subject to this regulation, as set out in Article 10a (1) of Directive 2003/87/EC, and implementing a solution to address the risk of carbon leakage on export market.

2. While the surrendering of CBAM certificates for EU imports addresses the

risk of carbon leakage on the EU market, it is essential to avoid also the risk that EU exports on global markets are replaced by more carbon intensive goods or by goods that are not subject to equivalent climate policy and carbon costs.

To this purpose, after the test period 2026-2028, the Commission shall present an in-depth report to the European Parliament and Council accompanied with a legislative proposal to address the carbon leakage risk on export markets. If the report concludes that the surrendering of CBAM certificates by importers is effective in addressing the carbon leakage risk on the EU market and that the free allocation rules related to EU domestic sales should be amended, the legislative proposal shall ensure the maintenance of free allocation related to EU exports and provide the calculation methodology for determining this allocation.

Or. en

Amendment 1183

Danilo Oscar Lancini, Elena Lizzi, Catherine Griset, Rosanna Conte, Silvia Sardone, Matteo Adinolfi, Gianantonio Da Re

**Proposal for a regulation
Article 30 a (new)**

Text proposed by the Commission

Amendment

Article 30 a

Further review and reporting by the Commission of the import provisions of the CBAM

1. Following the transitional period, the Commission shall introduce a two-year testing period during which it shall collect and verify data on the surrendering obligations set in Article 22 in order to assess the effectiveness of the CBAM in addressing the risk of carbon leakage.

2. In 2029, the European Commission shall present a report to the European Parliament and the Council regarding the effectiveness of the CBAM based on the data collected according to paragraph 1. The report by the European Commission may be accompanied by a legislative proposal to amend the scope of this Regulation, including if the assessment of the effectiveness of the CBAM in tackling carbon leakage shows that EU ETS allowances allocated free of charge in accordance with Article 10a of Directive 2003/87/EC remain necessary to prevent the risk of carbon leakage after 2030.

Or. en

Amendment 1184
Alexandr Vondra

Proposal for a regulation
Article 30 a (new)

Text proposed by the Commission

Amendment

Article 30 a

Further review and reporting by the Commission of the import provisions of the CBAM

1. Following the transitional period, the Commission shall introduce a two-year testing period during which it shall collect and verify data on the surrendering obligations set in Article 22 in order to assess the effectiveness of the CBAM in addressing the risk of carbon leakage.

2. In 2029, the European Commission shall present a report to the European Parliament and the Council regarding the effectiveness of the CBAM based on the data collected according to paragraph 1. The report by the European Commission may be accompanied by a legislative proposal to amend the scope of this Regulation, including if the assessment of

the effectiveness of the CBAM in tackling carbon leakage shows that EU ETS allowances allocated free of charge in accordance with Article 10a of Directive 2003/87/EC remain necessary to prevent the risk of carbon leakage after 2030.

Or. en

Amendment 1185
Laura Huhtasaari

Proposal for a regulation
Article 30 a (new)

Text proposed by the Commission

Amendment

Article 30 a

Further review and reporting by the Commission of the import provisions of the CBAM

1. Following the transitional period, the Commission shall introduce a two-year testing period during which it shall collect and verify data on the surrendering obligations set in Article 22 in order to assess the effectiveness of the CBAM in addressing the risk of carbon leakage.

2. In 2029, the European Commission shall present a report to the European Parliament and the Council regarding the effectiveness of the CBAM based on the data collected according to paragraph 1. The report by the European Commission may be accompanied by a legislative proposal to amend the scope of this Regulation, including if the assessment of the effectiveness of the CBAM in tackling carbon leakage shows that EU ETS allowances allocated free of charge in accordance with Article 10a of Directive 2003/87/EC remain necessary to prevent the risk of carbon leakage after 2030.

Or. en

Amendment 1186

Luisa Regimenti, Massimiliano Salini, Aldo Patriciello, Fulvio Martusciello

Proposal for a regulation

Article 30 a (new)

Text proposed by the Commission

Amendment

Article 30a

The Commission shall review the functioning of the CBAM on the basis of the data gathered in the period 2026-2028 with a view to assessing its effectiveness in protecting industries against the risk of carbon leakage and its impact on the security of national supply and on value chains. In 2029, the Commission shall submit a report to the European Parliament and the Council on the effectiveness of the CBAM on the basis of the impact assessment conducted on the data gathered in the period 2026-2028, and shall also do so whenever the assessment of the effectiveness of the CBAM in addressing carbon leakage dictates that EU ETS allowances should continue to be allocated free of charge pursuant to Article 10a of Directive 2003/87/EC in order to prevent the risk of carbon leakage post-2030. The report shall also cover the mechanism established to protect exports.

Or. it

Amendment 1187

Ivan David

Proposal for a regulation

Article 30 a (new)

Text proposed by the Commission

Amendment

Article 30 a

Evaluation of effectiveness

The Commission shall monitor and evaluate the mechanism's effectiveness with regard to the risk of carbon leakage before phasing out free allocation to sectors at risk of carbon leakage covered by this regulation.

To this end, the Commission shall, after consultation of the sectors subject to this regulation, present a report to the European Parliament and the Council evaluating:

- the first three years (2026-2028) of the surrendering obligation pursuant to article 22;*
- the risk of carbon leakage on export markets. If the evaluation is positive, the report shall be accompanied by a legislative proposal phasing out free allocation to sectors subject to this regulation, as set out in Article 10.a.(1) of Directive [the ETS directive], and implementing a solution to address the risk of carbon leakage on export market.*

Or. en

Justification

In the transitional period 2023-2025 proposed by the Commission, importers will not have to pay any CBAM levy (only provide information) and the whole legal framework will not be yet in place (e.g. data provided by importers in 2023-2025 will not be verified, and the whole methodology for calculating embedded emissions will not be in place). Therefore, a 2026-2028 testing period should be introduced where importers pay the CBAM and the effectiveness of the measure is assessed before proceeding with subsequent steps such as the adjustment of the free allocation rules after 2030.

Amendment 1188
Dan-Ștefan Motreanu

Proposal for a regulation
Article 30 a (new)

Text proposed by the Commission

Amendment

Article 30 a

The Commission shall monitor and

evaluate the mechanism's effectiveness with regard to the risk of carbon leakage before phasing out free allocation to sectors at risk of carbon leakage covered by this regulation.

To this end, the Commission shall, after consultation of the sectors subject to this regulation, present a report to the European Parliament and the Council evaluating:

- the first three years (2026-2028) of the surrendering obligation pursuant to article 22;

- the risk of carbon leakage on export markets.

If the evaluation is positive, the report shall be accompanied by a legislative proposal phasing out free allocation to sectors subject to this regulation, as set out in Article 10.a.1 of Directive 2003/87/EC, and implementing a solution to address the risk of carbon leakage on export market.

Or. en

Justification

In the transitional period 2023-2025 proposed by the Commission, importers will neither have to pay any CBAM levy (only provide information) nor will other key provisions of the legal framework be in place (e.g. data provided by importers in 2023-2025 will not be verified, and the whole methodology for calculating embedded emissions will not be in place). Therefore, a 2026-2028 testing period should be introduced where importers pay the CBAM and the effectiveness of the measure is assessed before proceeding with subsequent steps such as the adjustment of the free allocation rules after 2030.

Amendment 1189
Ondřej Knotek

Proposal for a regulation
Article 30 a (new)

Text proposed by the Commission

Amendment

Article 30 a

The Commission shall monitor and evaluate the mechanism's effectiveness with regard to the risk of carbon leakage before phasing out free allocation to sectors at risk of carbon leakage covered by this regulation. To this end, the Commission shall, after consultation of the sectors subject to this regulation, present a report to the European Parliament and the Council evaluating:

- the first three years (2026-2028) of the surrendering obligation pursuant to article 22;

- the risk of carbon leakage on export markets. Only if the evaluation is clearly positive, the report shall be accompanied by a legislative proposal phasing out free allocation to sectors subject to this regulation, as set out in Article 10.a.1 of Directive 2003/87/EC, and implementing a solution to address the risk of carbon leakage on export market.

Or. en

Amendment 1190
Edina Tóth, Enikő Győri

Proposal for a regulation
Article 30 a (new)
Proposal for a regulation
Article 30

Text proposed by the Commission

Amendment

Article 30 a

1. For the years from 2026 to 2030 the Commission shall set forth an adequate monitoring and reporting system to collect data allowing to test the effectiveness of the CBAM in ensuring an equivalent treatment for imports and domestic goods and protecting from the risk of carbon leakage. For the same years the EC shall also assess, in cooperation with the industrial sectors exposed to carbon

leakage, different possible mechanisms to address the export exposure of the EU products. 2. In 2029 the Commission shall present a report to the European Parliament and the Council regarding the effectiveness of the CBAM. The report shall also include the selected option to address the export exposure. 3. The report by the Commission shall, if appropriate, be accompanied by a legislative proposal to include the selected option for export.

Or. en

Justification

During the above-mentioned transitional period the importers will not have to pay any CBAM levy, hence it should be introduced a testing period where importers pay the CBAM - with the appropriate correction due to the coexistence with free allocation - and the effectiveness of the measure is assessed before proceeding with subsequent steps such as the adjustment of the free allocation rules after 2030.

Amendment 1191

Danilo Oscar Lancini, Elena Lizzi, Catherine Griset, Rosanna Conte, Silvia Sardone, Matteo Adinolfi, Gianantonio Da Re

Proposal for a regulation Article 30 b (new)

Text proposed by the Commission

Amendment

Article 30 b

Emergency clause

In case European industries producing goods subject to the CBAM face serious difficulties in relation to its implementation during the transitional period or the trial period, an individual assessment should be made as promptly as possible to examine whether a CBAM is still effective and practicable for the sector concerned.

Or. en

Amendment 1192
Laura Huhtasaari

Proposal for a regulation
Article 30 b (new)

Text proposed by the Commission

Amendment

Article 30 b

Emergency clause

In case European industries producing goods subject to the CBAM face serious difficulties in relation to its implementation during the transitional period or the trial period, an individual assessment should be made as promptly as possible to examine whether a CBAM is still effective and practicable for the sector concerned.

Or. en

Amendment 1193
Yannick Jadot

Proposal for a regulation
Chapter IX – title

Text proposed by the Commission

Amendment

Coordination with free allocation of allowances under the EU ETS

End of free allocation of allowances under the EU ETS

Or. en

Amendment 1194
Malin Björk

on behalf of the Committee on the Environment, Public Health and Food Safety

Proposal for a regulation
Article 31

Text proposed by the Commission

Amendment

Article 31

deleted

***Free allocation of allowances under the
EU ETS and obligation to surrender
CBAM certificates***

- 1. The CBAM certificates to be surrendered in accordance with Article 22 shall be adjusted to reflect the extent to which EU ETS allowances are allocated free of charge in accordance with Article 10a of Directive 2003/87/EC to installations producing, within the Union, the goods listed in Annex I.***
- 2. The Commission is empowered to adopt implementing acts laying down a calculation methodology for the reduction referred to in paragraph 1. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 29(2).***

Or. en

Amendment 1195

Yannick Jadot

Proposal for a regulation

Article 31 – title

Text proposed by the Commission

Amendment

Free allocation of allowances under the EU ETS ***and obligation to surrender CBAM certificates***

End of free allocation of allowances under the EU ETS

Or. en

Amendment 1196

Hermann Tertsch, Pietro Fiocchi

Proposal for a regulation

Article 31 – paragraph 1

Text proposed by the Commission

Amendment

- 1. The CBAM certificates to be surrendered in accordance with Article 22***

deleted

shall be adjusted to reflect the extent to which EU ETS allowances are allocated free of charge in accordance with Article 10a of Directive 2003/87/EC to installations producing, within the Union, the goods listed in Annex I.

Or. en

Amendment 1197

Yannick Jadot

Proposal for a regulation

Article 31 – paragraph 1

Text proposed by the Commission

1. *The CBAM certificates to be surrendered in accordance with Article 22 shall be adjusted to reflect the extent to which EU ETS allowances are allocated free of charge in accordance with Article 10a of Directive 2003/87/EC to installations producing, within the Union, the goods listed in Annex I.*

Amendment

1. *No free allocation shall be given in relation to the production within the Union of goods listed in Annex I as from the date of application of the CBAM.*

Or. en

Amendment 1198

Christophe Hansen

Proposal for a regulation

Article 31 – paragraph 1 – subparagraph 1 a (new)

Text proposed by the Commission

Amendment

The Commission shall present a report to the European Parliament and the Council in which it evaluates the mechanism's effectiveness with regard to the risk of carbon leakage before phasing out free allocation to sectors at risk of carbon leakage covered by this regulation.

Or. en

Amendment 1199

Nicolae Ștefănuță, Pascal Canfin, Emma Wiesner

Proposal for a regulation

Article 31 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. No free allocation shall be given in relation to the production within the Union of products listed in Annex I as from the date of application of the CBAM, as provided in Article 36(3). By way of derogation from the previous subparagraph, for the first years of operation of Regulation [CBAM], the production of these products shall benefit from free allocation in reduced amounts.

A factor reducing the free allocation for the production of these products shall be applied (CBAM factor) The CBAM factor shall be equal to 100 %for the period from 1 January 2023 until 31 December 2024, 90% in 2025, 80% in 2026, 70 % in 2027, 50 % in 2028, 25% in 2029 and reach 0 % in 2030.

The CBAM factor for products included in this Regulation in accordance with the timeline set out under Article 1(2a) (new) shall be reduced by 10 percentage points each year for the first 3 years, 20 percentage points the following and then 25 percentage points in the last 2 years to reach 0% after 6 years.

The reduction of free allocation shall be calculated annually as the average share of the demand for free allocation for the production of products listed in Annex I compared to the calculated total free allocation demand for all installations, for the relevant period referred to in Article 11(1) of Directive 2003/87/EC, and the CBAM factor shall be applied.

Or. en

Amendment 1200

Jan Huitema

Proposal for a regulation

Article 31 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. Installations that produce goods covered by this Regulation shall, upon request, receive the amount of free allocations corresponding to the emissions resulting from the quantity of goods it exports to third countries, subject to a benchmark based on the 10% most efficient installations as laid down in Article 10a of Directive 2003/87/EC. The request for free allocations shall solely be honoured in compliance with WTO law and only with the purpose to prevent carbon leakage. The amount of free allocations of EU ETS allowances shall never exceed current levels in order to safeguard the EU's decarbonisation efforts.

Or. en

Amendment 1201

Susana Solís Pérez, María Soraya Rodríguez Ramos

Proposal for a regulation

Article 31 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. The effective implementation of the CBAM, namely after its transitional period, shall trigger the gradual phasing-out of the free allocation of allowances while maintaining WTO-compliance until they are completely eliminated. This phase out, starting off at a low level, shall therefore be gradual and accelerate once the effectiveness of the CBAM has been demonstrated.

Amendment 1202
Hermann Tertsch, Pietro Fiocchi

Proposal for a regulation
Article 31 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. The authorised declarant shall surrender additional certificates equal to the number of certificates describe in paragrah1. However, in 2026 only 10% of this number are to be surrendered, increasing each year by 10%, and reaching the full number in 2035.

Or. en

Amendment 1203
Michal Wiezik

Proposal for a regulation
Article 31 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. All free allocations allocated in accordance with Article 10a of Directive 2003/87/EC shall be phased out by the date of application of the CBAM, as provided in Article 36(3) of this Regulation and no later than by 31 December 2028.

Or. en

Amendment 1204
Hermann Tertsch, Pietro Fiocchi

Proposal for a regulation
Article 31 – paragraph 1 b (new)

Text proposed by the Commission

Amendment

1b. The obligation in paragraph 1a applies to products imported as of 1 January 2027.

Or. en

**Amendment 1205
Alexandr Vondra**

**Proposal for a regulation
Article 31 – paragraph 2**

Text proposed by the Commission

Amendment

2. The Commission is empowered to adopt implementing acts laying down a calculation methodology for the reduction referred to in paragraph 1. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 29(2). *deleted*

Or. en

**Amendment 1206
Yannick Jadot**

**Proposal for a regulation
Article 31 – paragraph 2**

Text proposed by the Commission

Amendment

2. The Commission is empowered to adopt implementing acts laying down a calculation methodology for the reduction referred to in paragraph 1. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 29(2). *deleted*

Or. en

Amendment 1207

Nicolae Ștefănuță, Frédérique Ries, Susana Solís Pérez, Michal Wiezik

Proposal for a regulation

Article 31 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. The Commission shall adopt delegated acts in accordance with Article 28 by 31 December 2025 to define criteria allowing an installation producing goods covered by this Regulation to apply for continued appropriate protection against the risk of carbon leakage in relation to costs deriving from EU ETS allowances linked to exports of goods to third countries. The criteria shall consider the carbon leakage risks, overall environmental effects and decarbonisation efforts of these installations and rely on the existing benchmarks and follow the principle of Directive 2003/87/EC to identify the most carbon-efficient installations. The criteria should take into account the emissions embedded in a similar product and carbon prices in the third country pursuant to Articles 7, 8 and 9 of this Regulation. This protection against the risk of carbon leakage for exports should only be used to enhance decarbonisation efforts. The Commission shall ensure that the delegated act is fully compliant with WTO rules.

Or. en

Amendment 1208

Pascal Canfin, Catherine Chabaud, Chrysoula Zacharopoulou

Proposal for a regulation

Article 31 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. An installation covered by Directive 2003/87/EC belonging to the

10% most efficient installations as laid down in Article 10a of that Directive shall, upon request, receive an amount of free allocations corresponding to the emissions resulting from the quantity of goods it exports which are covered by this Regulation, taking into account the emissions embedded in a similar product in the third country pursuant to Articles 7, 8 and 9 of this Regulation. The rules for transitional free allocation under Articles 10a and 10b of Directive 2003/87/EC shall apply to the allocation.

Or. en

Amendment 1209
Jessica Polfjård

Proposal for a regulation
Article 31 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. For the first years of operation of this Regulation, the production of products listed in Annex I shall benefit from free allocation in reduced amounts. A factor reducing the free allocation for the production of those products shall be applied (CBAM factor). The CBAM factor shall be equal to 100 % for the period between 2026 and the end of 2030, 80 % in 2031 and shall be reduced by 20 percentage points each year to reach 0 % by the fifth year.

Or. en

Amendment 1210
Salvatore De Meo, Fulvio Martusciello, Aldo Patriciello, Luisa Regimenti

Proposal for a regulation
Article 31 – paragraph 2 a (new)

2a. The CBAM is complemented by a WTO compatible offsetting mechanism granting free allowances to exporters for an amount linked to the emissions embedded in EU products exported to third countries, which do not impose carbon cost. The Commission adopts implementing acts laying down a calculation methodology for the amount of free allowances to be granted pursuant to subparagraph 1.

Or. en

Justification

The CBAM proposal intervenes on imports with the aim of creating a level playing field on the European market, but sidesteps the issue with regard to non-EU markets. The proposal does not introduce an “export adjustment” mechanism, despite authoritative legal opinions have found it to be compatible with international trade rules, if properly implemented. The mechanism is vital to protect the export of EU sectors covered by the new mechanism, which would be unilaterally burdened with increasing ETS costs, effectively prevented from competing in foreign markets and would see no benefit from the introduction of a CBAM limited to imports. An offsetting mechanism could be implemented, in full compatibility with WTO rules, through the recognition of free allowances to exporters for an amount associated with the emissions embedded in EU products exported to third countries that do not impose a carbon cost. This generation of allowances would not interfere with the ETS cap and the EUAs, whose issuance and surrender would therefore remain subject to the same rules, but could be offset within the separate CBAM allowances generated to cover the purchase and surrender needs of importers.

Amendment 1211

Malin Björk

on behalf of the Committee on the Environment, Public Health and Food Safety

Proposal for a regulation

Article 31 – paragraph 2 a (new)

2a. 2a. Allowances resulting from the reduction of free allocation shall be auctioned and the revenues earned from the auction shall be assigned to support the efforts of developing countries and

countries in the Global South towards the de-carbonisation of their industries, i.a. through the financial mechanism of the United Nations Framework Convention on Climate Change (UNFCCC).

Or. en

Amendment 1212
Delara Burkhardt, Tiemo Wölken

Proposal for a regulation
Article 31 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. 75 % of the allowances resulting from the reduction of free allocation shall be made available to support innovation in accordance with Article 10a(8) of Directive 2003/87/EC.

The other 25 % shall be auctioned by the Commission pursuant to Article 10(4) of that Directive and the revenues earned from the auction shall be transferred to the Union budget.

Or. en

Amendment 1213
Salvatore De Meo, Fulvio Martusciello, Aldo Patriciello

Proposal for a regulation
Article 31 – paragraph 2 b (new)

Text proposed by the Commission

Amendment

2b. The Commission shall monitor and evaluate the mechanism's effectiveness regarding the carbon leakage risk before phasing out free allowances to the sectors covered by this Regulation. To this end, the Commission shall, after having consulted with the sectors covered by this Regulation,

present a report to the European Parliament and the Council evaluating: (i) the first three years (2026-2028) of the surrendering obligation pursuant to article 22; (ii) the risk of carbon leakage in export markets. If the effectiveness of CBAM is proven, the report shall be accompanied by a legislative proposal phasing out free allocation to sectors covered by this Regulation, as set out in Article 10.a.1 of Directive [the revised ETS directive], and implementing a solution to address the risk of carbon leakage on export market.

Or. en

Justification

In the transitional period 2023-2025 proposed by the Commission, importers will neither have to pay any CBAM levy (only provide information) nor will other key provisions of the legal framework be in place (e.g. data provided by importers in 2023-2025 will not be verified, and the whole methodology for calculating embedded emissions will not be in place). Therefore, a 2026-2028 testing period should be introduced where importers pay the CBAM and the effectiveness of the measure is assessed before proceeding with subsequent steps such as the adjustment of the free allocation rules after 2030.

Amendment 1214

Pascal Canfin, Catherine Chabaud, Frédérique Ries, Chrysoula Zacharopoulou

Proposal for a regulation

Article 31 – paragraph 2 b (new)

Text proposed by the Commission

Amendment

2b. The Commission shall adopt before the end of the transition period a delegated act in accordance with Article 28 that establishes the arrangements for granting free allowances to the exported part of the production of an installations covered by this Regulation, in particular the methodology for the calculation of the average embedded carbon content of the corresponding sector within a third country. The average embedded carbon content of a third country sector shall be taken into account when establishing the

amount of free allocations to be granted to the emissions resulting from the quantity of goods exported by an EU installation as referred in paragraph(2a) of this Article.

Or. en

Amendment 1215
Christian Doleschal, Angelika Niebler

Proposal for a regulation
Article 31 a (new)

Text proposed by the Commission

Amendment

Article 31 a

The Commission shall conduct an assessment of the risk of carbon leakage prior to phasing out free allocation to sectors at risk of carbon leakage. Therefore, the Commission shall present a report to the European Parliament and the Council evaluating its effectiveness during the first three years (2026-2028) of the surrendering obligation the risk of and the carbon leakage effect on export markets. Free allocation shall not be phased out prior to 2030. If the assessment reveals that the CBAM is effective, the assessment shall be accompanied by a legislative proposal phasing out free allocation to sectors subject to this regulation, as set out in the ETS directive.

Or. en

Justification

A 2026-2028 initial period should be introduced. During this phase importers pay the CBAM levy while the Commission conducts a thorough evaluation of the CBAM's effectiveness. In a final step, the free allocation rules are adjusted once there is clarity regarding its consequences (after 2030).

Amendment 1216
Laura Huhtasaari

Proposal for a regulation
Article 32 – paragraph 1

Text proposed by the Commission

During the transitional period of this Regulation, the CBAM mechanism shall apply as a reporting obligation as set out in Articles 33 **to 35**.

Amendment

During the transitional period of this Regulation, ***the import provisions of*** the CBAM mechanism shall apply as a reporting obligation as set out in Articles 33 **to35**.

Or. en

Amendment 1217
Danilo Oscar Lancini, Elena Lizzi, Catherine Griset, Rosanna Conte, Silvia Sardone, Matteo Adinolfi, Gianantonio Da Re

Proposal for a regulation
Article 32 – paragraph 1

Text proposed by the Commission

During the transitional period of this Regulation, the CBAM mechanism shall apply as a reporting obligation as set out in Articles 33 to 35.

Amendment

During the transitional period of this Regulation, ***the import provision of*** the CBAM mechanism shall apply as a reporting obligation as set out in Articles 33 to 35.

Or. en

Amendment 1218
Jessica Polfjärd

Proposal for a regulation
Article 32 – paragraph 1

Text proposed by the Commission

During the transitional period of this Regulation, the CBAM mechanism shall apply as a reporting obligation as set out in Articles 33 to 35.

Amendment

During the ***administrative*** transitional period of this Regulation, the CBAM mechanism shall apply as a reporting obligation as set out in Articles 33 to 35.

Amendment 1219

Adam Jarubas

on behalf of the EPP Group

Esther de Lange, Ewa Kopacz, Deirdre Clune, Maria Spyra, Pernille Weiss, Radan Kanev, Liudas Mažylis, Cristian-Silviu Buşoi, Dolors Montserrat

Proposal for a regulation

Article 32 – paragraph 1

Text proposed by the Commission

During the transitional period of this Regulation, the CBAM mechanism shall apply as a reporting obligation as set out in Articles 33 to 35.

Amendment

During the **administrative** transitional period of this Regulation, the CBAM mechanism shall apply as a reporting obligation as set out in Articles 33 to 35.

Or. en

Amendment 1220

Anna Zalewska

Proposal for a regulation

Article 33 – paragraph 2

Text proposed by the Commission

2. The customs authorities shall, at the moment of the release of those goods for free circulation at the latest, inform the declarant of the obligation referred to in paragraph 1.

Amendment

2. The customs authorities shall, at the moment of the release of those goods for free circulation at the latest, inform the declarant of the obligation referred to in paragraph 1. ***The Commission shall ensure that the new obligations imposed on customs authorities under this Regulation do not impose an excessive administrative burden or create substantial compliance cost.***

Or. en

Amendment 1221

Alexander Bernhuber, Angelika Winzig

Proposal for a regulation
Article 33 – paragraph 2

Text proposed by the Commission

2. The customs authorities shall, at the moment of the release of those goods for free circulation at the latest, inform the declarant of the obligation referred to in paragraph 1.

Amendment

2. The customs authorities shall, at the moment of the release of those goods for free circulation at the latest, inform the declarant of the obligation referred to in paragraph 1. ***The Commission shall ensure that the new obligations imposed on customs authorities under this Regulation do not impose an excessive administrative burden or create substantial compliance cost.***

Or. en

Amendment 1222

Danilo Oscar Lancini, Elena Lizzi, Catherine Griset, Rosanna Conte, Silvia Sardone, Matteo Adinolfi, Gianantonio Da Re

Proposal for a regulation
Article 35 – paragraph 1

Text proposed by the Commission

1. Each declarant shall, for each quarter of a calendar year, submit a report ('CBAM report') containing information on the goods imported during that quarter, to the competent authority of the Member State of importation or, if goods have been imported to more than one Member State, to the competent authority of the Member State at the declarant's choice, no later than one month after the end of each quarter.

Amendment

1. Each declarant shall, for each quarter of a calendar year, submit a report ('CBAM report') containing information on the goods imported ***or exported*** during that quarter, to the competent authority of the Member State of importation or ***exportation or***, if goods have been imported ***or exported*** to more than one Member State, to the competent authority of the Member State at the declarant's choice, no later than one month after the end of each quarter.

Or. en

Amendment 1223
Laura Huhtasaari

Proposal for a regulation
Article 35 – paragraph 1

Text proposed by the Commission

1. Each declarant shall, for each quarter of a calendar year, submit a report ('CBAM report') containing information on the goods imported during that quarter, to the competent authority of the Member State of importation or, if goods have been imported to more than one Member State, to the competent authority of the Member State at the declarant's choice, no later than one month after the end of each quarter.

Amendment

1. Each declarant shall, for each quarter of a calendar year, submit a report ('CBAM report') containing information on the goods imported ***or exported*** during that quarter, to the competent authority of the Member State of importation or ***exportation. or***, if goods have been imported ***or exported*** to more than one Member State, to the competent authority of the Member State at the declarant's choice, no later than one month after the end of each quarter.

Or. en

Amendment 1224

Danilo Oscar Lancini, Elena Lizzi, Catherine Griset, Rosanna Conte, Silvia Sardone, Matteo Adinolfi, Gianantonio Da Re

Proposal for a regulation
Article 35 – paragraph 2 – introductory part

Text proposed by the Commission

2. The CBAM report shall include the following information:

Amendment

2. The CBAM report shall include the following information ***for imports and where relevant for exports***:

Or. en

Amendment 1225
Laura Huhtasaari

Proposal for a regulation
Article 35 – paragraph 2 – introductory part

Text proposed by the Commission

2. The CBAM report shall include the following information:

Amendment

2. The CBAM report shall include the following information ***for imports and where relevant for exports***

Amendment 1226

Yannick Jadot

Proposal for a regulation

Article 35 – paragraph 2 – point b

Text proposed by the Commission

(b) the actual total embedded emissions, expressed in tonnes of CO₂e emissions per megawatt-hour of electricity or for other goods in tonne of CO₂e emissions per tonne of each type of goods, calculated in accordance with the method set out in Annex III;

Amendment

(b) the actual total embedded **direct** emissions, expressed in tonnes of CO₂e emissions per megawatt-hour of electricity or for other goods in tonne of CO₂e emissions per tonne of each type of goods, calculated in accordance with the method set out in Annex III;

Or. en

Amendment 1227

Yannick Jadot

Proposal for a regulation

Article 35 – paragraph 2 – point c

Text proposed by the Commission

(c) the actual total embedded indirect emissions, expressed in tonnes of CO₂e emissions per tonne of each type of other goods than electricity, calculated in accordance with a method set out in ***an implementing act*** referred to in paragraph 6;

Amendment

(c) the actual total embedded indirect emissions, expressed in tonnes of CO₂e emissions per tonne of each type of other goods than electricity, calculated in accordance with a method set out in ***delegated acts*** referred to in paragraph ***7a of Article 7***;

Or. en

Amendment 1228

Yannick Jadot

Proposal for a regulation

Article 35 – paragraph 6

Text proposed by the Commission

6. The Commission is empowered to adopt implementing acts concerning the information to be reported, the procedures for communicating the information referred to in paragraph 3 and the conversion of the carbon price paid in foreign currency into euro at yearly average exchange rate. The Commission is also empowered to adopt implementing acts to further define the necessary elements of the calculation method set out in Annex III, including determining system boundaries of production processes, emission factors, installation-specific values of actual emissions and their respective application to individual goods as well as laying down methods to ensure the reliability of data, including the level of detail and the verification of this data. ***The Commission is further empowered to adopt implementing acts to develop a calculation method for indirect emissions embedded in imported goods.***

Amendment

6. The Commission is empowered to adopt implementing acts concerning the information to be reported, the procedures for communicating the information referred to in paragraph 3 and the conversion of the carbon price paid in foreign currency into euro at yearly average exchange rate. The Commission is also empowered to adopt implementing acts to further define the necessary elements of the calculation method set out in Annex III, including determining system boundaries of production processes, emission factors, installation-specific values of actual emissions and their respective application to individual goods as well as laying down methods to ensure the reliability of data, including the level of detail and the verification of this data.

Or. en

Amendment 1229

Hermann Tertsch, Alexandr Vondra, Pietro Fiocchi

Proposal for a regulation

Article 35 – paragraph 6

Text proposed by the Commission

6. The Commission ***is empowered*** to adopt implementing acts concerning the information to be reported, the procedures for communicating the information referred to in paragraph 3 and the conversion of the carbon price paid in foreign currency into euro at yearly average exchange rate. The Commission ***is also empowered to*** adopt implementing acts to further define the necessary elements of the calculation method set out

Amendment

6. The Commission ***shall*** to adopt implementing acts concerning the information to be reported, the procedures for communicating the information referred to in paragraph 3 and the conversion of the carbon price paid in foreign currency into euro at yearly average exchange rate. The Commission ***shall*** adopt implementing acts to further define the necessary elements of the calculation method set out in Annex III,

in Annex III, including determining system boundaries of production processes, emission factors, installation-specific values of actual emissions and their respective application to individual goods as well as laying down methods to ensure the reliability of data, including the level of detail and the verification of this data. The Commission **is further empowered to** adopt implementing acts to develop a calculation method for indirect emissions embedded in imported goods.

including determining system boundaries of production processes, emission factors, installation-specific values of actual emissions and their respective application to individual goods as well as laying down methods to ensure the reliability of data, including the level of detail and the verification of this data. The Commission **shall** adopt implementing acts to develop a calculation method for indirect emissions embedded in imported goods.

Or. en

Amendment 1230

Agnès Evren

Proposal for a regulation

Article 35 – paragraph 6

Text proposed by the Commission

6. The Commission is empowered to adopt **implementing** acts concerning the information to be reported, the procedures for communicating the information referred to in paragraph 3 and the conversion of the carbon price paid in foreign currency into euro at yearly average exchange rate. The Commission is also empowered to adopt **implementing** acts to further define the necessary elements of the calculation method set out in Annex III, including determining system boundaries of production processes, emission factors, installation-specific values of actual emissions and their respective application to individual goods as well as laying down methods to ensure the reliability of data, including the level of detail and the verification of this data. The Commission is further empowered to adopt implementing acts to develop a calculation method for indirect emissions embedded in imported goods.

Amendment

6. The Commission is empowered to adopt **delegated** acts concerning the information to be reported, the procedures for communicating the information referred to in paragraph 3 and the conversion of the carbon price paid in foreign currency into euro at yearly average exchange rate. The Commission is also empowered to adopt **delegated** acts to further define the necessary elements of the calculation method set out in Annex III, including determining system boundaries of production processes, emission factors, installation-specific values of actual emissions and their respective application to individual goods as well as laying down methods to ensure the reliability of data, including the level of detail and the verification of this data. The Commission is further empowered to adopt implementing acts to develop a calculation method for indirect emissions embedded in imported goods.

Amendment 1231

Alexander Bernhuber, Angelika Winzig

Proposal for a regulation

Article 36 – paragraph 3 – point a

Text proposed by the Commission

(a) Articles 32 to 34 shall apply until
31 December 2025.

Amendment

(a) Articles 32 to 34 shall apply until
31 December *of the year that the
Commission has evaluated the application
of this Regulation, reported to the
European Parliament and the Council
and the European Parliament has given
its consent to the full application of the
CBAM including the financial
adjustment.*

Or. en

Amendment 1232

Nicolae Ștefănuță, Emma Wiesner, Linea Søgaaard-Lidell, Martin Hojsik

Proposal for a regulation

Article 36 – paragraph 3 – point a

Text proposed by the Commission

(a) Articles 32 to 34 shall apply until
31 December **2025.**

Amendment

(a) Articles 32 to 34 shall apply until
31 December **2024.**

Or. en

Amendment 1233

Yannick Jadot

Proposal for a regulation

Article 36 – paragraph 3 – point a

Text proposed by the Commission

(a) Articles 32 to 34 shall apply until

Amendment

(a) Articles 32 to 34 shall apply until

31 December 2025.

31 December 2024.

Or. en

Amendment 1234

Yannick Jadot

Proposal for a regulation

Article 36 – paragraph 3 – point b

Text proposed by the Commission

(b) Article 35 shall apply until 28 February 2026.

Amendment

(b) Article 35 shall apply until 28 February 2025.

Or. en

Amendment 1235

Nicolae Ștefănuță, Emma Wiesner, Linea Søgaard-Lidell, Martin Hojsík

Proposal for a regulation

Article 36 – paragraph 3 – point b

Text proposed by the Commission

(b) Article 35 shall apply until 28 February 2026.

Amendment

(b) Article 35 shall apply until 28 February 2025.

Or. en

Amendment 1236

Nicolae Ștefănuță, Emma Wiesner, Linea Søgaard-Lidell, Martin Hojsík

Proposal for a regulation

Article 36 – paragraph 3 – point c

Text proposed by the Commission

(c) Articles 5 and 17 shall apply from 1 September 2025.

Amendment

(c) Articles 5 and 17 shall apply from 1 September 2024.

Or. en

Amendment 1237

Yannick Jadot

Proposal for a regulation

Article 36 – paragraph 3 – point c

Text proposed by the Commission

(c) Articles 5 and 17 shall apply from 1 September **2025**.

Amendment

(c) Articles 5 and 17 shall apply from 1 September **2024**.

Or. en

Amendment 1238

Alexander Bernhuber, Angelika Winzig

Proposal for a regulation

Article 36 – paragraph 3 – point d

Text proposed by the Commission

(d) Articles 4, 6, 7, 8, 9, 14, 15, 16, 19, 20, 21, 22, 23, 24, 25, 26, 27 and 31 shall apply from 1 January **2026**.

Amendment

(d) Articles 4, 6, 7, 8, 9, 14, 15, 16, 19, 20, 21, 22, 23, 24, 25, 26, 27 and 31 shall apply from 1 January ***of the year after the commission has evaluated the application of this Regulation, reported to the European Parliament and the Council and the European Parliament has given its consent to the full application of the CBAM including the financial adjustment.***

Or. en

Amendment 1239

Luisa Regimenti, Aldo Patriciello, Fulvio Martusciello, Salvatore De Meo

Proposal for a regulation

Article 36 – paragraph 3 – point d

Text proposed by the Commission

d) Articles 4, 6, 7, 8, 9, 14, 15, 16, 19, 20, 21, 22, 23, 24, 25, 26, 27 and 31 shall apply from 1 January 2026.

Amendment

d) Articles 4, 6, 7, 8, 9, **10**, 14, 15, 16, 19, 20, 21, 22, 23, 24, 25, 26, 27 and 31 shall apply from 1 January 2026.

Amendment 1240

Yannick Jadot

Proposal for a regulation

Article 36 – paragraph 3 – point d

Text proposed by the Commission

(d) Articles 4, 6, 7, 8, 9, 14, 15, 16, 19, 20, 21, 22, 23, 24, 25, 26, 27 and 31 shall apply from 1 January **2026**.

Amendment

(d) Articles 4, 6, 7, 8, 9, 14, 15, 16, 19, 20, 21, 22, 23, 24, 25, 26, 27 and 31 shall apply from 1 January **2025**.

Or. en

Amendment 1241

Nicolae Ștefănuță, Emma Wiesner, Linea Søgaard-Lidell, Martin Hojsík

Proposal for a regulation

Article 36 – paragraph 3 – point d

Text proposed by the Commission

(d) Articles 4, 6, 7, 8, 9, 14, 15, 16, 19, 20, 21, 22, 23, 24, 25, 26, 27 and 31 shall apply from 1 January **2026**.

Amendment

(d) Articles 4, 6, 7, 8, 9, 14, 15, 16, 19, 20, 21, 22, 23, 24, 25, 26, 27 and 31 shall apply from 1 January **2025**.

Or. en

Amendment 1242

Malin Björk

on behalf of the Committee on the Environment, Public Health and Food Safety

Proposal for a regulation

Article 36 – paragraph 3 – point d

Text proposed by the Commission

(d) Articles 4, 6, 7, 8, 9, 14, 15, 16, 19, 20, 21, 22, 23, 24, 25, 26, **27 and 31** shall apply from 1 January 2026.

Amendment

(d) Articles 4, 6, 7, 8, 9, 14, 15, 16, 19, 20, 21, 22, 23, 24, 25, 26, **and 27** shall apply from 1 January 2026.

Or. en

Amendment 1243

Pietro Fiocchi

Proposal for a regulation

Article 36 – paragraph 3 – point d

Text proposed by the Commission

d) Articles 4, 6, 7, 8, 9, 14, 15, 16, 19, 20, 21, 22, 23, 24, 25, 26, 27 and 31 shall apply from 1 January 2026.

Amendment

d) Articles 4, 6, 7, 8, 9, **10**, 14, 15, 16, 19, 20, 21, 22, 23, 24, 25, 26, 27 and 31 shall apply from 1 January 2026.

Or. it

Amendment 1244

Catherine Griset, Danilo Oscar Lancini, Aurélia Beigneux, Joëlle Mélin, Mathilde Androuët

Proposal for a regulation

Article 36 – paragraph 3 – point d a (new)

Text proposed by the Commission

Amendment

da) In order to ensure carbon neutrality and a level playing field, Article 31 shall only apply when carbon costs are equal for the EU and third countries.

Or. fr

Amendment 1245

Christian Doleschal, Angelika Niebler

Proposal for a regulation

Annex I – subheading 1 – row 1 a (new)

Text proposed by the Commission

Amendment

2523 30 00 - Aluminous Cement.

Or. en

Justification

Aluminous cement should also be covered by this Regulation. This will ensure consistency of the Regulation and avoid the risk of circumvention of CBAM.

Amendment 1246

Rovana Plumb

Proposal for a regulation

Annex I – subheading 1 – row 1 a (new)

Text proposed by the Commission

Amendment

2523 30 00 - Aluminous Cement | Carbon dioxide

Or. en

Justification

Aluminous cement has been left out of the scope of the Draft Regulation without justification. It is essential to include it for reasons of consistency and to avoid any risk of CBAM circumvention.

Amendment 1247

Antoni Comín i Oliveres

Proposal for a regulation

Annex I – subheading 1 – row 1 a(new)

Text proposed by the Commission

Amendment

2523 30 00 - Aluminous Cement Carbon dioxide

Or. en

Amendment 1248

Dan-Ștefan Motreanu

Proposal for a regulation

Annex I – subheading 1 – row 1 a (new)

Text proposed by the Commission

Amendment

2523 30 00 - Aluminous Cement Carbon dioxide

Or. en

Justification

Aluminous cement has been left out of the scope of the Draft Regulation. It is essential to include it for reasons of consistency and to avoid any risk of CBAM circumvention.

Amendment 1249
Alexander Bernhuber

Proposal for a regulation
Annex I – subheading 3

Text proposed by the Commission

Amendment

Fertilisers

deleted

Or. en

Amendment 1250
Christian Doleschal, Angelika Niebler

Proposal for a regulation
Annex I – subheading 3 – row 1 and 2

Text proposed by the Commission

Amendment

The following substances shall be removed from the table "Fertilisers":
"28080000 - Nitric acid; sulphonitric acids
2814 - Ammonia, anhydrous or in aqueous solution"

Or. en

Justification

These substances are important primary products for the chemical industry, and their

inclusion in the CBAM leads to rising costs of downstream chemical products, whose competitiveness will suffer in export markets. This risks to motivate European companies to relocate production abroad to avoid being squeezed out of the market by foreign competitors.

Amendment 1251

Dan-Ştefan Motreanu

Proposal for a regulation

Annex I – subheading 4 a (new)

Text proposed by the Commission

Amendment

***CN code 850231- Electric generating sets
and rotary converters: wind powered***

Or. en

Justification

Steel wind towers represent a good mainly made of steel which should be included in the CBAM scope in order to avoid carbon leakage in the steel value chain

Amendment 1252

Mohammed Chahim

Proposal for a regulation

Annex I – subheading 5 a (new)

Text proposed by the Commission

Amendment

Refined products

Or. en

Amendment 1253

Michal Wiezik

Proposal for a regulation

Annex I – subheading 5 a (new)

Text proposed by the Commission

Amendment

Pulp and paper

Amendment 1254

Danilo Oscar Lancini, Elena Lizzi, Catherine Griset, Rosanna Conte, Silvia Sardone, Matteo Adinolfi, Gianantonio Da Re

Proposal for a regulation**Annex I – subheading 6 – row 1 (new)**

Text proposed by the Commission

Amendment

Inclusion of a new Combined Nomenclature ('CN') code: 2804 10 00 – Hydrogen

Amendment 1255

Yannick Jadot

Proposal for a regulation**Annex I**

Text proposed by the Commission

List of goods and greenhouse gases

1. For the purpose of the identification of goods, this Regulation shall apply to goods listed in the following sectors currently falling under the combined nomenclature ('CN') codes listed below, and shall be those of Council Regulation (EEC) No 2658/87 ⁽¹⁾.
2. For the purposes of this Regulation, the greenhouse gases relating to goods falling in the sectors listed below, shall be those listed below for each type of goods.

Cement

CN code	Greenhouse gas
2523 10 00 – Cement clinkers	Carbon dioxide
2523 21 00 – White Portland cement, whether or not artificially coloured	Carbon dioxide
2523 29 00 – Other Portland cement	Carbon dioxide
2523 90 00 – Other hydraulic cements	Carbon dioxide

Electricity

CN code	Greenhouse gas
2716 00 00 – Electrical energy	Carbon dioxide

¹ Council Regulation (EEC) No 2658/87 of 23 July 1987 on the tariff and statistical nomenclature and on the Common Customs Tariff (OJ L 256, 7.9.1987, p. 1).

Fertilisers

CN code	Greenhouse gas
2808 00 00 – Nitric acid; sulphonitric acids	Carbon dioxide and nitrous oxide
2814 – Ammonia, anhydrous or in aqueous solution	Carbon dioxide
2834 21 00 - Nitrates of potassium	Carbon dioxide and nitrous oxide
3102 – Mineral or chemical fertilisers, nitrogenous	Carbon dioxide and nitrous oxide
3105 – Mineral or chemical fertilisers containing two or three of the fertilising elements nitrogen, phosphorus and potassium; other fertilisers; goods of this chapter in tablets or similar forms or in packages of a gross weight not exceeding 10 kg - Except: 3105 60 00 – Mineral or chemical fertilisers containing the two fertilising elements phosphorus and potassium	Carbon dioxide and nitrous oxide

Iron and Steel

CN code	Greenhouse gas
72 – Iron and steel <i>Except:</i> <i>7202 – Ferro-alloys</i> <i>7204 – Ferrous waste and scrap;</i> <i>remelting scrap ingots and steel</i>	Carbon dioxide
7301- Sheet piling of iron or steel, whether or not drilled, punched or made from assembled elements; welded angles, shapes and sections, of iron or steel	Carbon dioxide
7302 – Railway or tramway track construction material of iron or steel, the following: rails, check-rails and rack rails, switch blades, crossing frogs, point rods and other crossing pieces, sleepers (cross-ties), fish- plates, chairs, chair wedges, sole plates (base plates), rail clips, bedplates, ties and other material specialised for jointing or fixing rails	Carbon dioxide
7303 00 – Tubes, pipes and hollow profiles, of cast iron	Carbon dioxide
7304 – Tubes, pipes and hollow profiles, seamless, of iron (other than cast iron) or steel	Carbon dioxide
7305 – Other tubes and pipes (for example, welded, riveted or similarly closed), having circular cross-sections, the external diameter of which exceeds 406,4 mm, of iron or steel	Carbon dioxide
7306 – Other tubes, pipes and hollow profiles (for example, open seam or welded, riveted or similarly closed), of iron or steel	Carbon dioxide
7307 – Tube or pipe fittings (for example,	Carbon dioxide

couplings, elbows, sleeves), of iron or steel	
7308 – Structures (excluding prefabricated buildings of heading 9406) and parts of structures (for example, bridges and bridge-sections, lock- gates, towers, lattice masts, roofs, roofing frameworks, doors and windows and their frames and thresholds for doors, shutters, balustrades, pillars and columns), of iron or steel; plates, rods, angles, shapes, sections, tubes and the like, prepared for use in structures, of iron or steel	Carbon dioxide
7309 – Reservoirs, tanks, vats and similar containers for any material (other than compressed or liquefied gas), of iron or steel, of a capacity exceeding 300 l, whether or not lined or heat-insulated, but not fitted with mechanical or thermal equipment	Carbon dioxide
7310 – Tanks, casks, drums, cans, boxes and similar containers, for any material (other than compressed or liquefied gas), of iron or steel, of a capacity not exceeding 300 l, whether or not lined or heat-insulated, but not fitted with mechanical or thermal equipment	Carbon dioxide
7311 – Containers for compressed or liquefied gas, of iron or steel	Carbon dioxide

Aluminium

CN code	Greenhouse gas
7601 – Unwrought aluminium	Carbon dioxide and perfluorocarbons
7603 – Aluminium powders and flakes	Carbon dioxide and perfluorocarbons
7604 – Aluminium bars, rods and profiles	Carbon dioxide and perfluorocarbons
7605 – Aluminium wire	Carbon dioxide and perfluorocarbons
7606 – Aluminium plates, sheets and strip, of a thickness exceeding 0,2 mm	Carbon dioxide and perfluorocarbons
7607 – Aluminium foil (whether or not printed or backed with paper, paper-board, plastics or similar backing materials) of a thickness (excluding any backing) not exceeding 0,2 mm	Carbon dioxide and perfluorocarbons
7608 – Aluminium tubes and pipes	Carbon dioxide and perfluorocarbons
7609 00 00 – Aluminium tube or pipe fittings (for example, couplings, elbows, sleeves)	Carbon dioxide and perfluorocarbons

Amendment

List of goods and greenhouse gases

3. For the purpose of the identification of goods, this Regulation shall apply to goods listed in the following sectors currently falling under the combined nomenclature

(‘CN’) codes listed below, and shall be those of Council Regulation (EEC) No 2658/87 ⁽²⁾.

4. For the purposes of this Regulation, the greenhouse gases relating to goods falling in the sectors listed below, shall be those listed below for each type of goods.

Cement

CN code	Greenhouse gas
2523 10 00 – Cement clinkers	Carbon dioxide
2523 21 00 – White Portland cement, whether or not artificially coloured	Carbon dioxide
2523 29 00 – Other Portland cement	Carbon dioxide
2523 90 00 – Other hydraulic cements	Carbon dioxide

Electricity

CN code	Greenhouse gas
2716 00 00 – Electrical energy	Carbon dioxide

Fertilisers

CN code	Greenhouse gas
2808 00 00 – Nitric acid; sulphonitric acids	Carbon dioxide and nitrous oxide
2814 – Ammonia, anhydrous or in aqueous solution	Carbon dioxide
2834 21 00 - Nitrates of potassium	Carbon dioxide and nitrous oxide
3102 – Mineral or chemical fertilisers, nitrogenous	Carbon dioxide and nitrous oxide
3105 – Mineral or chemical fertilisers containing two or three of the fertilising elements nitrogen, phosphorus and potassium; other fertilisers; goods of this chapter in tablets or similar forms or in packages of a gross weight not exceeding 10 kg - Except: 3105 60 00 – Mineral or chemical fertilisers containing the two fertilising elements phosphorus and potassium	Carbon dioxide and nitrous oxide

Iron and Steel

CN code	Greenhouse gas
72 – Iron and steel	Carbon dioxide
7301- Sheet piling of iron or steel, whether or not drilled, punched or made from assembled elements; welded angles, shapes and sections, of iron or steel	Carbon dioxide
7302 – Railway or tramway track construction material of iron or steel, the following: rails, check-rails and rack rails, switch blades, crossing frogs, point rods and other crossing	Carbon dioxide

² Council Regulation (EEC) No 2658/87 of 23 July 1987 on the tariff and statistical nomenclature and on the Common Customs Tariff (OJ L 256, 7.9.1987, p. 1).

pieces, sleepers (cross-ties), fish- plates, chairs, chair wedges, sole plates (base plates), rail clips, bedplates, ties and other material specialised for jointing or fixing rails	
7303 00 – Tubes, pipes and hollow profiles, of cast iron	Carbon dioxide
7304 – Tubes, pipes and hollow profiles, seamless, of iron (other than cast iron) or steel	Carbon dioxide
7305 – Other tubes and pipes (for example, welded, riveted or similarly closed), having circular cross-sections, the external diameter of which exceeds 406,4 mm, of iron or steel	Carbon dioxide
7306 – Other tubes, pipes and hollow profiles (for example, open seam or welded, riveted or similarly closed), of iron or steel	Carbon dioxide
7307 – Tube or pipe fittings (for example, couplings, elbows, sleeves), of iron or steel	Carbon dioxide
7308 – Structures (excluding prefabricated buildings of heading 9406) and parts of structures (for example, bridges and bridge-sections, lock- gates, towers, lattice masts, roofs, roofing frameworks, doors and windows and their frames and thresholds for doors, shutters, balustrades, pillars and columns), of iron or steel; plates, rods, angles, shapes, sections, tubes and the like, prepared for use in structures, of iron or steel	Carbon dioxide
7309 – Reservoirs, tanks, vats and similar containers for any material (other than compressed or liquefied gas), of iron or steel, of a capacity exceeding 300 l, whether or not lined or heat-insulated, but not fitted with mechanical or thermal equipment	Carbon dioxide
7310 – Tanks, casks, drums, cans, boxes and similar containers, for any material (other than compressed or liquefied gas), of iron or steel, of a capacity not exceeding 300 l, whether or not lined or heat-insulated, but not fitted with mechanical or thermal equipment	Carbon dioxide
7311 – Containers for compressed or liquefied gas, of iron or steel	Carbon dioxide

Aluminium

CN code	Greenhouse gas
7601 – Unwrought aluminium	Carbon dioxide and perfluorocarbons
7603 – Aluminium powders and flakes	Carbon dioxide and perfluorocarbons
7604 – Aluminium bars, rods and profiles	Carbon dioxide and perfluorocarbons
7605 – Aluminium wire	Carbon dioxide and perfluorocarbons
7606 – Aluminium plates, sheets and strip, of a	Carbon dioxide and perfluorocarbons

thickness exceeding 0,2 mm	
7607 – Aluminium foil (whether or not printed or backed with paper, paper-board, plastics or similar backing materials) of a thickness (excluding any backing) not exceeding 0,2 mm	Carbon dioxide and perfluorocarbons
7608 – Aluminium tubes and pipes	Carbon dioxide and perfluorocarbons
7609 00 00 – Aluminium tube or pipe fittings (for example, couplings, elbows, sleeves)	Carbon dioxide and perfluorocarbons
<i>7610 - Aluminium structures (excluding prefabricated buildings of heading 9406) and parts of structures (for example, bridges and bridge sections, towers, lattice masts, roofs, roofing frameworks, doors and windows and their frames and thresholds for doors, balustrades, pillars and columns); aluminium plates, rods, profiles, tubes and the like, prepared for use in structures:</i>	<i>Carbon dioxide and perfluorocarbons</i>
<i>7611 00 00 - Aluminium reservoirs, tanks, vats and similar containers, for any material (other than compressed or liquefied gas), of a capacity exceeding 300 litres, whether or not lined or heat-insulated, but not fitted with mechanical or thermal equipment</i>	<i>Carbon dioxide and perfluorocarbons</i>
<i>7612 - Aluminium casks, drums, cans, boxes and similar containers (including rigid or collapsible tubular containers), for any material (other than compressed or liquefied gas), of a capacity not exceeding 300 litres, whether or not lined or heat-insulated, but not fitted with mechanical or thermal equipment:</i>	<i>Carbon dioxide and perfluorocarbons</i>
<i>7613 00 00 - Aluminium containers for compressed or liquefied gas</i>	<i>Carbon dioxide and perfluorocarbons</i>
<i>7614 - Stranded wire, cables, plaited bands and the like, of aluminium, not electrically insulated</i>	<i>Carbon dioxide and perfluorocarbons</i>

Chemicals

<i>CN code</i>	<i>Greenhouse gas</i>
<i>29 - Organic Chemicals</i>	<i>Carbon dioxide</i>
<i>2804 10 000 - Hydrogen</i>	<i>Carbon dioxide</i>
<i>2814 10 000 - Anhydrous ammonia</i>	<i>Carbon dioxide</i>
<i>2814 20 00 - Ammonia in aqueous solution</i>	<i>Carbon dioxide</i>

Polymers

<i>CN code</i>	<i>Greenhouse gas</i>
<i>39 - Plastics and articles thereof</i>	<i>carbon dioxide and nitrous oxide</i>

Or. en

Amendment 1256

Javi López, César Luena, Nicolás González Casares, Marcos Ros Sempere, Estrella Durá Ferrandis

Proposal for a regulation

Annex I

Text proposed by the Commission

List of goods and greenhouse gases

1. For the purpose of the identification of goods, this Regulation shall apply to goods listed in the following sectors currently falling under the combined nomenclature ('CN') codes listed below, and shall be those of Council Regulation (EEC) No 2658/87 ⁽³⁾.
2. For the purposes of this Regulation, the greenhouse gases relating to goods falling in the sectors listed below, shall be those listed below for each type of goods.

Cement

CN code	Greenhouse gas
2523 10 00 – Cement clinkers	Carbon dioxide
2523 21 00 – White Portland cement, whether or not artificially coloured	Carbon dioxide
2523 29 00 – Other Portland cement	Carbon dioxide
2523 90 00 – Other hydraulic cements	Carbon dioxide

Electricity

CN code	Greenhouse gas
2716 00 00 – Electrical energy	Carbon dioxide

Fertilisers

CN code	Greenhouse gas
2808 00 00 – Nitric acid; sulphonitric acids	Carbon dioxide and nitrous oxide
2814 – Ammonia, anhydrous or in aqueous solution	Carbon dioxide
2834 21 00 - Nitrates of potassium	Carbon dioxide and nitrous oxide
3102 – Mineral or chemical fertilisers, nitrogenous	Carbon dioxide and nitrous oxide
3105 – Mineral or chemical fertilisers containing two or three of the fertilising elements nitrogen, phosphorus and potassium; other fertilisers; goods of this chapter in tablets or similar forms or in packages of a gross weight not exceeding 10 kg - Except: 3105 60 00 – Mineral or chemical fertilisers containing the two fertilising elements phosphorus and potassium	Carbon dioxide and nitrous oxide

Iron and Steel

³ Council Regulation (EEC) No 2658/87 of 23 July 1987 on the tariff and statistical nomenclature and on the Common Customs Tariff (OJ L 256, 7.9.1987, p. 1).

CN code	Greenhouse gas
72 – Iron and steel Except: 7202 – Ferro-alloys 7204 – Ferrous waste and scrap; remelting scrap ingots and steel	Carbon dioxide
7301- Sheet piling of iron or steel, whether or not drilled, punched or made from assembled elements; welded angles, shapes and sections, of iron or steel	Carbon dioxide
7302 – Railway or tramway track construction material of iron or steel, the following: rails, check-rails and rack rails, switch blades, crossing frogs, point rods and other crossing pieces, sleepers (cross-ties), fish- plates, chairs, chair wedges, sole plates (base plates), rail clips, bedplates, ties and other material specialised for jointing or fixing rails	Carbon dioxide
7303 00 – Tubes, pipes and hollow profiles, of cast iron	Carbon dioxide
7304 – Tubes, pipes and hollow profiles, seamless, of iron (other than cast iron) or steel	Carbon dioxide
7305 – Other tubes and pipes (for example, welded, riveted or similarly closed), having circular cross-sections, the external diameter of which exceeds 406,4 mm, of iron or steel	Carbon dioxide
7306 – Other tubes, pipes and hollow profiles (for example, open seam or welded, riveted or similarly closed), of iron or steel	Carbon dioxide
7307 – Tube or pipe fittings (for example, couplings, elbows, sleeves), of iron or steel	Carbon dioxide
7308 – Structures (excluding prefabricated buildings of heading 9406) and parts of structures (for example, bridges and bridge-sections, lock- gates, towers, lattice masts, roofs, roofing frameworks, doors and windows and their frames and thresholds for doors, shutters, balustrades, pillars and columns), of iron or steel; plates, rods, angles, shapes, sections, tubes and the like, prepared for use in structures, of iron or steel	Carbon dioxide
7309 – Reservoirs, tanks, vats and similar containers for any material (other than compressed or liquefied gas), of iron or steel, of a capacity exceeding 300 l, whether or not lined or heat-insulated, but not fitted with mechanical or thermal equipment	Carbon dioxide
7310 – Tanks, casks, drums, cans, boxes and similar containers, for any material (other than	Carbon dioxide

compressed or liquefied gas), of iron or steel, of a capacity not exceeding 300 l, whether or not lined or heat-insulated, but not fitted with mechanical or thermal equipment	
7311 – Containers for compressed or liquefied gas, of iron or steel	Carbon dioxide

Aluminium

CN code	Greenhouse gas
7601 – Unwrought aluminium	Carbon dioxide and perfluorocarbons
7603 – Aluminium powders and flakes	Carbon dioxide and perfluorocarbons
7604 – Aluminium bars, rods and profiles	Carbon dioxide and perfluorocarbons
7605 – Aluminium wire	Carbon dioxide and perfluorocarbons
7606 – Aluminium plates, sheets and strip, of a thickness exceeding 0,2 mm	Carbon dioxide and perfluorocarbons
7607 – Aluminium foil (whether or not printed or backed with paper, paper-board, plastics or similar backing materials) of a thickness (excluding any backing) not exceeding 0,2 mm	Carbon dioxide and perfluorocarbons
7608 – Aluminium tubes and pipes	Carbon dioxide and perfluorocarbons
7609 00 00 – Aluminium tube or pipe fittings (for example, couplings, elbows, sleeves)	Carbon dioxide and perfluorocarbons

Amendment

List of goods and greenhouse gases

3. For the purpose of the identification of goods, this Regulation shall apply to goods listed in the following sectors currently falling under the combined nomenclature ('CN') codes listed below, and shall be those of Council Regulation (EEC) No 2658/87 ⁽⁴⁾.
4. For the purposes of this Regulation, the greenhouse gases relating to goods falling in the sectors listed below, shall be those listed below for each type of goods.

Cement

CN code	Greenhouse gas
2523 30 00 – Aluminous cement	Carbon dioxide
2523 10 00 – Cement clinkers	Carbon dioxide
2523 21 00 – White Portland cement, whether or not artificially coloured	Carbon dioxide
2523 29 00 – Other Portland cement	Carbon dioxide
2523 90 00 – Other hydraulic cements	Carbon dioxide

Electricity

CN code	Greenhouse gas
2716 00 00 – Electrical energy	Carbon dioxide

⁴ Council Regulation (EEC) No 2658/87 of 23 July 1987 on the tariff and statistical nomenclature and on the Common Customs Tariff (OJ L 256, 7.9.1987, p. 1).

Fertilisers

CN code	Greenhouse gas
2808 00 00 – Nitric acid; sulphonitric acids	Carbon dioxide and nitrous oxide
2814 – Ammonia, anhydrous or in aqueous solution	Carbon dioxide
2834 21 00 - Nitrates of potassium	Carbon dioxide and nitrous oxide
3102 – Mineral or chemical fertilisers, nitrogenous	Carbon dioxide and nitrous oxide
3105 – Mineral or chemical fertilisers containing two or three of the fertilising elements nitrogen, phosphorus and potassium; other fertilisers; goods of this chapter in tablets or similar forms or in packages of a gross weight not exceeding 10 kg - Except: 3105 60 00 – Mineral or chemical fertilisers containing the two fertilising elements phosphorus and potassium	Carbon dioxide and nitrous oxide

Iron and Steel

CN code	Greenhouse gas
72 – Iron and steel Except: 7202 – Ferro-alloys 7204 – Ferrous waste and scrap; remelting scrap ingots and steel	Carbon dioxide
7301- Sheet piling of iron or steel, whether or not drilled, punched or made from assembled elements; welded angles, shapes and sections, of iron or steel	Carbon dioxide
7302 – Railway or tramway track construction material of iron or steel, the following: rails, check-rails and rack rails, switch blades, crossing frogs, point rods and other crossing pieces, sleepers (cross-ties), fish- plates, chairs, chair wedges, sole plates (base plates), rail clips, bedplates, ties and other material specialised for jointing or fixing rails	Carbon dioxide
7303 00 – Tubes, pipes and hollow profiles, of cast iron	Carbon dioxide
7304 – Tubes, pipes and hollow profiles, seamless, of iron (other than cast iron) or steel	Carbon dioxide
7305 – Other tubes and pipes (for example, welded, riveted or similarly closed), having circular cross-sections, the external diameter of which exceeds 406,4 mm, of iron or steel	Carbon dioxide
7306 – Other tubes, pipes and hollow profiles (for example, open seam or welded, riveted or similarly closed), of iron or steel	Carbon dioxide
7307 – Tube or pipe fittings (for example,	Carbon dioxide

couplings, elbows, sleeves), of iron or steel	
7308 – Structures (excluding prefabricated buildings of heading 9406) and parts of structures (for example, bridges and bridge-sections, lock- gates, towers, lattice masts, roofs, roofing frameworks, doors and windows and their frames and thresholds for doors, shutters, balustrades, pillars and columns), of iron or steel; plates, rods, angles, shapes, sections, tubes and the like, prepared for use in structures, of iron or steel	Carbon dioxide
7309 – Reservoirs, tanks, vats and similar containers for any material (other than compressed or liquefied gas), of iron or steel, of a capacity exceeding 300 l, whether or not lined or heat-insulated, but not fitted with mechanical or thermal equipment	Carbon dioxide
7310 – Tanks, casks, drums, cans, boxes and similar containers, for any material (other than compressed or liquefied gas), of iron or steel, of a capacity not exceeding 300 l, whether or not lined or heat-insulated, but not fitted with mechanical or thermal equipment	Carbon dioxide
7311 – Containers for compressed or liquefied gas, of iron or steel	Carbon dioxide
7326 – Other articles of iron or steel	Carbon dioxide

Aluminium

CN code	Greenhouse gas
7601 – Unwrought aluminium	Carbon dioxide and perfluorocarbons
7603 – Aluminium powders and flakes	Carbon dioxide and perfluorocarbons
7604 – Aluminium bars, rods and profiles	Carbon dioxide and perfluorocarbons
7605 – Aluminium wire	Carbon dioxide and perfluorocarbons
7606 – Aluminium plates, sheets and strip, of a thickness exceeding 0,2 mm	Carbon dioxide and perfluorocarbons
7607 – Aluminium foil (whether or not printed or backed with paper, paper-board, plastics or similar backing materials) of a thickness (excluding any backing) not exceeding 0,2 mm	Carbon dioxide and perfluorocarbons
7608 – Aluminium tubes and pipes	Carbon dioxide and perfluorocarbons
7609 00 00 – Aluminium tube or pipe fittings (for example, couplings, elbows, sleeves)	Carbon dioxide and perfluorocarbons
7610 – Aluminium structures (excluding prefabricated buildings of heading 9406) and parts of structures (for example, bridges and bridge-sections, towers, lattice masts, roofs, roofing frameworks, doors and windows and their frames and thresholds for doors, balustrades, pillars and columns); aluminium	Carbon dioxide

<i>plates, rods, profiles, tubes and the like, prepared for use in structures</i>	
7616 – Other articles of aluminium	Carbon dioxide

Or. en

Justification

The inclusion of these four additional combined nomenclature codes aims to guarantee that the five sectors included in the mechanism are thoroughly covered, avoiding thus, any room for possible circumvention or the creation of loopholes

Amendment 1257

Danilo Oscar Lancini, Elena Lizzi, Rosanna Conte, Silvia Sardone, Matteo Adinolfi, Gianantonio Da Re

Proposal for a regulation

Annex I

"List of rows to add to Annex 1"

CN code	Greenhouse gas
7610 - Aluminium structures (excluding prefabricated buildings of heading 9406) and parts of structures (for example, bridges and bridge sections, towers, lattice masts, roofs, roofing frameworks, doors and windows and their frames and thresholds for doors, balustrades, pillars and columns); aluminium plates, rods, profiles, tubes and the like, prepared for use in structures:	Carbon dioxide and perfluorocarbons
7611 00 00 - Aluminium reservoirs, tanks, vats and similar containers, for any material (other than compressed or liquefied gas), of a capacity exceeding 300 litres, whether or not lined or heat insulated, but not fitted with mechanical or thermal equipment	Carbon dioxide and perfluorocarbons
7612 - Aluminium casks, drums, cans, boxes and similar containers (including rigid or collapsible tubular containers), for any material (other than compressed or liquefied gas), of a capacity not exceeding 300 litres, whether or not lined or heat insulated, but not fitted with mechanical or thermal equipment:	Carbon dioxide and perfluorocarbons
7613 00 00 - Aluminium containers for compressed or liquefied gas	Carbon dioxide and perfluorocarbons
7614 - Stranded wire, cables, plaited bands and the like, of aluminium, not electrically insulated:	Carbon dioxide and perfluorocarbons
7615 - Table, kitchen or other household articles and parts thereof, of aluminium; pot scourers and scouring or polishing pads, gloves and the	Carbon dioxide and perfluorocarbons

<i>like, of aluminium; sanitary ware and parts thereof, of aluminium:</i>	
<i>7616 - Other articles of aluminium:</i>	<i>Carbon dioxide and perfluorocarbons</i>

Or. en

Amendment 1258

Laura Huhtasaari

Proposal for a regulation

Annex I – subheading 4 a (new)

Text proposed by the Commission

Amendment

1 a CBAM Scope: Steelwind towers are included in the CBAM scope in order to avoid carbon leakage in the steel value chain (CNcode 85023)

Or. en

Amendment 1259

Liudas Mažylis, Andrius Kubilius, Danuta Maria Hübner, Michael Gahler, Ladislav Ilčić, Petras Auštrevičius, Ondřej Knotek, Martin Hlaváček

Proposal for a regulation

Annex II – Part 2 a (new)

Text proposed by the Commission

Amendment

[Currently empty]

Section C - Countries outside the scope of this Regulation who are committed to decarbonisation processes that should result in the adoption of emission trading system similar to the EU ETS

[Currently empty]

Or. en

Amendment 1260

Malin Björk

on behalf of the Committee on the Environment, Public Health and Food Safety

Proposal for a regulation
Annex II – Part 2 a (new)

Text proposed by the Commission

Amendment

2 a **SECTION C – Countries classified as Least Developed Countries, LDCs, according to the criteria set by the Committee for Development Policy (CDP) of the UN Economic and Social Council (ECOSOC). The list will be updated following the three year review of the list of LDCs by ECOSOC.**

Or. en

Amendment 1261
Radan Kanev

Proposal for a regulation
Annex III – point 2 – introductory part

Text proposed by the Commission

Amendment

2. Determination of actual **direct** embedded emissions for simple goods

2. Determination of actual embedded emissions for simple goods

Or. en

Amendment 1262
Rovana Plumb

Proposal for a regulation
Annex III – point 2 – introductory part

Text proposed by the Commission

Amendment

2. Determination of actual **direct** embedded emissions for simple goods

2. Determination of actual embedded emissions for simple goods

Or. en

Justification

European industries are facing today significant indirect emissions and costs related to these. These will rise in the future as key decarbonisation technologies are introduced, and through

electrification of production processes. It is therefore crucial that indirect emissions are included in the Commission proposals to ensure a level playing field. This should be done as part of Article 7 on the calculation of embedded emissions, and not pushed back to a subsequent new CBAM legislative proposal that would only come in a few years.

Amendment 1263

Rovana Plumb

Proposal for a regulation

Annex III – point 2 – paragraph 1 – introductory part

Text proposed by the Commission

For determining the specific actual embedded emissions of simple goods produced in a given installation, ***only direct emissions shall be accounted for. For this purpose***, the following equation is to be applied:

Amendment

For determining the specific actual embedded emissions of simple goods produced in a given installation, the following equation is to be applied:

Or. en

Justification

European industries are facing today significant indirect emissions and costs related to these. These will rise in the future as key decarbonisation technologies are introduced, and through electrification of production processes. It is therefore crucial that indirect emissions are included in the Commission proposals to ensure a level playing field. This should be done as part of Article 7 on the calculation of embedded emissions, and not pushed back to a subsequent new CBAM legislative proposal that would only come in a few years.

Amendment 1264

Radan Kanev

Proposal for a regulation

Annex III – point 2 – paragraph 1 – introductory part

Text proposed by the Commission

For determining the specific actual embedded emissions of simple goods produced in a given installation, ***only direct emissions shall be accounted for. For this purpose***, the following equation is to be applied:

Amendment

For determining the specific actual embedded emissions of simple goods produced in a given installation the following equation is to be applied:

Amendment 1265

Nicolae Ștefănuță, Emma Wiesner, Frédérique Ries, María Soraya Rodríguez Ramos, Susana Solís Pérez, Jan Huitema, Linea Søgaaard-Lidell, Michal Wiezik, Martin Hojsík

Proposal for a regulation**Annex III – point 2 – paragraph 1 – introductory part***Text proposed by the Commission*

For determining the specific actual embedded emissions of simple goods produced in a given installation, **only** direct emissions shall be accounted for. For this purpose, the following equation is to be applied:

Amendment

For determining the specific actual embedded emissions of simple goods produced in a given installation, direct emissions **and indirect emission** shall be accounted for. For this purpose, the following equation is to be applied:

Or. en

Amendment 1266

Hermann Tertsch, Pietro Fiocchi

Proposal for a regulation**Annex III – point 2 – paragraph 3 – introductory part***Text proposed by the Commission*

‘Attributed emissions’ mean the part of the installation’s direct emissions during the reporting period that are caused by the production process resulting in goods g when applying the system boundaries of the process defined by the implementing acts adopted pursuant to Article 7(6). The attributed emissions shall be calculated using the following equation:

Amendment

‘Attributed emissions’ mean the part of the installation’s direct emissions during the reporting period that are caused by the production process resulting in goods g when applying the system boundaries of the process defined by the implementing acts adopted pursuant to Article 7(6). ***No later than 1st January 2025, The Commission shall develop a calculation methodology to include indirect emissions in goods, and update Annex III accordingly.*** The attributed emissions shall be calculated using the following equation

Or. en

Amendment 1267

Radan Kanev

Proposal for a regulation

Annex III – point 2 – paragraph 4 a (new)

Text proposed by the Commission

Amendment

No later than 1st January 2025, The Commission shall develop a calculation methodology to include indirect emissions in goods, and update Annex III accordingly.

Or. en

Amendment 1268

Rovana Plumb

Proposal for a regulation

Annex III – point 2 – paragraph 4 a (new)

Text proposed by the Commission

Amendment

No later than 1st January 2025, The Commission shall develop a calculation methodology to include indirect emissions in goods, and update Annex III accordingly.

Or. en

Justification

European industries are facing today significant indirect emissions and costs related to these. These will rise in the future as key decarbonisation technologies are introduced, and through electrification of production processes. It is therefore crucial that indirect emissions are included in the Commission proposals to ensure a level playing field. This should be done as part of Article 7 on the calculation of embedded emissions, and not pushed back to a subsequent new CBAM legislative proposal that would only come in a few years.

Amendment 1269

Hermann Tertsch, Pietro Fiocchi

Proposal for a regulation

Annex III – point 3 – introductory part

Text proposed by the Commission

Amendment

3. Determination of actual **direct** embedded emissions for complex goods

3. Determination of actual embedded emissions for complex goods

Or. en

Amendment 1270

Rovana Plumb

Proposal for a regulation

Annex III – point 3 – introductory part

Text proposed by the Commission

Amendment

3. Determination of actual **direct** embedded emissions for complex goods

3. Determination of actual embedded emissions for complex goods

Or. en

Justification

European industries are facing today significant indirect emissions and costs related to these. These will rise in the future as key decarbonisation technologies are introduced, and through electrification of production processes. It is therefore crucial that indirect emissions are included in the Commission proposals to ensure a level playing field. This should be done as part of Article 7 on the calculation of embedded emissions, and not pushed back to a subsequent new CBAM legislative proposal that would only come in a few years.

Amendment 1271

Radan Kanev

Proposal for a regulation

Annex III – point 3 – introductory part

Text proposed by the Commission

Amendment

3. Determination of actual **direct** embedded emissions for complex goods

3. Determination of actual embedded emissions for complex goods

Or. en

Amendment 1272
Laura Huhtasaari

Proposal for a regulation
Annex III – point 3 – paragraph 2 – introductory part

Text proposed by the Commission

Where $AttrEmg$ are the attributed emissions of goods g , and AL_g the activity level of the goods, the latter being the amount of goods produced in the reporting period in that installation, and EE_{InpMat} are the embedded emissions of the input materials (precursors) consumed in the production process. Only input materials listed as relevant to the system boundaries of the production process as specified in the implementing act adopted pursuant to Article 7(6) are to be considered. The relevant EE_{InpMat} are calculated as follows:

Amendment

Where $AttrEmg$ are the attributed emissions of goods g , and AL_g the activity level of the goods, the latter being the amount of goods produced in the reporting period in that installation, and EE_{InpMat} are the embedded emissions of the input materials (precursors) consumed in the production process. Only input materials listed as relevant to the system boundaries of the production process as specified in the implementing act adopted pursuant to Article 7(6) are to be considered. . ***The implementing act pursuant to Article 7(6) shall include all input materials that contribute significantly to GHG emissions. In the case of stainless steel (CN codes 7218-7223), ferro-alloys shall be included in the list of input materials as they fulfil this criterion*** The relevant EE_{InpMat} are calculated as follows:

Or. en

Amendment 1273
Dan-Ştefan Motreanu

Proposal for a regulation
Annex III – point 3 – paragraph 2 – introductory part

Text proposed by the Commission

Where $AttrEmg$ are the attributed emissions of goods g , and AL_g the activity level of the goods, the latter being the amount of goods produced in the reporting period in that installation, and EE_{InpMat} are the embedded emissions of the input materials (precursors) consumed in the production process. Only input materials listed as relevant to the system boundaries

Amendment

Where $AttrEmg$ are the attributed emissions of goods g , and AL_g the activity level of the goods, the latter being the amount of goods produced in the reporting period in that installation, and EE_{InpMat} are the embedded emissions of the input materials (precursors) consumed in the production process. Only input materials listed as relevant to the system boundaries

of the production process as specified in the implementing act adopted pursuant to Article 7(6) are to be considered. The relevant EE_{InpMat} are calculated as follows:

of the production process as specified in the implementing act adopted pursuant to Article 7(6) are to be considered. The ***implementing act pursuant to Article 7(6) shall include all input materials that contribute significantly to GHG emissions. In the case of stainless steel (CN codes 7218-7223), ferro-alloys shall be included in the list of input materials as they fulfil this criterion.*** The relevant EE_{InpMat} are calculated as follows:

Or. en

Justification

In order to ensure the environmental integrity of the CBAM, the measure shall take into account all relevant input materials that contribute significantly to GHG emissions. For instance, in the case of steel, if a coil is produced in country X using a slab produced in country Y, also emissions of the slab shall be included in the CBAM; In the case of stainless steel production, ferro alloys represent the key source of GHG emissions. While EU stainless steel producers are using a preponderant proportion of ferrous scrap, thus limiting the ferro-alloys proportion and the resulting GHG emissions to an absolute minimum, stainless steel imports from third countries rely mainly on primary materials such as nickel pig iron or other carbon-intensive ferro-alloys. This results in major differences in the full carbon footprint, with a large share of imported stainless steel having a carbon footprint 2 to 5 times higher than equivalent stainless steel produced in the EU. Therefore, and in order to ensure that the CBAM will efficiently address carbon leakages impacting the EU stainless industry and provide an incentive to third countries to reduce their own GHG emissions, it is essential that the list of upstream materials pursuant to article 7(6) includes also ferro alloys in the case of stainless steel.

Amendment 1274

Adam Jarubas

on behalf of the EPP Group

Esther de Lange, Ewa Kopacz, Maria Spyra, Pernille Weiss, Radan Kanev, Liudas Mažylis, Dolors Montserrat

Proposal for a regulation

Annex III – point 3 – paragraph 2 – introductory part

Text proposed by the Commission

Where AttrEmg are the attributed emissions of goods g , and AL_g the activity level of the goods, the latter being the amount of goods produced in the reporting period in that installation, and EE_{InpMat} are

Amendment

Where AttrEmg are the attributed emissions of goods g , and AL_g the activity level of the goods, the latter being the amount of goods produced in the reporting period in that installation, and EE_{InpMat} are

the embedded emissions of the input materials (precursors) consumed in the production process. Only input materials listed as relevant to the system boundaries of the production process as specified in the implementing act adopted pursuant to Article 7(6) are to be considered. The relevant EE_{InpMat} are calculated as follows:

the embedded emissions of the input materials (precursors) consumed in the production process. Only input materials listed as relevant to the system boundaries of the production process as specified in the implementing act adopted pursuant to Article 7(6) are to be considered. The ***implementing act pursuant to Article 7(6) shall include all input materials that contribute significantly to GHG emissions. In the case of stainless steel (CN codes 7218-7223), ferro-alloys shall be included in the list of input materials as they fulfil this criterion.*** The relevant EE_{InpMat} are calculated as follows:

Or. en

Amendment 1275
Ivan David

Proposal for a regulation
Annex III – point 3 – paragraph 2 – introductory part

Text proposed by the Commission

Where $AttrEmg$ are the attributed emissions of goods g , and AL_g the activity level of the goods, the latter being the amount of goods produced in the reporting period in that installation, and EE_{InpMat} are the embedded emissions of the input materials (precursors) consumed in the production process. Only input materials listed as relevant to the system boundaries of the production process as specified in the implementing act adopted pursuant to Article 7(6) are to be considered. The ***relevant EE_{InpMat} are calculated as follows:***

Amendment

Where $AttrEmg$ are the attributed emissions of goods g , and AL_g the activity level of the goods, the latter being the amount of goods produced in the reporting period in that installation, and EE_{InpMat} are the embedded emissions of the input materials (precursors) consumed in the production process. Only input materials listed as relevant to the system boundaries of the production process as specified in the implementing act adopted pursuant to Article 7(6) are to be considered. The ***implementing act pursuant to Article 7(6) shall include all input materials that contribute significantly to GHG emissions. In the case of stainless steel (CN codes 7218-7223), ferro-alloys shall be included in the list of input materials as they fulfil this criterion.***

Or. en

Justification

In order to ensure the environmental integrity of the CBAM, the measure shall take into account all relevant input materials that contribute significantly to GHG emissions. For instance, in the case of steel, if a coil is produced in country X using a slab produced in country Y, also emissions of the slab shall be included in the CBAM. In the case of stainless steel production, ferro alloys represent the key source of GHG emissions. While EU stainless steel producers are using a preponderant proportion of ferrous scrap, thus limiting the ferro-alloys proportion and the resulting GHG emissions to an absolute minimum, stainless steel imports from third countries rely mainly on primary materials such as nickel pig iron or other carbon-intensive ferro-alloys. This results in major differences in the full carbon footprint, with a large share of imported stainless steel having a carbon footprint 2 to 5 times higher than equivalent stainless steel produced in the EU. Therefore, and in order to ensure that the CBAM will efficiently address carbon leakages impacting the EU stainless industry and provide an incentive to third countries to reduce their own GHG emissions, it is essential that the list of upstream materials pursuant to article 7(6) includes also ferro alloys in the case of stainless steel.

Amendment 1276

Adam Jarubas

on behalf of the EPP Group

Esther de Lange, Ewa Kopacz, Deirdre Clune, Maria Spyraiki, Pernille Weiss, Radan Kanev, Liudas Mažylis, Cristian-Silviu Buşoi, Dolors Montserrat

Proposal for a regulation

Annex III – point 4 – paragraph 2

Text proposed by the Commission

For the purpose of determining default values, **only** actual **values** shall be used **for the determination of embedded emissions**. In the absence of actual data, literature values may be used. The Commission shall publish guidance for the approach taken to correct for waste gases or greenhouse gases used as process input, before collecting the data required to determine the relevant default values for each type of goods listed in Annex I. Default values shall be determined based on **the best available** data. **They** shall be revised periodically through implementing acts based on the most up-to-date and reliable information, including on the basis of information provided by a third country or group of third countries.

Amendment

For the purpose of determining default values actual **and best available data from the country where actual emissions took place** shall be used. **Best available data shall be based, to the extent possible, on reliable and publicly available information on the type of technology and processes used, plant design, origin of input materials and simple goods used in the production process, energy source and other data.** In the absence of actual data, literature values may be used. The Commission shall publish guidance for the approach taken to correct for waste gases or greenhouse gases used as process input, before collecting the data required to determine the relevant default values for each type of goods listed in Annex I. Default values shall be determined **for**

each type of good in Annex I with reference to main exporting countries based on *EUROSTAT* data. *Default values* shall be revised periodically through implementing acts *referred to in Article 7(6)* based on the most up-to-date and reliable information, including on the basis of information provided by a third country or group of third countries.

Or. en

Amendment 1277

Ivan David

Proposal for a regulation

Annex III – point 4 – paragraph 2

Text proposed by the Commission

For the purpose of determining default values, only actual values shall be used for the determination of embedded emissions. In the absence of actual data, literature values may be used. The Commission shall publish guidance for the approach taken to correct for waste gases or greenhouse gases used as process input, before collecting the data required to determine the relevant default values for each type of goods listed in Annex I. Default values shall be determined based on the best available data. They shall be revised periodically through implementing acts based on the most up-to-date and reliable information, including on the basis of information provided by a third country or group of third countries.

Amendment

For the purpose of determining default values, only actual values shall be used for the determination of embedded emissions. In the absence of actual data, ***or when the use of actual data would lead to low default values favouring free riding behaviour***, literature values may be used. The Commission shall publish guidance for the approach taken to correct for waste gases or greenhouse gases used as process input, before collecting the data required to determine the relevant default values for each type of goods listed in Annex I. Default values shall be determined based on the best available data. They shall be revised periodically through implementing acts based on the most up-to-date and reliable information, including on the basis of information provided by a third country or group of third countries.

Or. en

Justification

The use of literature data should be allowed also in cases where default data based on real data would be too low (e.g. the 10% worst EU producers are much better than the rest of the world). This would create an undue advantage to operators that decide not to disclose their

real data.

Amendment 1278

Dan-Ştefan Motreanu

Proposal for a regulation

Annex III – point 4 – paragraph 2

Text proposed by the Commission

For the purpose of determining default values, only actual values shall be used for the determination of embedded emissions. In the absence of actual data, literature values may be used. The Commission shall publish guidance for the approach taken to correct for waste gases or greenhouse gases used as process input, before collecting the data required to determine the relevant default values for each type of goods listed in Annex I. Default values shall be determined based on the best available data. They shall be revised periodically through implementing acts based on the most up-to-date and reliable information, including on the basis of information provided by a third country or group of third countries.

Amendment

For the purpose of determining default values, only actual values shall be used for the determination of embedded emissions. In the absence of actual data, ***or when the use of actual data would lead to low default values favouring freeriding behaviour***, literature values may be used. The Commission shall publish guidance for the approach taken to correct for waste gases or greenhouse gases used as process input, before collecting the data required to determine the relevant default values for each type of goods listed in Annex I. Default values shall be determined based on the best available data. They shall be revised periodically through implementing acts based on the most up-to-date and reliable information, including on the basis of information provided by a third country or group of third countries.

Or. en

Justification

The use of literature data should be allowed also in cases where default data based on real data would be too low (e.g. the 10% worst EU producers are still much more CO2 efficient than most global competitors). Such default data would therefore create an undue advantage to operators that decide not to disclose their real data.

Amendment 1279

Cristian-Silviu Buşoi

Proposal for a regulation

Annex III – point 4 – paragraph 2

Text proposed by the Commission

For the purpose of determining default values, only actual values shall be used for the determination of embedded emissions. In the absence of actual data, literature values may be used. The Commission shall publish guidance for the approach taken to correct for waste gases or greenhouse gases used as process input, before collecting the data required to determine the relevant default values for each type of goods listed in Annex I. Default values shall be determined based on the best available data. They shall be revised periodically through implementing acts based on the most up-to-date and reliable information, including on the basis of information provided by a third country or group of third countries.

Amendment

For the purpose of determining default values, only actual values shall be used for the determination of embedded emissions. In the absence of actual data, ***or when the use of actual data would lead to low default values favouring freeriding behaviour***, literature values may be used. The Commission shall publish guidance for the approach taken to correct for waste gases or greenhouse gases used as process input, before collecting the data required to determine the relevant default values for each type of goods listed in Annex I. Default values shall be determined based on the best available data. They shall be revised periodically through implementing acts based on the most up-to-date and reliable information, including on the basis of information provided by a third country or group of third countries.

Or. en

Justification

The use of literature data should be allowed also in cases where default data based on real data would be too low (e.g. the 10% worst EU producers are still much more CO2 efficient than most global competitors). Such default data would therefore create an undue advantage to operators that decide not to disclose their real data.

Amendment 1280
Laura Huhtasaari

Proposal for a regulation
Annex III – point 4 – paragraph 2

Text proposed by the Commission

For the purpose of determining default values, only actual values shall be used for the determination of embedded emissions. In the absence of actual data, literature values may be used. The Commission shall publish guidance for the approach taken to correct for waste gases or greenhouse gases

Amendment

For the purpose of determining default values, only actual values shall be used for the determination of embedded emissions. In the absence of actual data, ***or when the use of actual data would lead to low default values favouring freeriding behaviour***, literature values may be used.

used as process input, before collecting the data required to determine the relevant default values for each type of goods listed in Annex I. Default values shall be determined based on the best available data. They shall be revised periodically through implementing acts based on the most up-to-date and reliable information, including on the basis of information provided by *a* third country or group of third countries.

The Commission shall publish guidance for the approach taken to correct for waste gases or greenhouse gases used as process input, before collecting the data required to determine the relevant default values for each type of goods listed in Annex I. Default values shall be determined based on the best available data. They shall be revised periodically through implementing acts based on the most up-to-date and reliable information, including on the basis of information provided by *at* third country or group of third countries

Or. en

Amendment 1281
Pietro Fiocchi

Proposal for a regulation
Annex III – point 4 – paragraph 2

Text proposed by the Commission

For the purpose of determining default values, only actual values shall be used for the determination of embedded emissions. In the absence of actual data, literature values may be used. The Commission shall publish guidance for the approach taken to correct for waste gases or greenhouse gases used as process input, before collecting the data required to determine the relevant default values for each type of goods listed in Annex I. Default values shall be determined based on the best available data. They shall be revised periodically through implementing acts based on the most up-to-date and reliable information, including on the basis of information provided by a third country or group of third countries.

Amendment

For the purpose of determining default values, only actual values shall be used for the determination of embedded emissions. In the absence of actual data, literature values may be used. The Commission shall publish guidance for the approach taken to correct for waste gases or greenhouse gases used as process input, before collecting the data required to determine the relevant default values for each type of goods listed in Annex I. Default values shall be determined based on the best available data. They shall be revised periodically through implementing acts based on the most up-to-date and reliable information, including on the basis of information provided by *stakeholders*, a third country or group of third countries.

Or. it

Amendment 1282

Luisa Regimenti, Aldo Patriciello, Fulvio Martusciello, Salvatore De Meo

Proposal for a regulation

Annex III – point 4 – paragraph 2

Text proposed by the Commission

For the purpose of determining default values, only actual values shall be used for the determination of embedded emissions. In the absence of actual data, literature values may be used. The Commission shall publish guidance for the approach taken to correct for waste gases or greenhouse gases used as process input, before collecting the data required to determine the relevant default values for each type of goods listed in Annex I. Default values shall be determined based on the best available data. They shall be revised periodically through implementing acts based on the most up-to-date and reliable information, including on the basis of information provided by a third country or group of third countries.

Amendment

For the purpose of determining default values, only actual values shall be used for the determination of embedded emissions. In the absence of actual data, literature values may be used. The Commission shall publish guidance for the approach taken to correct for waste gases or greenhouse gases used as process input, before collecting the data required to determine the relevant default values for each type of goods listed in Annex I. Default values shall be determined based on the best available data. They shall be revised periodically through implementing acts based on the most up-to-date and reliable information, including on the basis of information provided by **stakeholders**, a third country or group of third countries.

Or. it

Amendment 1283

Laura Huhtasaari

Proposal for a regulation

Annex III – point 4 – point 4.1 – paragraph 1

Text proposed by the Commission

When actual emissions cannot be adequately determined by the authorised declarant, default values shall be used. These values shall be set at the average emission intensity of each exporting country and for each of the goods listed in Annex I other than electricity, increased by a mark-up, the latter to be determined in the implementing acts of this Regulation. When reliable data for the exporting country cannot be applied for a type of

Amendment

When actual emissions cannot be adequately determined by the authorised declarant, default values shall be used. ***Default values shall represent the highest known carbon intensity of the relevant good in order to avoid carbon leakage and any free riding behaviour.*** These values shall be set at the average emission intensity of each exporting country and for each of the goods listed in Annex I other than electricity, increased by a mark-up,

goods, the default values shall be based on the average emission intensity of the 10 per cent worst performing EU installations for that type of goods.

the latter to be determined in the implementing acts of this Regulation. ***Average country data shall be consistent with rules on calculations of embedded emissions pursuant to article 7 and Annex III and be verified by verifiers accredited pursuant to article 18.*** When reliable ***and verified*** data for the exporting country cannot be applied for a type of goods, the default values shall be based on the average emission intensity of the 10 per cent worst performing EU installations for that type of goods, ***increased by a mark-up, the latter to be determined in the implementing acts of this Regulation. The mark-up to be applied pursuant this point shall ensure that the default values reflect the highest known carbon intensity of the relevant good in order to avoid carbon leakage any free riding behaviour.***

Or. en

Amendment 1284
Cristian-Silviu Buşoi

Proposal for a regulation
Annex III – point 4 – point 4.1 – paragraph 1

Text proposed by the Commission

When actual emissions cannot be adequately determined by the authorised declarant, default values shall be used. These values shall be set at the average emission intensity of each exporting country and for each of the goods listed in Annex I other than electricity, increased by a mark-up, the latter to be determined in the implementing acts of this Regulation. When reliable data for the exporting country cannot be applied for a type of goods, the default values shall be based on the average emission intensity of the 10 per cent worst performing EU installations for that type of goods.

Amendment

When actual emissions cannot be adequately determined by the authorised declarant, default values shall be used. ***Default values shall represent the highest known carbon intensity of the relevant good in order to avoid carbon leakage and any freeriding behaviour.*** These values shall be set at the average emission intensity of each exporting country and for each of the goods listed in Annex I other than electricity, increased by a mark-up, the latter to be determined in the implementing acts of this Regulation. ***Average country data shall be consistent with rules on calculations of embedded emissions pursuant to article 7 and Annex III and be verified by verifiers accredited***

*pursuant to article 18. When reliable **and verified** data for the exporting country cannot be applied for a type of goods, the default values shall be based on the average emission intensity of the 10 per cent worst performing EU installations for that type of goods, **increased by a mark-up, the latter to be determined in the implementing acts of this Regulation. The mark-up to be applied pursuant this point shall ensure that the default values reflect the highest known carbon intensity of the relevant good in order to avoid carbon leakage from any free riding behaviour.***

Or. en

Amendment 1285
Dan-Ștefan Motreanu

Proposal for a regulation
Annex III – point 4 – point 4.1 – paragraph 1

Text proposed by the Commission

When actual emissions cannot be adequately determined by the authorised declarant, default values shall be used. These values shall be set at the average emission intensity of each exporting country and for each of the goods listed in Annex I other than electricity, increased by a mark-up, the latter to be determined in the implementing acts of this Regulation. When reliable data for the exporting country cannot be applied for a type of goods, the default values shall be based on the average emission intensity of the 10 per cent worst performing EU installations for that type of goods.

Amendment

When actual emissions cannot be adequately determined by the authorised declarant, default values shall be used. ***Default values shall represent the highest known carbon intensity of the relevant good in order to avoid carbon leakage and any free riding behaviour.*** These values shall be set at the average emission intensity of each exporting country and for each of the goods listed in Annex I other than electricity, increased by a mark-up, the latter to be determined in the implementing acts of this Regulation. ***Average country data shall be consistent with rules on calculations of embedded emissions pursuant to article 7 and Annex III and be verified by verifiers accredited pursuant to article 18.*** When reliable **and verified** data for the exporting country cannot be applied for a type of goods, the default values shall be based on the average emission intensity of the 10 per cent worst performing EU installations for

that type of goods, *increased by a mark-up, the latter to be determined in the implementing acts of this Regulation. The mark-up to be applied pursuant this point shall ensure that the default values reflect the highest known carbon intensity of the relevant good in order to avoid carbon leakage any free riding behaviour.*

Or. en

Justification

Default values are an essential element for ensuring the robustness of the CBAM. Therefore, they should ensure that declarants do not have any benefit when they do not provide their real data. Therefore, default values shall reflect the highest known carbon intensity of the relevant good and be based on reliable and verified data. Moreover, the mark up shall be applied also to the option of worst 10% EU producers, when their carbon intensity is better than the known highest carbon intensity.

Amendment 1286 **Ivan David**

Proposal for a regulation **Annex III – point 4 – point 4.1 – paragraph 1**

Text proposed by the Commission

When actual emissions cannot be adequately determined by the authorised declarant, default values shall be used. These values shall be set at the average emission intensity of each exporting country and for each of the goods listed in Annex I other than electricity, increased by a mark-up, the latter to be determined in the implementing acts of this Regulation. When reliable data for the exporting country cannot be applied for a type of goods, the default values shall be based on the average emission intensity of the 10 per cent worst performing EU installations for that type of goods.

Amendment

When actual emissions cannot be adequately determined by the authorised declarant, default values shall be used. ***Default values shall represent the highest known carbon intensity of the relevant good in order to avoid carbon leakage and any free riding behaviour.*** These values shall be set at the average emission intensity of each exporting country and for each of the goods listed in Annex I other than electricity, increased by a mark-up, the latter to be determined in the implementing acts of this Regulation. ***Average country data shall be consistent with rules on calculations of embedded emissions pursuant to article 7 and Annex III and be verified by verifiers accredited pursuant to article 18.*** When reliable and verified data for the exporting country cannot be applied for a type of goods, the

default values shall be based on the average emission intensity of the 10 per cent worst performing EU installations for that type of goods, ***increased by a mark-up, the latter to be determined in the implementing acts of this Regulation. The mark-up to be applied pursuant this point shall ensure that the default values reflect the highest known carbon intensity of the relevant good in order to avoid carbon leakage any free riding behaviour.***

Or. en

Justification

Default values are an essential element for ensuring the robustness of the CBAM. Therefore, they should ensure that declarants do not have any benefit when they do not provide their real data. Therefore, default values shall reflect the highest known carbon intensity of the relevant good and be based on reliable and verified data. Moreover, the mark up shall be applied also to the option of worst 10% EU producers, when their carbon intensity is better than the known highest carbon intensity.

Amendment 1287

Salvatore De Meo, Fulvio Martusciello, Aldo Patriciello

Proposal for a regulation

Annex III – point 4 – point 4.1 – paragraph 1

Text proposed by the Commission

When actual emissions cannot be adequately determined by the authorised declarant, default values shall be used. These values shall be set at the average emission intensity of each exporting country and for each of the goods listed in Annex I other than electricity, increased by a mark-up, the latter to be determined in the implementing acts of this Regulation. When reliable data for the exporting country cannot be applied for a type of goods, the default values shall be based on the average emission intensity of the 10 per cent worst performing EU installations for that type of goods.

Amendment

When actual emissions cannot be adequately determined by the authorised declarant, default values shall be used. ***Default values shall represent the highest known carbon intensity of the relevant good in order to avoid carbon leakage and any free riding behaviour.*** These values shall be set at the average emission intensity of each exporting country and for each of the goods listed in Annex I other than electricity, increased by a mark-up, the latter to be determined in the implementing acts of this Regulation. ***Average country data shall be consistent with rules on calculations of embedded emissions pursuant to Article 7 and Annex III and be verified by verifiers***

*accredited pursuant to Article 18. When reliable **and verified** data for the exporting country cannot be applied for a type of goods, the default values shall be based on the average emission intensity of the 10 per cent worst performing EU installations for that type of goods, **increased by a mark-up, the latter to be determined in the implementing acts of this Regulation. The mark-up to be applied pursuant this point shall ensure that the default values reflect the highest known carbon intensity of the relevant good in order to avoid carbon leakage any free riding behaviour.***

Or. en

Justification

Default values are an essential element for ensuring the robustness of the CBAM. Therefore, they should ensure that declarants do not have any benefit when they do not provide their real data. Therefore, default values shall reflect the highest known carbon intensity of the relevant good and be based on reliable and verified data. Moreover, the mark up shall be applied also to the option of worst 10% EU producers, when their carbon intensity is better than the known highest carbon intensity

Amendment 1288

Adam Jarubas

on behalf of the EPP Group

Esther de Lange, Ewa Kopacz, Deirdre Clune, Maria Spyraiki, Pernille Weiss, Radan Kanev, Liudas Mažylis, Cristian-Silviu Buşoi, Dolors Montserrat

Proposal for a regulation

Annex III – point 4 – point 4.1 – paragraph 1

Text proposed by the Commission

When actual emissions cannot be adequately determined by the authorised declarant, default values shall be used. These values shall be set at the average emission intensity of each exporting country and for each of the goods listed in Annex I other than electricity, increased by a mark-up, the latter to be determined in the implementing acts of this Regulation. When reliable data for the exporting country cannot be applied for a type of

Amendment

When actual emissions cannot be adequately determined by the authorised declarant, default values shall be used. These values shall be set at the average emission intensity of **the 10 percent worst performing installations** each exporting country and for each of the goods listed in Annex I other than electricity, increased by a mark-up, the latter to be determined in the implementing acts of this Regulation. When reliable data for the exporting

goods, the default values shall be based on the average emission intensity of the **10** per cent worst performing EU installations for that type of goods.

country cannot be applied for a type of goods, the default values shall be based on the average emission intensity of the **5** per cent worst performing EU installations for that type of goods. ***Under no circumstances default values shall be lower than the likely embedded emissions and the exporter shall not benefit from the failure to provide reliable data on actual emissions so that default values are used. To that extent, the Commission shall apply a mark-up, the latter to be determined in the implementing acts of this Regulation.***

Or. en

Amendment 1289
Hermann Tertsch, Pietro Fiocchi

Proposal for a regulation
Annex III – point 4 – point 4.1 – paragraph 1

Text proposed by the Commission

When actual emissions cannot be adequately determined by the authorised declarant, default values shall be used. These values shall be set at the average emission intensity of each exporting country and for each of the goods listed in Annex I other than electricity, increased by a mark-up, the latter to be determined in the implementing acts of this Regulation. When reliable data for the exporting country cannot be applied for a type of goods, the default values shall be based on the average emission intensity of the 10 per cent worst performing EU installations for that type of goods.

Amendment

When actual emissions cannot be adequately determined by the authorised declarant, default values shall be used. These values shall be set at the average emission intensity of each exporting country and for each of the goods listed in Annex I other than electricity, increased by a mark-up, the latter to be determined in the implementing acts of this Regulation. When reliable data for the exporting country cannot be applied for a type of goods, the default values shall be based on the average emission intensity of the 10 per cent worst performing EU installations for that type of goods. ***Under no circumstances default values shall be lower than the likely embedded emissions and the exporter shall not benefit from the failure to provide reliable data on actual emissions so that default values are used.***

Or. en

Amendment 1290

Luisa Regimenti, Aldo Patriciello, Fulvio Martusciello

Proposal for a regulation

Annex III – point 4 – point 4.1 – paragraph 1

Text proposed by the Commission

When actual emissions cannot be adequately determined by the authorised declarant, default values shall be used. These values shall be set at the average emission intensity of each exporting country and for each of the goods listed in Annex I other than electricity, increased by a mark-up, the latter to be determined in the implementing acts of this Regulation.

When reliable data for the exporting country cannot be applied for a type of goods, the default values shall be based on the average emission intensity of the 10 per cent worst performing EU installations for that type of goods.

Amendment

When actual emissions cannot be adequately determined by the authorised declarant, default values shall be used. These values shall be set at the average emission intensity of each exporting country and for each of the goods listed in Annex I other than electricity, increased by a mark-up, the latter to be determined in the implementing acts of this Regulation ***and to be high enough to facilitate production of the statement of actual emissions data.***

Or. it

Amendment 1291

Pietro Fiocchi

Proposal for a regulation

Annex III – point 4 – point 4.1 – paragraph 1

Text proposed by the Commission

When actual emissions cannot be adequately determined by the authorised declarant, default values shall be used. These values shall be set at the average emission intensity of each exporting country and for each of the goods listed in Annex I other than electricity, increased by a mark-up, the latter to be determined in the implementing acts of this Regulation.

When reliable data for the exporting country cannot be applied for a type of goods, the default values shall be based

Amendment

When actual emissions cannot be adequately determined by the authorised declarant, default values shall be used. These values shall be set at the average emission intensity of each exporting country and for each of the goods listed in Annex I other than electricity, increased by a mark-up, the latter to be determined in the implementing acts of this Regulation ***and to be high enough to facilitate production of the statement of actual emissions data.***

on the average emission intensity of the 10 per cent worst performing EU installations for that type of goods.

Or. it

Amendment 1292

Yannick Jadot

Proposal for a regulation

Annex III – point 4 – point 4.1 – paragraph 1

Text proposed by the Commission

When actual emissions cannot be adequately determined by the authorised declarant, default values shall be used. These values shall be set at the average emission intensity of each exporting country and for each of the goods listed in Annex I other than electricity, ***increased by a mark-up, the latter to be determined in the implementing acts of this Regulation.*** When reliable data for the exporting country cannot be applied for a type of goods, the default values shall be based on the ***average emission intensity of the 10 per cent worst performing EU installations*** for that type of goods.

Amendment

When actual emissions cannot be adequately determined by the authorised declarant, default values shall be used. These values shall be set at the average emission intensity of ***the 10 per cent worst performing installations in*** each exporting country and for each of the goods listed in Annex I other than electricity. When reliable data for the exporting country cannot be applied for a type of goods, the default values shall be based on the worst performing EU ***installation*** for that type of goods.

Or. en

Amendment 1293

Radan Kanev

Proposal for a regulation

Annex III – point 4 – point 4.1 – paragraph 1

Text proposed by the Commission

When actual emissions cannot be adequately determined by the authorised declarant, default values shall be used. These values shall be ***set at the average emission intensity of each exporting country and for each of the goods listed in***

Amendment

When actual emissions cannot be adequately determined by the authorised declarant, default values shall be used. These values shall be based on the average emission intensity of the 10 per cent worst performing EU installations for that type of

Annex I other than electricity, increased by a mark-up, the latter to be determined in the implementing acts of this Regulation. When reliable data for the exporting country cannot be applied for a type of goods, the default values shall be based on the average emission intensity of the 10 per cent worst performing EU installations for that type of goods.

goods, increased by a mark-up, the latter to be determined in the implementing acts of this Regulation. The mark-up to be applied pursuant this article shall ensure that the default values reflect the highest known carbon intensity of the relevant good in order to avoid any free riding behaviour.

Or. en

Amendment 1294

Alexander Bernhuber, Angelika Winzig

Proposal for a regulation

Annex III – point 4 – point 4.1 – paragraph 1

Text proposed by the Commission

When actual emissions cannot be adequately determined by the authorised declarant, default values shall be used. These values shall be set at the average emission intensity of each exporting country and for each of the goods listed in Annex I other than electricity, increased by a mark-up, the latter to be determined in the implementing acts of this Regulation. When reliable data for the exporting country cannot be applied for a type of goods, the default values shall be based on the average emission intensity of the 10 per cent worst performing EU installations for that type of goods.

Amendment

When actual emissions cannot be adequately determined by the authorised declarant, default values shall be used. These values shall be set at the average emission intensity of each exporting country and for each of the goods listed in Annex I other than electricity, increased by a mark-up, the latter to be determined in the implementing acts of this Regulation. When reliable data for the exporting country cannot be applied for a type of goods, the default values shall be based on the ***tenfold*** average emission intensity of the 10 per cent worst performing EU installations for that type of goods.

Or. en

Amendment 1295

Yannick Jadot

Proposal for a regulation

Annex III – point 4 – point 4.2 – paragraph 1

Text proposed by the Commission

Amendment

Default values for imported electricity shall be determined based on either specific default values for a third country, group of third countries or region within a third country, or if those values are not available, on EU default values for similar electricity production in the EU, according to point 4.2.2.

deleted

Or. en

Amendment 1296
Petros Kokkalis

Proposal for a regulation
Annex III – point 4 – point 4.2 – paragraph 1

Text proposed by the Commission

Amendment

Default values for imported electricity shall be determined based on either specific default values for a third country, group of third countries or region within a third country, ***or if those values are not available, on EU default values for similar electricity production in the EU, according to point 4.2.2.***

Default values for imported electricity shall be determined based on either specific default values for a third country, group of third countries or region within a third country.

Or. en

Amendment 1297
Yannick Jadot

Proposal for a regulation
Annex III – point 4 – point 4.2 – paragraph 1

Text proposed by the Commission

Amendment

Default values for imported electricity shall be determined based on either specific default values for a third country, group of third countries or region within a third country, or if those values are not

Specific default values shall be based on the 10 per cent worst performing installations producing electricity in the third country, group of third countries or region within a third country.

available, on EU default values for similar electricity production in the EU, according to point 4.2.2.

Or. en

Amendment 1298

Petros Kokkalis

Proposal for a regulation

Annex III – point 4 – point 4.2 – point 4.2.1 – paragraph 1

Text proposed by the Commission

Specific default values shall be ***based on the best data available to the Commission determining the average CO₂ emission factor in tonnes of CO₂ per megawatt-hour of price-setting sources in the third country, group of third countries or region within a third country.***

Amendment

Specific default values shall be ***calculated as the average of emission factors of all thermal power plants of the third country, group of third countries or region within a third country, weighted by their share in the fossil-based electricity production during the most recent year for which emission and gross electricity production data from fossil fuels are available.***

Or. en

Justification

The calculation of the emission factor based on price-setting sources might not reflect the climate impact of process of producing electricity, the accurate estimation of which must be the goal of this calculation. A more accurate estimate can be obtained if the emission factor is calculated as the average of the emission factors of all thermal power plants of the third country or countries weighted by their share in the electricity mix during the most recent year for which emission and gross electricity production data from fossil fuels are available. Emission data per fossil fuel per country are available by the IEA, while the gross electricity production of countries exporting electricity to the EU are available per fossil fuel source from Eurostat. Therefore the weighted average emission factor of the fossil-based electricity production can be readily computed

Amendment 1299

Yannick Jadot

Proposal for a regulation

Annex III – point 4 – point 4.2 – point 4.2.1 – paragraph 1

Text proposed by the Commission

Amendment

Specific default values shall be based on the **best data available to the Commission determining the average CO₂ emission factor in tonnes of CO₂ per megawatt-hour of price-setting sources** in the third country, group of third countries or region within a third country.

Specific default values shall be based on the **10 per cent worst performing installations producing electricity** in the third country, group of third countries or region within a third country.

Or. en

Amendment 1300
Petros Kokkalis

Proposal for a regulation
Annex III – point 4 – point 4.2 – point 4.2.2

Text proposed by the Commission

Amendment

4.2.2. Alternative default values

deleted

Where no specific default value has been determined for a third country, a group of third countries, or a region within a third country, the default value for electricity shall represent the CO₂ emission factor in the EU, in tonne of CO₂ per megawatt-hour. That means the weighted average of the CO₂ intensity of electricity produced from fossil fuels in the EU. The weight reflects the production mix of the fossil fuels in the EU. The CO₂ factor is the result of the division of the CO₂ emission data of the energy industry divided by the gross electricity generation based on fossil fuels in megawatt-hour.

Where authorised declarants of goods originating in a third country, or for a group of third countries having a significant exchange of electricity with the EU, it can be demonstrated, on the basis of reliable data, that the average CO₂ emission factor of price-setting sources in that third country or that group of third countries is lower than the one in the EU or lower than the specific default value,

an alternative default value based on that average CO₂e emission factor shall be established for that country or group of countries.

Where alternative default values are defined for a third country or region in a third country, or a group of third countries or regions within third countries, and electricity is imported from another third country or from another region within a third country, or another group of third countries or regions within third countries into the third country subject to the alternative default value, the same alternative default value may not be used.

Or. en

Justification

1. 1. The CO₂ emissions from electricity and heat production for all countries from which EU imports electricity are readily available from the IEA as a function of time. The same is true for the gross electricity production for each of these countries and for each fuel source, through Eurostat. Since both data sources are reliable, the EC can also obtain a reliable estimate of the emission factor (at least) for the third country or group of third countries from which it is importing electricity. 2. Since the electricity mix of countries exporting electricity to the EU relies more heavily on fossil fuels and the thermal power plants are older, the emissions calculated based on the emission factor of the third country or group of countries, are bound to be a more accurate estimate than the calculation of the same based on the weighted average of the CO₂ intensity of electricity produced from fossil fuels in the EU. This is also evident in JRC's National Emission Factors for Electricity Consumption (NEEFC). For 2015 (the most recent year for which data are available for both EU and exporting countries), the average CO₂ emission factor for the EU-27 is 0.363, while for BiH, Serbia, Kosovo and Montenegro the corresponding values are, respectively: 1.318, 1.049, 1.391, and 0.579, although these values refer to the total electricity production from all sources and not just fossil fuels. 3. The underestimation of the emissions, which will most likely result in case Option B is applied, will reduce the corresponding revenue from the CBAM certificates, and will also weaken the incentives for the exporting countries to decarbonize their electricity mix.

Amendment 1301
Yannick Jadot

Proposal for a regulation
Annex III – point 4 – point 4.2 – point 4.2.2 – paragraph 1

Text proposed by the Commission

Amendment

Where no specific default value has been determined for a third country, a group of third countries, or a region within a third country, the default value for electricity shall represent the CO₂ emission factor in the EU, in tonne of CO₂ per megawatt-hour. That means the weighted average of the CO₂ intensity of electricity produced from fossil fuels in the EU. The weight reflects the production mix of the fossil fuels in the EU. The CO₂ factor is the result of the division of the CO₂ emission data of the energy industry divided by the gross electricity generation based on fossil fuels in megawatt-hour.

deleted

Or. en

Amendment 1302

Yannick Jadot

Proposal for a regulation

Annex III – point 4 – point 4.2 – point 4.2.2 – paragraph 2

Text proposed by the Commission

Amendment

Where authorised declarants of goods originating in a third country, or for a group of third countries having a significant exchange of electricity with the EU, it can be demonstrated, on the basis of reliable data, that the average CO₂ emission factor of **price-setting sources in** that third country or that group of third countries is lower than the **one** in the EU or lower than the specific default value, an alternative default value based on that average CO₂e emission factor shall be established for that country or group of countries.

Where authorised declarants of goods originating in a third country, or for a group of third countries having a significant exchange of electricity with the EU, it can be demonstrated, on the basis of reliable data, that the average CO₂ emission factor of **electricity exported from** that third country or that group of third countries is lower than the **worst performing installation producing** in the EU or lower than the specific default value, an alternative default value based on that average CO₂ emission factor shall be established for that country or group of countries.

Or. en

Amendment 1303

Yannick Jadot

Proposal for a regulation

Annex III – point 5 – paragraph 1 – point c a (new)

Text proposed by the Commission

Amendment

(c a) if the installation producing electricity is a nuclear power plant, it must meet EU recognised nuclear safety levels and apply the requirements of EU legislation on safety of nuclear installations and on safe management of spent fuel and radioactive waste;

Or. en

Amendment 1304

Radan Kanev

Proposal for a regulation

Annex III – point 6

Text proposed by the Commission

Amendment

6. *Adaptation of default values based on region specific features* ***deleted***

Default values can be adapted to particular areas, regions of countries where specific characteristics prevail in terms of objective factors such as geography, natural resources, market conditions, energy mix, or industrial production. When data adapted to those specific local characteristics are available and can define more targeted default values, the latter may be used instead of default values based on EU installations.

Where declarants for goods originating in a third country, or a group of third countries can demonstrate, on the basis of reliable data, that alternative region specific adaptation of default values are lower than the default values defined by the Commission the former can be used.

Amendment 1305
Laura Huhtasaari

Proposal for a regulation
Annex III – point 6

Text proposed by the Commission

Amendment

6. *Adaptation of default values based on region specific features* **deleted**

Default values can be adapted to particular areas, regions of countries where specific characteristics prevail in terms of objective factors such as geography, natural resources, market conditions, energy mix, or industrial production. When data adapted to those specific local characteristics are available and can define more targeted default values, the latter may be used instead of default values based on EU installations.

Where declarants for goods originating in a third country, or a group of third countries can demonstrate, on the basis of reliable data, that alternative region specific adaptation of default values are lower than the default values defined by the Commission the former can be used.

Or. en

Amendment 1306
Dolors Montserrat

Proposal for a regulation
Annex III – point 6

Text proposed by the Commission

Amendment

6. *Adaptation of default values based on region specific features* **deleted**

Default values can be adapted to particular areas, regions of countries

where specific characteristics prevail in terms of objective factors such as geography, natural resources, market conditions, energy mix, or industrial production. When data adapted to those specific local characteristics are available and can define more targeted default values, the latter may be used instead of default values based on EU installations.

Where declarants for goods originating in a third country, or a group of third countries can demonstrate, on the basis of reliable data, that alternative region specific adaptation of default values are lower than the default values defined by the Commission the former can be used.

Or. en

Amendment 1307

Ivan David

Proposal for a regulation

Annex III – point 6

Text proposed by the Commission

Amendment

6. *Adaptation of default values based on region specific features* *deleted*

Default values can be adapted to particular areas, regions of countries where specific characteristics prevail in terms of objective factors such as geography, natural resources, market conditions, energy mix, or industrial production. When data adapted to those specific local characteristics are available and can define more targeted default values, the latter may be used instead of default values based on EU installations.

Where declarants for goods originating in a third country, or a group of third countries can demonstrate, on the basis of reliable data, that alternative region specific adaptation of default values are lower than the default values defined by

the Commission the former can be used.

Or. en

Amendment 1308
Cristian-Silviu Buşoi

Proposal for a regulation
Annex III – point 6

Text proposed by the Commission

Amendment

6. *Adaptation of default values based on region specific features* *deleted*

Default values can be adapted to particular areas, regions of countries where specific characteristics prevail in terms of objective factors such as geography, natural resources, market conditions, energy mix, or industrial production. When data adapted to those specific local characteristics are available and can define more targeted default values, the latter may be used instead of default values based on EU installations.

Where declarants for goods originating in a third country, or a group of third countries can demonstrate, on the basis of reliable data, that alternative region specific adaptation of default values are lower than the default values defined by the Commission the former can be used.

Or. en

Justification

Default values are an essential element for ensuring the robustness of the CBAM. Therefore, they should be applied equally to all operators that do not declare their real emissions. Potential adjustments of default values to particular areas, regions or countries create legal uncertainty and increase circumvention risks as well as the administrative burden for national customs.

Amendment 1309
Marian-Jean Marinescu

Proposal for a regulation
Annex III – point 6 – paragraph 1

Text proposed by the Commission

Amendment

Default values can be adapted to particular areas, regions of countries where specific characteristics prevail in terms of objective factors such as geography, natural resources, market conditions, energy mix, or industrial production. When data adapted to those specific local characteristics are available and can define more targeted default values, the latter may be used instead of default values based on EU installations. ***deleted***

Or. en

Justification

Default values are critical to ensure that CBAM is fully watertight and robust, and incentivise importers to use verified emissions. It is therefore critical that they are applied uniformly, and no specific adaptations should be provided.

Amendment 1310
Dan-Ștefan Motreanu

Proposal for a regulation
Annex III – point 6 – paragraph 1

Text proposed by the Commission

Amendment

Default values can be adapted to particular areas, regions of countries where specific characteristics prevail in terms of objective factors such as geography, natural resources, market conditions, energy mix, or industrial production. When data adapted to those specific local characteristics are available and can define more targeted default values, the latter may be used instead of default values based on EU installations. ***deleted***

Or. en

Justification

Default values are an essential element for ensuring the robustness of the CBAM. Therefore, they should be applied equally to all operators that do not declare their real emissions. Potential adjustments of default values to particular areas, regions or countries create legal uncertainty and increase circumvention risks as well as the administrative burden for national customs.

Amendment 1311

Salvatore De Meo, Fulvio Martusciello, Aldo Patriciello

Proposal for a regulation

Annex III – point 6 – paragraph 1

Text proposed by the Commission

Amendment

Default values can be adapted to particular areas, regions of countries where specific characteristics prevail in terms of objective factors such as geography, natural resources, market conditions, energy mix, or industrial production. When data adapted to those specific local characteristics are available and can define more targeted default values, the latter may be used instead of default values based on EU installations.

deleted

Or. en

Justification

Default values are an essential element for ensuring the robustness of the CBAM. Therefore, they should be applied equally to all operators that do not declare their real emissions. Potential adjustments of default values to particular areas, regions or countries create legal uncertainty and increase circumvention risks as well as the administrative burden for national customs.

Amendment 1312

Marian-Jean Marinescu

Proposal for a regulation

Annex III – point 6 – paragraph 2

Text proposed by the Commission

Amendment

Where declarants for goods originating in a third country, or a group of third countries can demonstrate, on the basis of reliable data, that alternative region specific adaptation of default values are lower than the default values defined by the Commission the former can be used. ***deleted***

Or. en

Justification

Default values are critical to ensure that CBAM is fully watertight and robust, and incentivise importers to use verified emissions. It is therefore critical that they are applied uniformly, and no specific adaptations should be provided.

Amendment 1313

Dan-Ștefan Motreanu

Proposal for a regulation

Annex III – point 6 – paragraph 2

Text proposed by the Commission

Amendment

Where declarants for goods originating in a third country, or a group of third countries can demonstrate, on the basis of reliable data, that alternative region specific adaptation of default values are lower than the default values defined by the Commission the former can be used. ***deleted***

Or. en

Amendment 1314

Salvatore De Meo, Fulvio Martusciello, Aldo Patriciello

Proposal for a regulation

Annex III – point 6 – paragraph 2

Text proposed by the Commission

Amendment

Where declarants for goods originating in ***deleted***

a third country, or a group of third countries can demonstrate, on the basis of reliable data, that alternative region specific adaptation of default values are lower than the default values defined by the Commission the former can be used.

Or. en

Amendment 1315

Yannick Jadot

Proposal for a regulation

Annex V – Part 1 – paragraph 1 – point c

Text proposed by the Commission

(c) installation visits by the verifier shall be mandatory except where specific criteria for waiving the installation visit are met;

Amendment

(c) installation visits by the verifier shall be mandatory except where specific criteria for waiving the installation visit *as described in Article 8(3)* are met;

Or. en

Amendment 1316

Dolors Montserrat

Proposal for a regulation

Annex I

Text proposed by the Commission List of goods and greenhouse gases

1. For the purpose of the identification of goods, this Regulation shall apply to goods listed in the following sectors currently falling under the combined nomenclature ('CN') codes listed below, and shall be those of Council Regulation (EEC) No 2658/87 ⁽⁵⁾.
2. For the purposes of this Regulation, the greenhouse gases relating to goods falling in the sectors listed below, shall be those listed below for each type of goods.

Cement

CN code	Greenhouse gas
2523 10 00 – Cement clinkers	Carbon dioxide
2523 21 00 – White Portland cement, whether or not artificially coloured	Carbon dioxide

⁵ Council Regulation (EEC) No 2658/87 of 23 July 1987 on the tariff and statistical nomenclature and on the Common Customs Tariff (OJ L 256, 7.9.1987, p. 1).

2523 29 00 – Other Portland cement	Carbon dioxide
2523 90 00 – Other hydraulic cements	Carbon dioxide

Electricity

CN code	Greenhouse gas
2716 00 00 – Electrical energy	Carbon dioxide

Fertilisers

CN code	Greenhouse gas
2808 00 00 – Nitric acid; sulphonitric acids	Carbon dioxide and nitrous oxide
2814 – Ammonia, anhydrous or in aqueous solution	Carbon dioxide
2834 21 00 - Nitrates of potassium	Carbon dioxide and nitrous oxide
3102 – Mineral or chemical fertilisers, nitrogenous	Carbon dioxide and nitrous oxide
3105 – Mineral or chemical fertilisers containing two or three of the fertilising elements nitrogen, phosphorus and potassium; other fertilisers; goods of this chapter in tablets or similar forms or in packages of a gross weight not exceeding 10 kg - Except: 3105 60 00 – Mineral or chemical fertilisers containing the two fertilising elements phosphorus and potassium	Carbon dioxide and nitrous oxide

Iron and Steel

CN code	Greenhouse gas
72 – Iron and steel Except: 7202 – Ferro-alloys 7204 – Ferrous waste and scrap; remelting scrap ingots and steel	Carbon dioxide
7301- Sheet piling of iron or steel, whether or not drilled, punched or made from assembled elements; welded angles, shapes and sections, of iron or steel	Carbon dioxide
7302 – Railway or tramway track construction material of iron or steel, the following: rails, check-rails and rack rails, switch blades, crossing frogs, point rods and other crossing pieces, sleepers (cross-ties), fish- plates, chairs, chair wedges, sole plates (base plates), rail clips, bedplates, ties and other material specialised for jointing or fixing rails	Carbon dioxide
7303 00 – Tubes, pipes and hollow profiles, of cast iron	Carbon dioxide
7304 – Tubes, pipes and hollow profiles, seamless, of iron (other than cast iron) or steel	Carbon dioxide
7305 – Other tubes and pipes (for example,	Carbon dioxide

welded, riveted or similarly closed), having circular cross-sections, the external diameter of which exceeds 406,4 mm, of iron or steel	
7306 – Other tubes, pipes and hollow profiles (for example, open seam or welded, riveted or similarly closed), of iron or steel	Carbon dioxide
7307 – Tube or pipe fittings (for example, couplings, elbows, sleeves), of iron or steel	Carbon dioxide
7308 – Structures (excluding prefabricated buildings of heading 9406) and parts of structures (for example, bridges and bridge-sections, lock-gates, towers, lattice masts, roofs, roofing frameworks, doors and windows and their frames and thresholds for doors, shutters, balustrades, pillars and columns), of iron or steel; plates, rods, angles, shapes, sections, tubes and the like, prepared for use in structures, of iron or steel	Carbon dioxide
7309 – Reservoirs, tanks, vats and similar containers for any material (other than compressed or liquefied gas), of iron or steel, of a capacity exceeding 300 l, whether or not lined or heat-insulated, but not fitted with mechanical or thermal equipment	Carbon dioxide
7310 – Tanks, casks, drums, cans, boxes and similar containers, for any material (other than compressed or liquefied gas), of iron or steel, of a capacity not exceeding 300 l, whether or not lined or heat-insulated, but not fitted with mechanical or thermal equipment	Carbon dioxide
7311 – Containers for compressed or liquefied gas, of iron or steel	Carbon dioxide

Aluminium

CN code	Greenhouse gas
7601 – Unwrought aluminium	Carbon dioxide and perfluorocarbons
7603 – Aluminium powders and flakes	Carbon dioxide and perfluorocarbons
7604 – Aluminium bars, rods and profiles	Carbon dioxide and perfluorocarbons
7605 – Aluminium wire	Carbon dioxide and perfluorocarbons
7606 – Aluminium plates, sheets and strip, of a thickness exceeding 0,2 mm	Carbon dioxide and perfluorocarbons
7607 – Aluminium foil (whether or not printed or backed with paper, paper-board, plastics or similar backing materials) of a thickness (excluding any backing) not exceeding 0,2 mm	Carbon dioxide and perfluorocarbons
7608 – Aluminium tubes and pipes	Carbon dioxide and perfluorocarbons
7609 00 00 – Aluminium tube or pipe fittings (for example, couplings, elbows, sleeves)	Carbon dioxide and perfluorocarbons

List of goods and greenhouse gases

3. For the purpose of the identification of goods, this Regulation shall apply to goods listed in the following sectors currently falling under the combined nomenclature ('CN') codes listed below, and shall be those of Council Regulation (EEC) No 2658/87 ⁽⁶⁾.
4. For the purposes of this Regulation, the greenhouse gases relating to goods falling in the sectors listed below, shall be those listed below for each type of goods.

Cement

CN code	Greenhouse gas
2523 10 00 – Cement clinkers	Carbon dioxide
2523 21 00 – White Portland cement, whether or not artificially coloured	Carbon dioxide
<i>2523 30 00 - Aluminous cement</i>	<i>Carbon dioxide</i>
2523 29 00 – Other Portland cement	Carbon dioxide
2523 90 00 – Other hydraulic cements	Carbon dioxide

Electricity

CN code	Greenhouse gas
2716 00 00 – Electrical energy	Carbon dioxide

Hydrogen

CN code	Greenhouse gas
<i>2804 10 00 - Hydrogen</i>	<i>Carbon dioxide</i>
<i>2814 - Ammonia, anhydrous or in aqueous solution</i>	<i>Carbon dioxide</i>

Fertilisers

CN code	Greenhouse gas
2808 00 00 – Nitric acid; sulphonitric acids	Carbon dioxide and nitrous oxide
2814 – Ammonia, anhydrous or in aqueous solution	Carbon dioxide
2834 21 00 - Nitrates of potassium	Carbon dioxide and nitrous oxide
3102 – Mineral or chemical fertilisers, nitrogenous	Carbon dioxide and nitrous oxide
3105 – Mineral or chemical fertilisers containing two or three of the fertilising elements nitrogen, phosphorus and potassium; other fertilisers; goods of this chapter in tablets or similar forms or in packages of a gross weight not exceeding 10 kg - Except: 3105 60 00 – Mineral or chemical fertilisers containing the two fertilising elements phosphorus and potassium	Carbon dioxide and nitrous oxide

⁶ Council Regulation (EEC) No 2658/87 of 23 July 1987 on the tariff and statistical nomenclature and on the Common Customs Tariff (OJ L 256, 7.9.1987, p. 1).

Iron and Steel

CN code	Greenhouse gas
72 – Iron and steel Except: 7202 – Ferro-alloys 7204 – Ferrous waste and scrap; remelting scrap ingots and steel	Carbon dioxide
7301- Sheet piling of iron or steel, whether or not drilled, punched or made from assembled elements; welded angles, shapes and sections, of iron or steel	Carbon dioxide
7302 – Railway or tramway track construction material of iron or steel, the following: rails, check-rails and rack rails, switch blades, crossing frogs, point rods and other crossing pieces, sleepers (cross-ties), fish- plates, chairs, chair wedges, sole plates (base plates), rail clips, bedplates, ties and other material specialised for jointing or fixing rails	Carbon dioxide
7303 00 – Tubes, pipes and hollow profiles, of cast iron	Carbon dioxide
7304 – Tubes, pipes and hollow profiles, seamless, of iron (other than cast iron) or steel	Carbon dioxide
7305 – Other tubes and pipes (for example, welded, riveted or similarly closed), having circular cross-sections, the external diameter of which exceeds 406,4 mm, of iron or steel	Carbon dioxide
7306 – Other tubes, pipes and hollow profiles (for example, open seam or welded, riveted or similarly closed), of iron or steel	Carbon dioxide
7307 – Tube or pipe fittings (for example, couplings, elbows, sleeves), of iron or steel	Carbon dioxide
7308 – Structures (excluding prefabricated buildings of heading 9406) and parts of structures (for example, bridges and bridge-sections, lock- gates, towers, lattice masts, roofs, roofing frameworks, doors and windows and their frames and thresholds for doors, shutters, balustrades, pillars and columns), of iron or steel; plates, rods, angles, shapes, sections, tubes and the like, prepared for use in structures, of iron or steel	Carbon dioxide
7309 – Reservoirs, tanks, vats and similar containers for any material (other than compressed or liquefied gas), of iron or steel, of a capacity exceeding 300 l, whether or not lined or heat-insulated, but not fitted with mechanical	Carbon dioxide

or thermal equipment	
7310 – Tanks, casks, drums, cans, boxes and similar containers, for any material (other than compressed or liquefied gas), of iron or steel, of a capacity not exceeding 300 l, whether or not lined or heat-insulated, but not fitted with mechanical or thermal equipment	Carbon dioxide
7311 – Containers for compressed or liquefied gas, of iron or steel	Carbon dioxide
7326 - Other articles of iron or steel	Carbon dioxide

Aluminium

CN code	Greenhouse gas
7601 – Unwrought aluminium	Carbon dioxide and perfluorocarbons
7603 – Aluminium powders and flakes	Carbon dioxide and perfluorocarbons
7604 – Aluminium bars, rods and profiles	Carbon dioxide and perfluorocarbons
7605 – Aluminium wire	Carbon dioxide and perfluorocarbons
7606 – Aluminium plates, sheets and strip, of a thickness exceeding 0,2 mm	Carbon dioxide and perfluorocarbons
7607 – Aluminium foil (whether or not printed or backed with paper, paper-board, plastics or similar backing materials) of a thickness (excluding any backing) not exceeding 0,2 mm	Carbon dioxide and perfluorocarbons
7608 – Aluminium tubes and pipes	Carbon dioxide and perfluorocarbons
7609 00 00 – Aluminium tube or pipe fittings (for example, couplings, elbows, sleeves)	Carbon dioxide and perfluorocarbons
7610 - Aluminium structures (excluding prefabricated buildings of heading 9406) and parts of structures (for example, bridges and bridge-sections, towers, lattice masts, roofs, roofing frameworks, doors and windows and their frames and thresholds for doors, balustrades, pillars and columns); aluminium plates, rods, profiles, tubes and the like, prepared for use in structures	Carbon dioxide and perfluorocarbons
7616 - Other articles of aluminium	Carbon dioxide and perfluorocarbons

Or. en