



2021/0214(COD)

16.12.2021

AMENDMENTS

69 - 412

Draft opinion

Karin Karlsbro

(PE699.250v02-00)

Establishing a carbon border adjustment mechanism

Proposal for a regulation

(COM(2021)0564 – C9-0328/2021 – 2021/0214(COD))

Amendment 69
Daniel Caspary, Sven Simon

Proposal for a regulation
Title 1

Text proposed by the Commission

Amendment

***Proposal for a
REGULATION OF THE EUROPEAN
PARLIAMENT AND OF THE
COUNCIL
establishing a carbon border adjustment
mechanism
(Text with EEA relevance)***

deleted

Or. en

Justification

The authors call upon the committee on Environment, Public Health and Food Safety (ENVI), as the committee responsible, to propose the rejection of the Commission proposal. Existing concerns relating to the compatibility with WTO rules have neither been sufficiently addressed nor dispelled to allow for an introduction of the mechanism. Moreover, the impact on investment in the EU and outside the EU alongside possible effects on employment within the EU have not yet been sufficiently addressed.

Amendment 70
Carles Puigdemont i Casamajó

Proposal for a regulation
Recital 1

Text proposed by the Commission

Amendment

(1) The Commission has, in its communication on the European Green Deal³¹, set out a new growth strategy that aims to transform the Union into a fair and prosperous society, with a modern, resource-efficient and competitive economy, where there are no net emissions (emissions after deduction of removals) of greenhouse gases ('GHG emissions') in 2050 and where economic growth is decoupled from resource use. The European Green Deal also aims to protect, conserve and enhance the EU's natural

(1) The Commission has, in its communication on the European Green Deal³¹, set out a new growth strategy that aims to transform the Union into a fair and prosperous society, with a modern, **, open, innovation-driven**, resource-efficient and competitive economy, where there are no net emissions (emissions after deduction of removals) of greenhouse gases ('GHG emissions') in 2050 and where economic growth is decoupled from resource use. The European Green Deal also aims to protect, conserve and enhance the EU's

capital, and protect the health and well-being of citizens from environment-related risks and impacts. At the same time, that transformation must be just and inclusive, leaving no one behind. The Commission also announced in its EU Action Plan: Towards Zero Pollution for Air, Water and Soil³² the promotion of relevant instruments and incentives to better implement the polluter pays principle as set out in Article 191(2) of the Treaty on the Functioning of the European Union ('TFEU') and thus complete the phasing out of 'pollution for free' with a view to maximising synergies between decarbonisation and the zero pollution ambition.

³¹ Communication from the Commission of 11 December 2019 on the European Green Deal (COM(2019) 640 final).

³² Communication from the Commission of 12 May 2021 on Pathway to a Healthy Planet for All (COM(2021) 400).

natural capital, and protect the health and well-being of citizens from environment-related risks and impacts. At the same time, that transformation must be just and inclusive, leaving no one behind. The Commission also announced in its EU Action Plan: Towards Zero Pollution for Air, Water and Soil³² the promotion of relevant instruments and incentives to better implement the polluter pays principle as set out in Article 191(2) of the Treaty on the Functioning of the European Union ('TFEU') and thus complete the phasing out of 'pollution for free' with a view to maximising synergies between decarbonisation and the zero pollution ambition.

³¹ Communication from the Commission of 11 December 2019 on the European Green Deal (COM(2019) 640 final).

³² Communication from the Commission of 12 May 2021 on Pathway to a Healthy Planet for All (COM(2021) 400).

Or. en

Amendment 71

Danilo Oscar Lancini, Herve Juvin, Marco Campomenosi

Proposal for a regulation

Recital 1 a (new)

Text proposed by the Commission

Amendment

(1 a) The European Green Deal with its ambitious objectives has brought to the increase of cost for European producers, thus it is necessary to have an instrument to ensure a level playing field with third countries, which do not have the same ambitious climate policies as the EU has.

Or. en

Amendment 72

Herve Juvin, Danilo Oscar Lancini, Jean-Lin Lacapelle

Proposal for a regulation

Recital 3

Text proposed by the Commission

(3) Tackling climate and other environmental-related challenges and reaching the objectives of the Paris Agreement are at the core of the European Green Deal. The value of the European Green Deal has only grown in light of the very severe effects of the COVID-19 pandemic on the health and economic well-being of the Union's citizens.

Amendment

(3) Tackling climate and other environmental-related challenges and reaching the objectives of the Paris Agreement are at the core of the European Green Deal. The value of the European Green Deal has only grown in light of the very severe effects of the COVID-19 pandemic on the health and economic well-being of the Union's citizens, ***the need to develop European policies promoting localism and the relocation of the most strategic industries.***

Or. fr

Amendment 73

Carles Puigdemont i Casamajó

Proposal for a regulation

Recital 6

Text proposed by the Commission

(6) The Special Report of the Intergovernmental Panel on Climate Change (IPCC) on the impacts of global temperature increases of 1.5°C above pre-industrial levels and related global GHG emission pathways³⁶ provides a strong scientific basis for tackling climate change and illustrates the need to step up climate action. That report confirms that in order to reduce the likelihood of extreme weather events, GHG emissions need to be urgently reduced, and that climate change needs to be limited to a global temperature increase of 1.5°C.

Amendment

(6) The Special Report of the Intergovernmental Panel on Climate Change (IPCC) on the impacts of global temperature increases of 1.5°C above pre-industrial levels and related global GHG emission pathways³⁶ provides a strong scientific basis for tackling climate change and illustrates the need to step up climate action. That report confirms that in order to reduce the likelihood of extreme weather events, GHG emissions need to be urgently reduced, and that climate change needs to be limited to a global temperature increase of 1.5°C. ***Moreover, estimated global warming is currently increasing at 0.2 °C (likely between 0.1 °C and 0.3°C) per decade due to past and ongoing emissions.***

These impacts show an uneven distribution, with most adverse effects on poorer countries and people.

³⁶ IPCC, 2018: Global Warming of 1.5°C. An IPCC Special Report on the impacts of global warming of 1.5°C above pre-industrial levels and related global greenhouse gas emission pathways, in the context of strengthening the global response to the threat of climate change, sustainable development, and efforts to eradicate poverty [Masson-Delmotte, V., P. Zhai, H.-O. Pörtner, D. Roberts, J. Skea, P.R. Shukla, A. Pirani, W. Moufouma-Okia, C. Péan, R. Pidcock, S. Connors, J.B.R. Matthews, Y. Chen, X. Zhou, M.I. Gomis, E. Lonnoy, T. Maycock, M. Tignor, and T. Waterfield (eds.)].

³⁶ IPCC, 2018: Global Warming of 1.5°C. An IPCC Special Report on the impacts of global warming of 1.5°C above pre-industrial levels and related global greenhouse gas emission pathways, in the context of strengthening the global response to the threat of climate change, sustainable development, and efforts to eradicate poverty [Masson-Delmotte, V., P. Zhai, H.-O. Pörtner, D. Roberts, J. Skea, P.R. Shukla, A. Pirani, W. Moufouma-Okia, C. Péan, R. Pidcock, S. Connors, J.B.R. Matthews, Y. Chen, X. Zhou, M.I. Gomis, E. Lonnoy, T. Maycock, M. Tignor, and T. Waterfield (eds.)].

Or. en

Amendment 74

Kathleen Van Brempt, Raphaël Glucksmann, Miroslav Číž, Inma Rodríguez-Piñero, Paolo De Castro, Margarida Marques, Joachim Schuster, Miapetra Kumpula-Natri

Proposal for a regulation Recital 6 a (new)

Text proposed by the Commission

Amendment

(6 a) Global warming already reached 1.18°C in December 2020, leading to world wide draughts, floods, storms and heatwaves. If we continue at the current trend, global warming will reach 1.5°C in 2034. The outcome of the COP 26 in Glasgow, lacks the needed ambition and stronger commitments to turn the tide. The new announcements and updates of the NDCs after Glasgow will reduce temperature rises only by 0.1%, still leading to a disastrous estimated temperature rise between 1.8°C and 2.9°C by 2100;

Or. en

Amendment 75
Carles Puigdemont i Casamajó

Proposal for a regulation
Recital 7 a (new)

Text proposed by the Commission

Amendment

(7 a) The EU ETS, as the first major carbon market addressing emissions, has set leadership in the global carbon market in spite of showing shortcomings in key issues such carbon leakage prevention or allocation of free allowances, since it focuses on the Union's emissions rather than on the carbon footprint of goods and products in and out the Union, thus unaddressing the carbon footprint of imports and affecting the competitiveness and reshoring of the Union's industry.

Or. en

Amendment 76
Carles Puigdemont i Casamajó

Proposal for a regulation
Recital 7 b (new)

Text proposed by the Commission

Amendment

(7 b) There are strong and increasing inequalities regarding both the effects and the causes of climate change, being the poorest countries the most deeply impacted and at the same time the ones with a lowest share of GHG emissions.

Or. en

Amendment 77
Carles Puigdemont i Casamajó

Proposal for a regulation

Recital 7 c (new)

Text proposed by the Commission

Amendment

(7 c) The fight against global warming, keeping it under 1.5°C as established in the Paris Agreement, requires global answers. It is therefore necessary to work together with the World Trade Organisation and other global and multilateral stakeholders in order to reduce emissions. The Union and its Member States should collaborate with their global partners in order to create an open multilateral system that takes sustainable trade to promote the green transition.

Or. en

Amendment 78

Sara Matthieu

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 8

Text proposed by the Commission

Amendment

(8) As long as a significant number of the Union's international partners have policy approaches that do not result in the same level of climate ambition, there is **a** risk of carbon leakage. Carbon leakage occurs if, for reasons of costs related to climate policies, businesses in certain industry sectors or subsectors were to transfer production to other countries or imports from those countries would replace equivalent but less GHG emissions intensive products. That could lead to an increase in their total emissions globally, thus jeopardising the reduction of GHG emissions that is urgently needed if the world is to keep the global average temperature to well below 2 °C above pre-industrial levels.

(8) As long as a significant number of the Union's international partners have policy approaches that do not result in the same level of climate ambition, **and as the EU raises its ambition on climate protection**, there is **an increasing** risk of carbon leakage. Carbon leakage occurs if, for reasons of costs related to climate policies, businesses in certain industry sectors or subsectors were to transfer production to other countries or imports from those countries would replace equivalent but less GHG emissions intensive products. That could lead to an increase in their total emissions globally, thus jeopardising the reduction of GHG emissions that is urgently needed if the world is to keep the global average temperature to well below 2 °C above pre-

industrial levels.

Or. en

Amendment 79

Danilo Oscar Lancini, Roman Haider, Herve Juvin, Marco Campomenosi

Proposal for a regulation

Recital 8 a (new)

Text proposed by the Commission

Amendment

(8 a) Tackling carbon leakage requires a global action. The European Union must not only lead by example, but also cooperate with its partners to establish a global carbon price or create a climate club with “like-minded partners” as a long-term solution. Thus, the European Union should reinforce its climate diplomacy and open discussion with third countries, which are interested in adopting similar measure to CBAM, in order to harmonise their instruments.

Or. en

Amendment 80

Kathleen Van Brempt, Raphaël Glucksmann, Miroslav Číž, Inma Rodríguez-Piñero, Paolo De Castro, Margarida Marques, Joachim Schuster, Miapetra Kumpula-Natri

Proposal for a regulation

Recital 9

Text proposed by the Commission

Amendment

(9) The initiative for a carbon border adjustment mechanism (‘CBAM’) is a part of the ‘Fit for 55 Package’. That mechanism is to serve as an essential element of the EU toolbox to meet the objective of a climate-neutral Union by 2050 in line with the Paris Agreement by addressing risks of carbon leakage resulting from the increased Union climate ambition.

(9) The initiative for a carbon border adjustment mechanism (‘CBAM’) is a part of the ‘Fit for 55 Package’. That mechanism is to serve as an essential element of the EU toolbox to meet the objective of a climate-neutral Union by 2050 in line with the Paris Agreement by addressing risks of carbon leakage resulting from the increased Union climate ambition. ***The CBAM should serve as one***

element in the EU's comprehensive strategy towards global sustainable trade and the ambition to reduce global carbon emissions;

Or. en

Amendment 81

Carles Puigdemont i Casamajó

Proposal for a regulation

Recital 9

Text proposed by the Commission

(9) The initiative for a carbon border adjustment mechanism ('CBAM') is a part of the 'Fit for 55 Package'. That mechanism is to serve as an essential element of the EU toolbox to meet the objective of a climate-neutral Union by 2050 **in line** with the Paris Agreement by addressing risks of carbon leakage resulting from the increased Union climate ambition.

Amendment

(9) The initiative for a carbon border adjustment mechanism('CBAM') is a part of the 'Fit for 55 Package'. That mechanism, ***based upon the “polluter-pays principle”***, is to serve as an essential element of the EU toolbox to meet the objective of a climate-neutral Union by 2050 ***inline*** with the Paris Agreement by addressing risks of carbon leakage resulting from the increased Union climate ambition. ***The carbon leakage would ultimately lead to increased global warming if it is not duly addressed.***

Or. en

Amendment 82

Danilo Oscar Lancini, Herve Juvin, Marco Campomenosi

Proposal for a regulation

Recital 9

Text proposed by the Commission

(9) The initiative for a carbon border adjustment mechanism ('CBAM') is a part of the 'Fit for 55 Package'. That mechanism is to serve as an essential element of the EU toolbox to meet the objective of a climate-neutral Union by 2050 in line with the Paris Agreement by

Amendment

(9) The initiative for a carbon border adjustment mechanism('CBAM') is a part of the 'Fit for 55 Package'. That mechanism is to serve as an essential element of the EU toolbox to meet the objective of a climate-neutral Union by 2050 in line with the Paris Agreement by

addressing risks of carbon leakage
resulting from the increased Union climate
ambition.

addressing risks of carbon leakage
resulting from the increased Union climate
ambition, *while at the same time ensuring
a level playing field in order to preserve
the competitiveness of EU industries.*

Or. en

Amendment 83

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Arnaud Danjean, Danuta Maria Hübner, Christophe Hansen, Seán Kelly, Angelika Winzig

Proposal for a regulation Recital 9

Text proposed by the Commission

(9) The initiative for a carbon border adjustment mechanism ('CBAM') is a part of the 'Fit for 55 Package'. That mechanism is to serve as an essential element of the EU toolbox to meet the objective of a climate-neutral Union by 2050 in line with the Paris Agreement by addressing risks of carbon leakage resulting from the increased Union climate ambition.

Amendment

(9) The initiative for a carbon border adjustment mechanism ('CBAM') is a part of the 'Fit for 55 Package'. That mechanism is to serve as an essential element of the EU toolbox to meet the objective of a climate-neutral Union by 2050 in line with the Paris Agreement by addressing risks of carbon leakage resulting from the increased Union climate ambition. *The CBAM is also consistent with the EU's objective of Open Strategic Autonomy.*

Or. en

Amendment 84

Kathleen Van Brempt, Raphaël Glucksmann, Miroslav Číž, Inma Rodríguez-Piñero, Paolo De Castro, Margarida Marques, Joachim Schuster, Miapetra Kumpula-Natri

Proposal for a regulation Recital 9 a (new)

Text proposed by the Commission

Amendment

(9 a) It is necessary to come forward with a holistic and comprehensive impact assessment of the entire fit for 55 package. Stakeholders, both within and

outside of the EU borders, will not only feel the consequences of the separate proposals, but will also experience combined effects of the various proposals together, as they are all interlinked. Therefore, aside from the 13 separate impact assessments already carried out, an impact assessment of the entire package as a whole should be performed.

Or. en

Amendment 85
Carles Puigdemont i Casamajó

Proposal for a regulation
Recital 9 a (new)

Text proposed by the Commission

Amendment

(9 a) The Union's carbon border adjustment mechanism strengthens the Union's principle for free trade. The initiative for a CBAM increases equal opportunities in order to achieve more competitive markets in a decarbonising scenario.

Or. en

Amendment 86
Carles Puigdemont i Casamajó

Proposal for a regulation
Recital 9 b (new)

Text proposed by the Commission

Amendment

(9 b) The “common-but-differentiated responsibilities”(CBDR), principle of international environmental law establishing that all countries are responsible for addressing global environmental destruction yet not equally responsible, is another principle to which the CBAM should build upon. This

principle balances, on the one hand, the need for all states to take responsibility for global environmental problems and, on the other, the need to recognise the wide differences in levels of economic development between countries. These differences in turn are linked to the countries' contributions to, as well as their abilities to address, these problems. CBDR was formalised in international law at the 1992 United Nations Conference on Environment and Development (UNCED) in Rio de Janeiro.

Or. en

Amendment 87

Kathleen Van Brempt, Raphaël Glucksmann, Miroslav Číž, Inma Rodríguez-Piñero, Margarida Marques

Proposal for a regulation

Recital 10

Text proposed by the Commission

(10) Existing mechanisms to address the risk of carbon leakage in sectors or sub-sectors at risk of carbon leakage are the transitional free allocation of EU ETS allowances and financial measures to compensate for indirect emission costs incurred from GHG emission costs passed on in electricity prices respectively laid down in Articles 10a(6) and 10b of Directive 2003/87/EC. However, free allocation under the EU ETS **weakens** the price signal that the system provides for the installations receiving **it** compared to full auctioning and **thus affects** the incentives for investment into further abatement of emissions.

Amendment

(10) Existing mechanisms to address the risk of carbon leakage in sectors or sub-sectors at risk of carbon leakage are the transitional free allocation of EU ETS allowances and financial measures to compensate for indirect emission costs incurred from GHG emission costs passed on in electricity prices respectively laid down in Articles 10a(6) and 10b of Directive 2003/87/EC. However, free allocation under the EU ETS **and indirect cost compensation systems weaken** the price signal that the system provides for the installations receiving **them** compared to full auctioning and **electricity pricing without compensation and thus lower** the incentives for investment into further abatement of emissions. **Therefore, to promote further emission reductions in the industrial and power sectors, free allocation and indirect cost compensation shall be phased out as soon as possible and following at least the same pattern as**

the gradual phase in of CBAM certificates, in order to respect WTO legal principles of non-discrimination and not to distort existing trade patterns to the Union's advantage;

Or. en

Justification

In order to be non-discriminatory, the inclusion of indirect emissions in the CBAM, will need to go hand in hand with an elimination of indirect cost compensation mechanisms in the EU. Either through a phase in/phase out system, as applied with free allowances, or via a full inclusion/elimination from the implementation date on. The Commission should revise its guidelines on certain State aid measures accordingly.

Amendment 88

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Arnaud Danjean, Christophe Hansen, Seán Kelly, Angelika Winzig

Proposal for a regulation

Recital 10

Text proposed by the Commission

(10) Existing mechanisms to address the risk of carbon leakage in sectors or sub-sectors at risk of carbon leakage are the transitional free allocation of EU ETS allowances and financial measures to compensate for indirect emission costs incurred from GHG emission costs passed on in electricity prices respectively laid down in Articles 10a(6) and 10b of Directive 2003/87/EC. ***However, free allocation under the EU ETS weakens the price signal that the system provides for the installations receiving it compared to full auctioning and thus affects the incentives for investment into further abatement of emissions.***

Amendment

(10) Existing mechanisms to address the risk of carbon leakage in sectors or sub-sectors at risk of carbon leakage are the transitional free allocation of EU ETS allowances and financial measures to compensate for indirect emission costs incurred from GHG emission costs passed on in electricity prices respectively laid down in Articles 10a(6) and 10b of Directive 2003/87/EC. ***Existing carbon leakage measures are based on strict benchmarks established by the best-performing installations. These measures also represents an incentive to reduce emissions under the ETS while also providing a carbon price signal for emissions above the benchmark level; they have proven so far to be effective in reducing the risk of carbon leakage, although in the context of lower carbon prices than those experienced recently and those forecasted by 2030.***

Amendment 89**Angelika Winzig, Massimiliano Salini****Proposal for a regulation****Recital 10***Text proposed by the Commission*

(10) Existing mechanisms to address the risk of carbon leakage in sectors or sub-sectors at risk of carbon leakage are the transitional free allocation of EU ETS allowances and financial measures to compensate for indirect emission costs incurred from GHG emission costs passed on in electricity prices respectively laid down in Articles 10a(6) and 10b of Directive 2003/87/EC. **However**, free allocation under the EU ETS **weakens the** price signal that the system provides for **the** installations receiving **it** compared to full auctioning **and** thus affects the incentives for investment into further abatement of emissions.

Amendment

(10) Existing mechanisms to address the risk of carbon leakage in sectors or sub-sectors at risk of carbon leakage are the transitional free allocation of EU ETS allowances and financial measures to compensate for indirect emission costs incurred from GHG emission costs passed on in electricity prices respectively laid down in Articles 10a(6) and 10b of Directive 2003/87/EC. **The system of meeting benchmarks as precondition for receiving** free allocation under the EU ETS **ensures an additional** price signal that the system provides for installations receiving **them** compared to full auctioning, thus affects **positively** the incentives for investment into further abatement of emissions **and remains an important tool to reduce the risk of carbon leakage as long as there is no global CO₂ emission pricing system**.

Or. en

Amendment 90**Sara Matthieu**

on behalf of the Verts/ALE Group

Proposal for a regulation**Recital 10***Text proposed by the Commission*

(10) Existing mechanisms to address the risk of carbon leakage in sectors or sub-sectors at risk of carbon leakage are the

Amendment

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transitional free allocation of EU ETS allowances and financial measures to compensate for indirect emission costs incurred from GHG emission costs passed on in electricity prices respectively laid down in Articles 10a(6) and 10b of Directive 2003/87/EC. However, free allocation under the EU ETS weakens the price signal that the system provides for the installations receiving *it* compared to full auctioning and thus affects the incentives for investment into further abatement of emissions.

transitional free allocation of EU ETS allowances and financial measures to compensate for indirect emission costs incurred from GHG emission costs passed on in electricity prices respectively laid down in Articles 10a(6) and 10b of Directive 2003/87/EC. However, ***both*** free allocation under the EU ETS ***and compensation for indirect emissions costs*** weakens the price signal that the system provides for the installations receiving ***them*** compared to full auctioning ***and full payment of indirect emissions costs in contradiction with the ‘polluter pays principle’***, and thus affects the incentives for investment into further abatement of emissions.

Or. en

Amendment 91 Sven Simon, Daniel Caspary

Proposal for a regulation Recital 10

Text proposed by the Commission

(10) Existing mechanisms to address the risk of carbon leakage in sectors or sub-sectors at risk of carbon leakage are the transitional free allocation of EU ETS allowances and financial measures to compensate for indirect emission costs incurred from GHG emission costs passed on in electricity prices respectively laid down in Articles 10a(6) and 10b of Directive 2003/87/EC. ***However***, free allocation under the EU ETS weakens the price signal that the system provides for the installations receiving it compared to full auctioning and thus affects the incentives for investment into further abatement of emissions.

Amendment

(10) Existing mechanisms to address the risk of carbon leakage in sectors or sub-sectors at risk of carbon leakage are the transitional free allocation of EU ETS allowances and financial measures to compensate for indirect emission costs incurred from GHG emission costs passed on in electricity prices respectively laid down in Articles 10a(6) and 10b of Directive 2003/87/EC. ***Whilst*** free allocation under the EU ETS weakens the price signal that the system provides for the installations receiving it compared to full auctioning and thus affects the incentives for investment into further abatement of emissions, ***they simultaneously safeguard the competitiveness of European companies, products and services on the global market during a transition period.***

Amendment 92**Carles Puigdemont i Casamajó****Proposal for a regulation****Recital 10***Text proposed by the Commission*

(10) Existing mechanisms to address the risk of carbon leakage in sectors or sub-sectors at risk of carbon leakage are the transitional free allocation of EU ETS allowances and financial measures to compensate for indirect emission costs incurred from GHG emission costs passed on in electricity prices respectively laid down in Articles 10a(6) and 10b of Directive 2003/87/EC. However, free allocation under the EU ETS weakens the price signal that the system provides for the installations receiving it compared to full auctioning and thus affects the incentives for investment into further abatement of emissions.

Amendment

(10) Existing mechanisms to address the risk of carbon leakage in sectors or sub-sectors at risk of carbon leakage are the transitional free allocation of EU ETS allowances and financial measures to compensate for indirect emission costs incurred from GHG emission costs passed on in electricity prices respectively laid down in Articles 10a(6) and 10b of Directive 2003/87/EC. However, free allocation under the EU ETS, **as well as indirect emission costs' compensation**, weakens the price signal that the system provides for the installations receiving it compared to full auctioning and thus affects the incentives for investment into further abatement of emissions.

Amendment 93**Roman Haider****Proposal for a regulation****Recital 10***Text proposed by the Commission*

(10) Existing mechanisms to address the risk of carbon leakage in sectors or sub-sectors at risk of carbon leakage are the **transitional** free allocation of EU ETS allowances and financial measures to compensate for indirect emission costs incurred from GHG emission costs passed

Amendment

(10) Existing mechanisms to address the risk of carbon leakage in sectors or sub-sectors at risk of carbon leakage are the free allocation of EU ETS allowances and financial measures to compensate for indirect emission costs incurred from GHG emission costs passed on in electricity

on in electricity prices respectively laid down in Articles 10a(6) and 10b of Directive 2003/87/EC. **However**, free allocation under the EU ETS **weakens the price signal that the system provides** for the installations receiving **it** compared to full auctioning and thus affects the incentives for investment into further abatement of emissions.

prices respectively laid down in Articles 10a(6) and 10b of Directive 2003/87/EC. **The system of** free allocation under the EU ETS **provides s an additional price signal via benchmarks** for the installations receiving **them** compared to full auctioning and thus affects the incentives for investment into further abatement of emissions **in a positive manner**.

Or. en

Amendment 94

Danilo Oscar Lancini, Roman Haider, Herve Juvin, Marco Campomenosi

Proposal for a regulation

Recital 10

Text proposed by the Commission

(10) Existing mechanisms to address the risk of carbon leakage in sectors or sub-sectors at risk of carbon leakage are the transitional free allocation of EU ETS allowances and financial measures to compensate for indirect emission costs incurred from GHG emission costs passed on in electricity prices respectively laid down in Articles 10a(6) and 10b of Directive 2003/87/EC. **However**, free allocation under the **EU ETS weakens the price signal that the system provides for the installations receiving it compared to full auctioning and thus affects the incentives for investment into further abatement of emissions**.

Amendment

(10) Existing mechanisms to address the risk of carbon leakage in sectors or sub-sectors at risk of carbon leakage are the transitional free allocation of EU ETS allowances and financial measures to compensate for indirect emission costs incurred from GHG emission costs passed on in electricity prices respectively laid down in Articles 10a(6) and 10b of Directive 2003/87/EC. Free allocation **at the level of the benchmark, which safeguards the sector-wide incentive to reduce emissions** under the **ETS, has proven to be an effective measure to reduce the risk of carbon leakage**.

Or. en

Amendment 95

Michiel Hoogeveen

Proposal for a regulation

Recital 10

(10) Existing mechanisms to address the risk of carbon leakage in sectors or sub-sectors at risk of carbon leakage are the transitional free allocation of EU ETS allowances and financial measures to compensate for indirect emission costs incurred from GHG emission costs passed on in electricity prices respectively laid down in Articles 10a(6) and 10b of Directive 2003/87/EC. **However, free allocation under the EU ETS weakens the price signal that the system provides for the installations receiving it compared to full auctioning and thus affects the incentives for investment into further abatement of emissions.**

(10) Existing mechanisms to address the risk of carbon leakage in sectors or sub-sectors at risk of carbon leakage are the transitional free allocation of EU ETS allowances and financial measures to compensate for indirect emission costs incurred from GHG emission costs passed on in electricity prices respectively laid down in Articles 10a(6) and 10b of Directive 2003/87/EC. Free allocation under the EU ETS **at the level of the benchmark, which safeguards the sector-wide incentive to reduce emissions under the ETS, has proven to be an effective measure to reduce the risk of carbon leakage.**

Or. en

Amendment 96

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Arnaud Danjean, Danuta Maria Hübner, Christophe Hansen, Jörgen Warborn, Seán Kelly

Proposal for a regulation Recital 11

(11) The CBAM seeks to replace these existing mechanisms by addressing the risk of carbon leakage in a different way, namely by ensuring equivalent carbon pricing for imports and domestic products. To ensure a gradual transition from the current system of free allowances to the CBAM, **the CBAM should be progressively phased in while free allowances in sectors covered by the CBAM are phased out.** The combined and transitional application of EU ETS allowances allocated free of charge and of the CBAM should in no case result in more favourable treatment for Union goods compared to goods imported into the customs territory of the Union.

(11) The CBAM seeks to **strengthen carbon leakage protection in view of higher EU climate ambitions by 2030 and thereafter** replace **progressively** these existing mechanisms by addressing the risk of carbon leakage in a different way, namely by ensuring equivalent carbon pricing for imports and domestic products **and by ensuring that EU products exported in the global market are not replaced by more carbon intensive products, which would undermine the objective of reducing global emissions.** To ensure a gradual transition from the current system of free allowances to the CBAM, free allowances **should only be** phased out **once the CBAM regulation has proven its**

effectiveness in terms of protection from the risk of carbon leakage both for imports and exports, not before 2030 and only following a three years test phase running from 2026 to 2028 during which the effectiveness of the measure will be thoroughly assessed by the Commission.

The combined and transitional application of EU ETS allowances allocated free of charge and of the CBAM should in no case result in more favourable treatment for Union goods compared to goods imported into the customs territory of the Union.

Or. en

Amendment 97

Dita Charanzová, Svenja Hahn

Proposal for a regulation

Recital 11

Text proposed by the Commission

(11) The CBAM seeks to replace these existing mechanisms by addressing the risk of carbon leakage in a different way, namely by ensuring equivalent carbon pricing for imports and domestic products. To ensure a gradual transition from the current system of free allowances to the CBAM, the CBAM should be progressively phased in while free allowances in sectors covered by the CBAM are phased out. The combined and transitional application of EU ETS allowances allocated free of charge and of the CBAM should in no case result in more favourable treatment for Union goods compared to goods imported into the customs territory of the Union.

Amendment

(11) The CBAM seeks to ***gradually*** replace these existing mechanisms by addressing the risk of carbon leakage in a different way, namely by ensuring equivalent carbon pricing for imports and domestic products ***and by ensuring that EU export products are not replaced by more carbon intensive products, which would undermine the objective of reducing global emissions.*** To ensure a gradual transition from the current system of free allowances to the CBAM ***while preserving EU competitiveness,*** the CBAM should be progressively phased in while free allowances in sectors covered by the CBAM are ***gradually*** phased out ***after an assessment by the Commission has proven that the regulation is effective in protection from the risk of carbon leakage for both imports and exports. The gradual phase-out of free allowance is essential to ensure a just transition for energy-intensive sectors.*** The combined and transitional application of EU ETS

allowances allocated free of charge and of the CBAM should in no case result in more favourable treatment for Union goods compared to goods imported into the customs territory of the Union.

Or. en

Amendment 98
Michiel Hoogeveen

Proposal for a regulation
Recital 11

Text proposed by the Commission

(11) The CBAM seeks to replace these existing mechanisms by addressing the risk of carbon leakage in a different way, namely by ensuring equivalent carbon pricing for imports and domestic products. To ensure a gradual transition from the current system of free allowances to the CBAM, the CBAM should be progressively phased in while free allowances in sectors covered by the CBAM are phased out. The combined and transitional application of EU ETS allowances allocated free of charge and of the CBAM should in no case result in more favourable treatment for Union goods compared to goods imported into the customs territory of the Union.

Amendment

(11) The CBAM seeks to ***progressively*** replace these existing mechanisms by addressing the risk of carbon leakage in a different way, namely by ensuring equivalent carbon pricing for imports and domestic products. ***The legislative framework should cumulatively ensure that a mechanism is included to provide effective carbon leakage protection, also addressing export markets, as well as a net positive impact on global GHG emissions rather than EU emissions only.*** To ensure a gradual transition from the current system of free allowances to the CBAM, the CBAM should be progressively phased in while free allowances in sectors covered by the CBAM are phased out, ***but this transition shall not start before 2030 and only after the EC has tested and verified the effectiveness of the CBAM regulation in terms of protection from the risk of carbon leakage.*** The combined and transitional application of EU ETS allowances allocated free of charge and of the CBAM should in no case result in more favourable treatment for Union goods compared to goods imported into the customs territory of the Union.

Or. en

Amendment 99
Geert Bourgeois

Proposal for a regulation
Recital 11

Text proposed by the Commission

(11) The CBAM seeks to replace these existing mechanisms by addressing the risk of carbon leakage in a different way, namely by ensuring equivalent carbon pricing for imports and domestic products. To ensure a gradual transition from the current system of free allowances to the CBAM, the CBAM should be progressively phased in while free allowances in sectors covered by the CBAM are phased out. The combined and transitional application of EU ETS allowances allocated free of charge and of the CBAM should in no case result in more favourable treatment for Union goods compared to goods imported into the customs territory of the Union.

Amendment

(11) The CBAM seeks to replace these existing mechanisms by addressing the risk of carbon leakage in a different way, namely by ensuring equivalent carbon pricing for imports and domestic ***products and by ensuring that EU products exported in the global market are not replaced by more carbon intensive*** products. To ensure a gradual transition from the current system of free allowances to the CBAM, the CBAM should be progressively phased in while free allowances in sectors covered by the CBAM are phased out ***after a test phase and a due assessment by the Commission that proves the effectiveness of the CBAM regulation in terms of protection from the risk of carbon leakage both for imports and exports to ensure a global level playing field.*** The combined and transitional application of EU ETS allowances allocated free of charge and of the CBAM should in no case result in more favourable treatment for Union goods compared to goods imported into the customs territory of the Union.

Or. en

Amendment 100
Emmanuel Maurel

Proposal for a regulation
Recital 11

Text proposed by the Commission

(11) The CBAM seeks to replace these

Amendment

(11) The CBAM seeks to replace these

existing mechanisms by addressing the risk of carbon leakage in a different way, namely by ensuring equivalent carbon pricing for imports and domestic products. To ensure a *gradual* transition from the current system of free allowances to the CBAM, *the CBAM should be progressively phased in while free allowances in sectors covered by the CBAM are phased out. The combined and transitional application of EU ETS allowances allocated free of charge and of the CBAM should in no case result in more favourable treatment for Union goods compared to goods imported into the customs territory of the Union.*

existing mechanisms by addressing the risk of carbon leakage in a different way, namely by ensuring equivalent carbon pricing for imports and domestic products. To ensure a *rapid* transition from the current system of free allowances to the CBAM, free allowances in sectors covered by the CBAM should *be phased out at an appropriate rate* .

Or. fr

Amendment 101

Danilo Oscar Lancini, Herve Juvin

Proposal for a regulation

Recital 11

Text proposed by the Commission

(11) The CBAM *seeks to replace* these existing mechanisms by addressing the risk of carbon leakage in a different way, namely by ensuring equivalent carbon pricing for imports and domestic products. *To ensure a gradual transition from the current system of free allowances to the CBAM, the CBAM should be progressively phased in while free allowances in sectors covered by the CBAM are phased out. The combined and transitional application of EU ETS allowances allocated free of charge and of the CBAM should in no case result in more favourable treatment for Union goods compared to goods imported into the customs territory of the Union.*

Amendment

(11) The CBAM *is a complementary tool to* these existing mechanisms by addressing the risk of carbon leakage in a different way, namely by ensuring equivalent carbon pricing for imports and domestic products. *The legislative framework should cumulatively ensure that a mechanism is included to provide effective carbon leakage protection, also addressing export markets, as well as a net positive impact on global GHG emissions rather than EU emissions only while preserving the competitiveness of EU industries and products in the global market. The Commission should test and verify the effectiveness of the CBAM regulation in terms of protection from the risk of carbon leakage by 2030. Should the phase-out of free allowances really be needed, this regulation should be reviewed in order to integrate an export adjustment*

mechanism, or the maintenance of free allowances for the EU production destined to the export.

Or. en

Amendment 102

Angelika Winzig, Massimiliano Salini

Proposal for a regulation

Recital 11

Text proposed by the Commission

(11) The CBAM seeks to **replace** these existing mechanisms by addressing the risk of carbon leakage in **a different** way, namely by ensuring equivalent carbon pricing for imports and domestic products. To ensure **a gradual transition from the current system of free allowances to the CBAM, the CBAM should be progressively phased in while free allowances in sectors covered by the CBAM are phased out.** The combined **and transitional** application of EU ETS allowances allocated free of charge and of the CBAM should in no case result in more favourable treatment for Union goods compared to goods imported into the customs territory of the Union.

Amendment

(11) The CBAM seeks to **complement** these existing mechanisms by addressing the risk of carbon leakage in **an additional** way, namely by ensuring equivalent carbon pricing for imports and domestic products. To ensure **the compliance with WTO rules**, the combined application of EU ETS allowances allocated free of charge and of the CBAM should in no case result in more favourable treatment for Union goods compared to goods imported into the customs territory of the Union.

Or. en

Amendment 103

Sara Matthieu

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 11

Text proposed by the Commission

(11) The CBAM **seeks to** replace these existing **mechanisms by addressing the risk of** carbon leakage **in a different way**,

Amendment

(11) **Currently over 95% of EU's industrial emissions are covered by free emission allowances. A CBAM will only**

namely by ensuring equivalent carbon pricing for imports and domestic products. To ensure a gradual transition from the current system of free allowances to the CBAM, the CBAM should be progressively phased in while free allowances in sectors covered by the CBAM are phased out. The combined and transitional application of EU ETS allowances allocated free of charge and of the CBAM should in no case result in more favourable treatment for Union goods compared to goods imported into the customs territory of the Union.

achieve its aim of higher international climate ambition if it is designed to provide real incentives for industries within and outside the EU to reduce their emissions. The CBAM should therefore replace these existing carbon leakage mechanisms by terminating derogations from the application of the 'polluter pays principle', while ensuring equal treatment between EU and non-EU products through equivalent carbon pricing for imports and domestic products. Free allocations and indirect cost compensation should cease to apply as of 1 January 2025.

Or. en

Amendment 104

Sven Simon, Daniel Caspary

Proposal for a regulation

Recital 11

Text proposed by the Commission

(11) The CBAM seeks to replace these existing mechanisms by addressing the risk of carbon leakage in a different way, namely by ensuring equivalent carbon pricing for imports and domestic products. To *ensure a gradual transition from the current system of free allowances to the CBAM*, the CBAM should be progressively phased in while free allowances in sectors covered by the CBAM are *phased out*. The combined and transitional application of EU ETS allowances allocated free of charge and of the CBAM *should in no case* result in more favourable treatment for Union goods compared to goods imported into the customs territory of the Union.

Amendment

(11) The CBAM seeks to replace these existing mechanisms by addressing the risk of carbon leakage in a different way, namely by ensuring equivalent carbon pricing for imports and domestic products. To *prevent carbon leakage*, the CBAM should be progressively phased in, while free allowances in sectors covered by the CBAM are *fully maintained in a transitional period*. The combined and transitional application of EU ETS allowances allocated free of charge and of the CBAM *will not* result in more favourable treatment for Union goods compared to goods imported into the customs territory of the Union.

Or. en

Amendment 105
Roman Haider

Proposal for a regulation
Recital 11

Text proposed by the Commission

(11) The CBAM *seeks to replace these existing mechanisms* by addressing the risk of carbon leakage in a different way, namely by ensuring equivalent carbon pricing for imports and domestic products. *To ensure a gradual transition from the current system of free allowances to the CBAM, the CBAM should be progressively phased in while free allowances in sectors covered by the CBAM are phased out.* The combined *and transitional* application of EU ETS allowances allocated free of charge and of the CBAM should in no case result in more favourable treatment for Union goods compared to goods imported into the customs territory of the Union.

Amendment

(11) The CBAM *would introduce a new mechanism* by addressing the risk of carbon leakage in a different way, namely by ensuring equivalent carbon pricing for imports and domestic products, *thereby ensuring that carbon emissions on goods consumed and used in the Union are priced equally and that the polluter pays principle applies, regardless of where the emissions have taken place.* The combined application of EU ETS allowances allocated free of charge and of the CBAM should in no case result in more favourable treatment for Union goods compared to goods imported into the customs territory of the Union.

Or. en

Amendment 106
Kathleen Van Brempt, Raphaël Glucksmann, Miroslav Číž

Proposal for a regulation
Recital 11 a (new)

Text proposed by the Commission

Amendment

(11 a) The gradual phase out of free allowances for the products covered by the CBAM would occur by applying a factor reducing the free allocation for these products (CBAM factor). The CBAM factor shall be equal to 100% for the period during the entry into force of this Regulation and the end of 2024, 90% in 2025, 80% in 2026, 65% in 2027, 50% in 2028, 30% in 2029 and will reach 0% by the end of 2030. The phase in of CBAM certificates will follow the same

mirroring pattern;

Or. en

Amendment 107
Carles Puigdemont i Casamajó

Proposal for a regulation
Recital 11 a (new)

Text proposed by the Commission

Amendment

(11 a) The Commission should guarantee the application of the “polluter-pays principle” by pricing equally the carbon emissions on goods consumed and used in the Union regardless of where the emissions have taken place.

Or. en

Amendment 108
Carles Puigdemont i Casamajó

Proposal for a regulation
Recital 11 b (new)

Text proposed by the Commission

Amendment

(11 b) The rapid phasing-out of free allowances in combination with the CBAM should ensure a fair system where no producer, either in the Union or in a third country, placing the goods covered by CBAM on the Union’s internal market would be allowed to compete by unfairly and irresponsibly lowering climate ambition. The general exception clause of Article XX of the General Agreement on Tariffs and Trade (GATT) should be the basis for any CBAM design and its only rationale should be an environmental one– reducing global CO2 emissions and preventing carbon leakage as means to improve human health and protect non-renewable energy sources. Even if Article

XX of the GATT may suggest a WTO compatibility, the CBAM would still pose an issue to the principles of “most-favoured nation” (Article I of the GATT) and “pacta sunt servanda” (Article II of the GATT). Finally, Article XVI of the GATT on “Subsidies” is key for the introduction of a CBAM compatible with the WTO since there is the possibility that for each exported tone to third countries or non-EU members, producers may not have to pay for emission rights.

Or. en

Amendment 109

Kathleen Van Brempt, Raphaël Glucksmann, Miroslav Číž, Inma Rodríguez-Piñero, Paolo De Castro, Margarida Marques, Joachim Schuster, Marek Belka, Miapetra Kumpula-Natri

Proposal for a regulation

Recital 12

Text proposed by the Commission

(12) While the objective of the CBAM is to **prevent** the risk of carbon leakage, this Regulation would also encourage the use of more GHG emissions-efficient technologies by producers from third countries, so that less emissions per unit of output are generated.

Amendment

(12) While the objective of the CBAM is to **lower global carbon emissions by preventing** the risk of carbon leakage, this Regulation would also encourage the use of more GHG emissions-efficient technologies by producers from third countries, so that less emissions per unit of output are generated. ***Special attention, intensive dialogue, administrative, technical and financial support is needed regarding LDCs, empowering them to reach the green transition in a sustainable and fair way and enabling them to be full-fledged participators in global sustainable trade;***

Or. en

Amendment 110

Geert Bourgeois

Proposal for a regulation
Recital 12

Text proposed by the Commission

(12) While the objective of the CBAM is to prevent the risk of carbon leakage, this Regulation would also encourage the use of more GHG emissions-efficient technologies by producers from third countries, so that less emissions per unit of output are generated.

Amendment

(12) While the objective of the CBAM is to prevent the risk of carbon leakage, this Regulation would also encourage the use of more GHG emissions-efficient technologies by producers from third countries, so that less emissions per unit of output are generated. ***The export of more sustainable products manufactured in the EU should thus more be incentivized while substitutes at a global level with higher carbon footprint should be avoided.***

Or. en

Amendment 111

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Arnaud Danjean, Danuta Maria Hübner, Seán Kelly, Angelika Winzig

Proposal for a regulation
Recital 12

Text proposed by the Commission

(12) While the objective of the CBAM is to prevent the risk of carbon leakage, this Regulation would also encourage the use of more GHG emissions-efficient technologies by producers from third countries, so that less emissions per unit of output are generated.

Amendment

(12) While the objective of the CBAM is to prevent the risk of carbon leakage, this Regulation would also encourage the use of more GHG emissions-efficient technologies by producers from third countries, so that less emissions per unit of output are generated. ***Therefore, it will be relevant to export more sustainable products manufactured in the EU and avoid substitutes at a global level with higher carbon footprint.***

Or. en

Amendment 112
Sara Matthieu

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 12

Text proposed by the Commission

(12) While the objective of the CBAM is to **prevent the** risk of carbon leakage, this Regulation would also encourage the use of more GHG emissions-efficient technologies by producers from third countries, so that less emissions per unit of output are generated.

Amendment

(12) While the objective of the CBAM is to **lower global carbon emissions and support the implementation of the goals of the Paris Agreement, including by preventing any** risk of carbon leakage, this Regulation would also encourage the use of more GHG emissions-efficient technologies by producers from third countries, so that less emissions per unit of output are generated.

Or. en

Amendment 113

Carles Puigdemont i Casamajó

Proposal for a regulation

Recital 12

Text proposed by the Commission

(12) While the objective of the CBAM is to **prevent** the risk of carbon leakage, this Regulation **would also encourage** the use of more GHG emissions-efficient technologies by producers from third countries, so that less emissions per unit of output are generated.

Amendment

(12) While the objective of the CBAM is to **lower carbon emissions by preventing** the risk of carbon leakage, this Regulation **also encourages** the use of more GHG emissions-efficient technologies by producers from third countries, so that less emissions per unit of output are generated.

Or. en

Amendment 114

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Arnaud Danjean, Jörgen Warborn, Seán Kelly, Angelika Winzig

Proposal for a regulation

Recital 12 a (new)

(12 a) While the surrendering of CBAM certificates for EU importers addresses the risk of carbon leakage on the EU market, it is essential that the CBAM would also seek to reduce the possibility of European low-carbon exports being replaced by carbon-intensive items on third country markets or by goods that are not subject to equivalent climate policy and carbon costs, undermining the goal of lowering global emissions. It is therefore necessary to continue addressing the risk of carbon leakage associated with European exports to third countries that have not yet limited or priced GHG emissions at the same levels as the EU.

Or. en

Amendment 115

Kathleen Van Brempt, Raphaël Glucksmann, Miroslav Číž, Inma Rodríguez-Piñero, Paolo De Castro, Joachim Schuster, Marek Belka, Miapetra Kumpula-Natri

Proposal for a regulation

Recital 12 a (new)

(12 a) To meet the Union objectives and international commitments, such as those under WTO agreements and the Paris agreement and in line with the principle of CBDR, the Commission should come forward with a proposal and sufficient funding to support LDCs in complying with the various CBAM requirements. This should entail, amongst others, the necessary administrative and technical assistance and financial support to facilitate LDC's adaptation to the new obligations established by this regulation as well as support the help them cut emissions and accomplish the green transition.

Or. en

Amendment 116

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Arnaud Danjean, Christophe Hansen, Jörgen Warborn, Seán Kelly

Proposal for a regulation

Recital 12 b (new)

Text proposed by the Commission

Amendment

(12 b) This Regulation does not apply to goods exported from the EU and therefore does not address carbon leakage associated with exports. Consequently, the Commission should monitor and evaluate the mechanism's impact on export markets and, if the assessment of the effectiveness of the CBAM in tackling carbon leakage on the EU market is positive, after the three year test period, the Commission shall present a report to the European Parliament and Council accompanied with a legislative proposal to address the carbon leakage risk on export markets while starting the free allocation phase out as set out in the ETS directive.

Or. en

Amendment 117

Kathleen Van Brempt, Raphaël Glucksmann, Miroslav Číž, Inma Rodríguez-Piñero, Paolo De Castro, Joachim Schuster, Marek Belka, Miapetra Kumpula-Natri

Proposal for a regulation

Recital 12 b (new)

Text proposed by the Commission

Amendment

(12 b) In the transitional phase, producers of LDCs in the sectors covered by the CBAM should be supported in complying with the administrative requirements of the CBAM and assisted in mapping the real emissions of their production processes. At the same time, possible environmental and energy

improvements in the production process (such as regarding raw material use, circular economy aspects, energy efficiency and use of renewable energy) should be proposed, technical and knowledge transfers should take place and best practices should be shared.

Or. en

Amendment 118

Kathleen Van Brempt, Raphaël Glucksmann, Miroslav Číž, Inma Rodríguez-Piñero, Paolo De Castro, Joachim Schuster, Marek Belka

Proposal for a regulation

Recital 12 c (new)

Text proposed by the Commission

Amendment

(12 c) During the implementation phase, when revenues will be generated from the sale of CBAM certificates and the financial consequences of the CBAM will be sensed in third countries, sufficient support and funding should be attributed to helping LDCs in implementing the environment, climate, energy and resource related improvements to help them lower emissions, cut CBAM costs and accomplish the green transition.

Or. en

Amendment 119

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Arnaud Danjean, Jörgen Warborn, Seán Kelly, Angelika Winzig

Proposal for a regulation

Recital 12 c (new)

Text proposed by the Commission

Amendment

(12 c) If European industries producing goods subject to the CBAM face significant difficulties as a result of its

implementation, the Commission develops an in-depth assessment in close collaboration with the industrial sectors. This assessment should be completed as soon as possible to determine whether the mechanism is effective and practicable.

Or. en

Amendment 120

Kathleen Van Brempt, Raphaël Glucksmann, Miroslav Číž, Inma Rodríguez-Piñero, Paolo De Castro, Joachim Schuster

Proposal for a regulation Recital 12 d (new)

Text proposed by the Commission

Amendment

(12 d) As the sole aim of the CBAM is to reduce global carbon emissions, the revenues generated from the sale of CBAM certificates, or the equivalent in financial value of these revenues, should be channeled towards global climate funding. Sufficient funding should be made available to realize the support for LDCs as stipulated above;

Or. en

Amendment 121

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Arnaud Danjean, Danuta Maria Hübner, Seán Kelly, Angelika Winzig

Proposal for a regulation Recital 13

Text proposed by the Commission

Amendment

(13) As an instrument to prevent carbon leakage and reduce GHG emissions the CBAM should ensure that imported products are subject to a regulatory system that applies carbon costs equivalent to the ones that otherwise would have been borne

(13) As an instrument to prevent carbon leakage and reduce GHG emissions the CBAM should ensure that imported products are subject to a regulatory system that applies carbon costs equivalent to the ones that otherwise would have been borne

under the EU ETS. The CBAM is a climate measure which should prevent the risk of carbon leakage and support the Union's increased ambition on climate mitigation, while ensuring WTO compatibility.

under the EU ETS. The CBAM is a climate measure which should prevent the risk of carbon leakage and support the Union's increased ambition on climate mitigation, while ensuring WTO compatibility.

However, the CBAM should be combined with rules addressing the exports component, such as the implementation of full or partial export duty exemptions, in order to fully eliminate concerns of carbon leakage and protect the competitiveness of European exported goods. Such a mechanism would be in line with the rules provided by the WTO Agreement on Subsidies and Countervailing Measures (ASCM).

Or. en

Amendment 122

Jürgen Warborn, Massimiliano Salini

Proposal for a regulation

Recital 13

Text proposed by the Commission

(13) As an instrument to prevent carbon leakage and reduce GHG emissions the CBAM should ensure that imported products are subject to a regulatory system that applies carbon costs equivalent to the ones that otherwise would have been borne under the EU ETS. The CBAM is a climate measure which should prevent the risk of carbon leakage and support the Union's increased ambition on climate mitigation, while ensuring WTO compatibility.

Amendment

(13) As an instrument to prevent carbon leakage and reduce GHG emissions the CBAM should ensure that imported products are subject to a regulatory system that applies carbon costs equivalent to the ones that otherwise would have been borne under the EU ETS. The CBAM is a climate measure which should prevent the risk of carbon leakage and support the Union's increased ambition on climate mitigation, while ensuring WTO compatibility; ***imports and domestic production shall be treated in the same way to ensure WTO compatibility; the CBAM shall ensure a level playing field between EU domestic and foreign producers, ensure full protection against carbon leakage for European industry and avoid emission transfers to third countries; as well as the impact on exports and dependent sectors***

along the value chain.

Or. en

Amendment 123

Sven Simon, Daniel Caspary

Proposal for a regulation

Recital 13

Text proposed by the Commission

(13) As an instrument to prevent carbon leakage and reduce GHG emissions the CBAM should ensure that imported products are subject to a regulatory system that applies carbon costs equivalent to the ones that otherwise would have been borne under the EU ETS. The CBAM is a climate measure which should prevent the risk of carbon leakage and support the Union's increased ambition on climate mitigation, while ensuring WTO compatibility.

Amendment

(13) As an instrument to prevent carbon leakage and reduce GHG emissions the CBAM should ensure that imported products are subject to a regulatory system that applies carbon costs equivalent to the ones that otherwise would have been borne under the EU ETS. The CBAM is a climate measure which should prevent the risk of carbon leakage and support the Union's increased ambition on climate mitigation, while ensuring WTO compatibility. ***To this end, CBAM must also safeguard the continued competitiveness of exported goods. A loss of European products' market share in third countries causing carbon leakage would contravene the aim of the mechanism.***

Or. en

Amendment 124

Enikő Győri, László Trócsányi

Proposal for a regulation

Recital 13

Text proposed by the Commission

(13) As an instrument to prevent carbon leakage and reduce GHG emissions the CBAM should ensure that imported products are subject to a regulatory system that applies carbon costs equivalent to the ones that otherwise would have been borne

Amendment

(13) As an instrument to prevent carbon leakage and reduce GHG emissions the CBAM should ensure that imported products are subject to a regulatory system that applies carbon costs equivalent to the ones that otherwise would have been borne

under the EU ETS. The CBAM is a climate measure which should prevent the risk of carbon leakage and support the Union's increased ambition on climate mitigation, while ensuring WTO compatibility.

under the EU ETS. ***In order to handle the possible implications of the CBAM on EU industry, the Commission should explore additional elements which could ensure the competitiveness of EU industry.*** The CBAM is a climate measure which should prevent the risk of carbon leakage and support the Union's increased ambition on climate mitigation, while ensuring WTO compatibility.

Or. en

Amendment 125

Carles Puigdemont i Casamajó

Proposal for a regulation

Recital 13

Text proposed by the Commission

(13) As an instrument to prevent carbon leakage and reduce GHG emissions the CBAM should ensure that imported products are subject to a regulatory system that applies carbon costs equivalent to the ones that otherwise would have been borne under the EU ETS. The CBAM is a climate measure which should prevent the risk of carbon leakage and support the Union's increased ambition on climate mitigation, while ensuring WTO compatibility.

Amendment

(13) As an instrument to prevent carbon leakage and reduce GHG emissions the CBAM should ensure that imported products are subject to a regulatory system that applies carbon costs equivalent to the ones that otherwise would have been borne under the EU ETS ***as well as products containing large amounts of these energy-intensive commodities that may be particularly at risk of carbon leakage.*** The CBAM is a climate measure which should prevent the risk of carbon leakage, ***encourages sustainable trade*** and support the Union's increased ambition on climate mitigation, while ensuring WTO compatibility.

Or. en

Amendment 126

Geert Bourgeois

Proposal for a regulation

Recital 13

Text proposed by the Commission

(13) As an instrument to prevent carbon leakage and reduce GHG emissions the CBAM should ensure that imported products are subject to a regulatory system that applies carbon costs equivalent to the ones that otherwise would have been borne under the EU ETS. The CBAM is a climate measure which should prevent the risk of carbon leakage and support the Union's increased ambition on climate mitigation, while ensuring WTO compatibility.

Amendment

(13) As an instrument to prevent carbon leakage and reduce GHG emissions the CBAM should ensure that imported products are subject to a regulatory system that applies carbon costs equivalent to the ones that otherwise would have been borne under the EU ETS. The CBAM is a climate measure which should prevent the risk of carbon leakage and support the Union's increased ambition on climate mitigation, while ensuring WTO compatibility ***and making sure that the CBAM is a tool at a global level whilst maintaining the export competitiveness of EU industries.***

Or. en

Amendment 127

Danilo Oscar Lancini, Herve Juvin, Marco Campomenosi

Proposal for a regulation

Recital 13

Text proposed by the Commission

(13) As an instrument to prevent carbon leakage and reduce GHG emissions the CBAM should ensure that imported products are subject to a regulatory system that applies carbon costs equivalent to the ones that otherwise would have been borne under the EU ETS. The CBAM is a climate measure which should prevent the risk of carbon leakage and support the Union's increased ambition on climate mitigation, while ensuring ***WTO compatibility.***

Amendment

(13) As an instrument to prevent carbon leakage and reduce GHG emissions the CBAM should ensure that imported products are subject to a regulatory system that applies carbon costs equivalent to the ones that otherwise would have been borne under the EU ETS. The CBAM is a climate measure which should prevent the risk of carbon leakage and support the Union's increased ambition on climate mitigation, while ensuring ***a level playing field in order to preserve the competitiveness of EU industries.***

Or. en

Amendment 128

Emmanuel Maurel

Proposal for a regulation
Recital 13

Text proposed by the Commission

(13) As an instrument to prevent carbon leakage and reduce GHG emissions the CBAM should ensure that imported products are subject to a regulatory system that applies carbon costs equivalent to the ones that otherwise would have been borne under the EU ETS. The CBAM is a climate measure which should prevent the risk of carbon leakage and support the Union's increased ambition on climate mitigation, ***while ensuring WTO compatibility.***

Amendment

(13) As an instrument to prevent carbon leakage and reduce GHG emissions the CBAM should ensure that imported products are subject to a regulatory system that applies carbon costs equivalent to the ones that otherwise would have been borne under the EU ETS. The CBAM is a climate measure which should prevent the risk of carbon leakage and support the Union's increased ambition on climate mitigation.

Or. fr

Amendment 129
Sara Matthieu
on behalf of the Verts/ALE Group

Proposal for a regulation
Recital 14

Text proposed by the Commission

(14) This Regulation should apply to goods imported into the customs territory of the Union from third countries, except where their production has already been subject to the EU ETS, whereby it applies to third countries or territories, or to a carbon pricing system fully linked with the EU ETS.

Amendment

(14) This Regulation should apply to goods imported into the customs territory of the Union from third countries, except where their production has already been subject to the EU ETS, whereby it applies to third countries or territories, or to a carbon pricing system fully linked with the EU ETS. ***This Regulation should also not apply to third countries classified as “least-developed” by the United Nations.***

Or. en

Amendment 130
Carles Puigdemont i Casamajó

Proposal for a regulation
Recital 14 a (new)

(14 a) The GHG emissions content of imports concerned should be accounted for on the basis of transparent and reliable product-specific benchmarks representing the global average GHG emissions content of individual products disaggregated by different production methods with varying emission intensities. Importers should have the option to prove, in accordance with Union standards for monitoring, reporting and verification (MRV), that the carbon content of their products is lower than the benchmark, and avail of a CBAM price adapted accordingly. The Commission should also assess the inclusion of transport emissions into the CBAM and not only product-based emissions.

Or. en

Amendment 131**Danilo Oscar Lancini, Roman Haider, Herve Juvin, Marco Campomenosi****Proposal for a regulation****Recital 15***Text proposed by the Commission*

(15) In order to exclude from the CBAM third countries or territories fully integrated into, or linked, to the EU ETS in the event of future agreements, the power to adopt acts in accordance with Article 290 of TFEU should be delegated to the Commission in respect of amending the list of countries in Annex II. Conversely, those third countries or territories should be excluded from the list in Annex II and be subject to CBAM whereby they do not effectively charge the ETS price on goods exported to the Union.

Amendment

(15) In order to exclude from the CBAM third countries or territories fully integrated into, or linked, to the EU ETS in the event of future agreements, the power to adopt acts in accordance with Article 290 of TFEU should be delegated to the Commission in respect of amending the list of countries in Annex II. Conversely, those third countries or territories should be excluded from the list in Annex II and be subject to CBAM whereby they do not effectively charge the ETS price on goods exported to the Union. ***The Commission should continuously monitor this and inform the Parliament and the Council if any change occurs***

Amendment 132

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Arnaud Danjean, Jörgen Warborn, Angelika Winzig

Proposal for a regulation**Recital 15***Text proposed by the Commission*

(15) In order to exclude from the CBAM third countries or territories fully integrated into, or linked, to the EU ETS in the event of future agreements, the power to adopt acts in accordance with Article 290 of TFEU should be delegated to the Commission in respect of amending the list of countries in Annex II. Conversely, those third countries or territories should be excluded from the list in Annex II and be subject to CBAM whereby they do not effectively charge the ETS price on goods exported to the Union.

Amendment

(15) In order to exclude from the CBAM third countries or territories fully integrated into, or linked, to the EU ETS ***and where the carbon cost burden is equivalent to that under the EU ETS***, in the event of future agreements, the power to adopt acts in accordance with Article 290 of TFEU should be delegated to the Commission in respect of amending the list of countries in Annex II. Conversely, those third countries or territories should be excluded from the list in Annex II and be subject to CBAM whereby they do not effectively charge the ETS price on goods exported to the Union.

Amendment 133

Enikő Győri, László Trócsányi

Proposal for a regulation**Recital 15***Text proposed by the Commission*

(15) In order to exclude from the CBAM third countries or territories fully integrated into, or linked, to the EU ETS in the event of future agreements, the power to adopt acts in accordance with Article 290 of TFEU should be delegated to the Commission in respect of amending the list of countries in Annex II. Conversely, those third countries or territories should be

Amendment

(15) In order to exclude from the CBAM third countries or territories fully integrated into, or linked, to the EU ETS in the event of future agreements, the power to adopt acts in accordance with Article 290 of TFEU should be delegated to the Commission in respect of amending the list of countries in Annex II. Conversely, those third countries or territories should be

excluded from the list in Annex II and be subject to CBAM whereby they do not effectively charge the ETS price on goods exported to the Union.

excluded from the list in Annex II and be subject to CBAM whereby they do not effectively charge the ETS price on goods exported to the Union. ***This should be regularly monitored by the Commission.***

Or. en

Amendment 134

Carles Puigdemont i Casamajó

Proposal for a regulation

Recital 15

Text proposed by the Commission

(15) In order to exclude from the CBAM third countries or territories fully integrated into, or linked, to the EU ETS in the event of future agreements, the power to adopt acts in accordance with Article 290 of TFEU should be delegated to the Commission in respect of amending the list of countries in Annex II. Conversely, those third countries or territories ***should be excluded*** from the list in Annex II and be subject to CBAM whereby they do not effectively charge the ETS price on goods exported to the Union.

Amendment

(15) In order to exclude from the CBAM third countries or territories fully integrated into, or linked, to the EU ETS in the event of future agreements, the power to adopt acts in accordance with Article 290 of TFEU should be delegated to the Commission in respect of amending the list of countries in Annex II. Conversely, ***the Commission should exclude and monitor those third countries or territories, subject to CBAM,*** from the list in Annex II and be subject to CBAM whereby they do not effectively charge the ETS price on goods exported to the Union.

Or. en

Amendment 135

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Arnaud Danjean, Seán Kelly

Proposal for a regulation

Recital 16 a (new)

Text proposed by the Commission

Amendment

(16 a) 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

Amendment 136

Danilo Oscar Lancini, Herve Juvin, Marco Campomenosi

Proposal for a regulation

Recital 17

Text proposed by the Commission

(17) The GHG emissions to be regulated by the CBAM should correspond to those GHG emissions covered by Annex I to the EU ETS in Directive 2003/87/EC, namely carbon dioxide ('CO₂') as well as, where relevant, nitrous oxide ('N₂O') and perfluorocarbons ('PFCs'). The CBAM should initially apply to direct emissions of those GHG from the production of goods up to the time of import into the customs territory of the Union, and after the end of a transition period and upon further assessment, as well to indirect emissions, mirroring the scope of the EU ETS.

Amendment

(17) The GHG emissions to be regulated by the CBAM should correspond to those GHG emissions covered by Annex I to the EU ETS in Directive 2003/87/EC, namely carbon dioxide ('CO₂') as well as, where relevant, nitrous oxide ('N₂O') and perfluorocarbons ('PFCs'). The CBAM should initially apply to direct emissions of those GHG from the production of goods up to the time of import into the customs territory of the Union, and after the end of a transition period and upon further assessment, as well to indirect emissions, mirroring the scope of the EU ETS.
Including indirect emissions and pricing them in the CBAM should be done only once the mismatch between indirect carbon costs and indirect carbon emissions has been reduced to a minimum, as the European electricity grid decarbonises.

Or. en

Amendment 137

Carles Puigdemont i Casamajó

Proposal for a regulation

Recital 17

(17) The GHG emissions to be regulated by the CBAM should correspond to those GHG emissions covered by Annex I to the EU ETS in Directive 2003/87/EC, namely carbon dioxide ('CO₂') as well as, where relevant, nitrous oxide ('N₂O') and perfluorocarbons ('PFCs'). The CBAM should initially apply to direct emissions of those GHG from the production of goods up to the time of import into the customs territory of the Union, and after the end of a transition period and upon further assessment, *as well* to indirect emissions, mirroring the scope of the EU ETS.

(17) The GHG emissions to be regulated by the CBAM should correspond to those GHG emissions covered by Annex I to the EU ETS in Directive 2003/87/EC, namely carbon dioxide ('CO₂') as well as, where relevant, nitrous oxide ('N₂O') and perfluorocarbons ('PFCs'). The CBAM should initially apply to direct emissions of those GHG from the production of goods up to the time of import into the customs territory of the Union, and after the end of a transition period and upon further assessment ***accompanied with relevant calculation methodologies by the Commission, the CBAM should also apply*** to indirect emissions, mirroring the scope of the EU ETS, ***in order to ensure equal carbon costs for domestic production and imports from third countries.***

Or. en

Amendment 138 **Emmanuel Maurel**

Proposal for a regulation **Recital 17**

(17) The GHG emissions to be regulated by the CBAM should correspond to those GHG emissions covered by Annex I to the EU ETS in Directive 2003/87/EC, namely carbon dioxide ('CO₂') as well as, where relevant, nitrous oxide ('N₂O') and perfluorocarbons ('PFCs'). The CBAM ***should initially*** apply to direct emissions of those GHG from the production of goods up to the time of import into the customs territory of the Union, and after ***the end of a transition period and upon further*** assessment, ***as well*** to indirect emissions, ***mirroring the scope of the EU ETS.***

(17) The GHG emissions to be regulated by the CBAM should correspond to those GHG emissions covered by Annex I to the EU ETS in Directive 2003/87/EC, namely carbon dioxide ('CO₂') as well as, where relevant, nitrous oxide ('N₂O') and perfluorocarbons ('PFCs'). The CBAM ***shall*** apply to direct emissions of those GHG from the production of goods up to the time of import into the customs territory of the Union, and after assessment, to indirect emissions.

Amendment 139**Anna-Michelle Asimakopoulou****Proposal for a regulation****Recital 17***Text proposed by the Commission*

(17) The GHG emissions to be regulated by the CBAM should correspond to those GHG emissions covered by Annex I to the EU ETS in Directive 2003/87/EC, namely carbon dioxide ('CO₂') as well as, where relevant, nitrous oxide ('N₂O') and perfluorocarbons ('PFCs'). The CBAM should ***initially*** apply to direct emissions of those GHG from the production of goods up to the time of import into the customs territory of the Union, ***and after the end of a transition period and upon further assessment, as well to indirect emissions,*** mirroring the scope of the EU ETS.

Amendment

(17) The GHG emissions to be regulated by the CBAM should correspond to those GHG emissions covered by Annex I to the EU ETS in Directive 2003/87/EC, namely carbon dioxide ('CO₂') as well as, where relevant, nitrous oxide ('N₂O') and perfluorocarbons ('PFCs'). The CBAM should apply to direct emissions of those GHG from the production of goods up to the time of import into the customs territory of the Union, mirroring the scope of the EU ETS.

Amendment 140**Sara Matthieu**

on behalf of the Verts/ALE Group

Proposal for a regulation**Recital 17***Text proposed by the Commission*

(17) The GHG emissions to be regulated by the CBAM should correspond to those GHG emissions covered by Annex I to the EU ETS in Directive 2003/87/EC, namely carbon dioxide ('CO₂') as well as, where relevant, nitrous oxide ('N₂O') and perfluorocarbons ('PFCs'). The CBAM should ***initially*** apply to direct emissions of those GHG from the production of goods up to the time of import into the customs

Amendment

(17) The GHG emissions to be regulated by the CBAM should correspond to those GHG emissions covered by Annex I to the EU ETS in Directive 2003/87/EC, namely carbon dioxide ('CO₂') as well as, where relevant, nitrous oxide ('N₂O') and perfluorocarbons ('PFCs'). ***CBAM should reflect future revisions of the EU ETS in terms of regulated GHG emissions.*** The CBAM should apply to direct emissions of

territory of the Union, ***and after the end of a transition period and upon further assessment***, as well to indirect emissions, mirroring the scope of the EU ETS.

those GHG from the production of goods up to the time of import into the customs territory of the Union, as well to indirect emissions, mirroring the scope of the EU ETS.

Or. en

Amendment 141

Kathleen Van Brempt, Raphaël Glucksmann, Miroslav Číž, Inma Rodríguez-Piñero, Margarida Marques, Joachim Schuster

Proposal for a regulation

Recital 17

Text proposed by the Commission

(17) The GHG emissions to be regulated by the CBAM should correspond to those GHG emissions covered by Annex I to the EU ETS in Directive 2003/87/EC, namely carbon dioxide ('**CO₂**') as well as, where relevant, nitrous oxide ('**N₂O**') and perfluorocarbons ('PFCs'). The CBAM should ***initially*** apply to direct emissions of those GHG from the production of goods up to the time of import into the customs territory of the Union, ***and after the end of a transition period and upon further assessment, as well to indirect emissions***, mirroring the scope of the EU ETS.

Amendment

(17) The GHG emissions to be regulated by the CBAM should correspond to those GHG emissions covered by Annex I to the EU ETS in Directive 2003/87/EC, namely carbon dioxide ('**CO₂**') as well as, where relevant, nitrous oxide ('**N₂O**') and perfluorocarbons ('PFCs'). The CBAM should apply to direct ***emissions as well as to indirect*** emissions of those GHG from the production of goods up to the time of import into the customs territory of the Union, mirroring the scope of the EU ETS ***and leading to as equal carbon costs as possible for domestic production and imports***;

Or. en

Amendment 142

Carles Puigdemont i Casamajó

Proposal for a regulation

Recital 18

Text proposed by the Commission

(18) The EU ETS and the CBAM have a common objective of pricing GHG emissions embedded in the same sectors

Amendment

(18) The EU ETS and the CBAM have a common objective of pricing GHG emissions embedded in the same sectors

and goods through the use of specific allowances or certificates. Both systems have a regulatory nature and are justified by the need to curb GHG emissions, in line with the environmental objective set out in *Union*.

and goods through the use of specific allowances or certificates. Both systems have a regulatory nature and are justified by the need to curb GHG emissions, in line with the environmental objective set out in *Union's Regulation 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC)No 401/2009 and (EU) 2018/1999 ('European Climate Law'), which introduces the main objectives of the Paris Agreement into the Union's legal framework*.

Or. en

Amendment 143

Jörgen Warborn, Massimiliano Salini

Proposal for a regulation

Recital 19

Text proposed by the Commission

(19) However, while the EU ETS sets an absolute cap on the GHG emissions from the activities under its scope and allows tradability of allowances (so called ‘cap and trade system’), the CBAM *should* not establish quantitative limits to import, *so as to ensure that* trade flows *are not restricted*. Moreover, while the EU ETS applies to installations based in the Union, the CBAM should be applied to *certain* goods *imported into the customs territory of the Union*.

Amendment

(19) However, while the EU ETS sets an absolute cap on the GHG emissions from the activities under its scope and allows tradability of allowances (so called ‘cap and trade system’), the CBAM *shall* not establish *or lead to* quantitative limits to import *or constrain* trade flows. Moreover, while the EU ETS applies to installations based in the Union, the CBAM should *initially* be applied to *a limited scope of* goods *listed in Annex I, after close review, the scope should be extended to also include finished goods*.

Or. en

Amendment 144

Emmanuel Maurel

Proposal for a regulation

Recital 19

Text proposed by the Commission

(19) However, while the EU ETS sets an absolute cap on the GHG emissions from the activities under its scope and allows tradability of allowances (so called ‘cap and trade system’), the CBAM ***should not*** establish quantitative limits to ***import, so as to ensure that trade flows are not restricted***. Moreover, while the EU ETS applies to installations based in the Union, the CBAM should be applied to ***certain*** goods imported into the customs territory of the Union.

Amendment

(19) However, while the EU ETS sets an absolute cap on the GHG emissions from the activities under its scope and allows tradability of allowances (so called ‘cap and trade system’), the CBAM ***may*** establish quantitative limits to ***imports where required by the regularly updated GHG emissions reduction trajectory***. Moreover, while the EU ETS applies to installations based in the Union, the CBAM should be applied to goods imported into the customs territory of the Union.

Or. fr

Amendment 145

Carles Puigdemont i Casamajó

Proposal for a regulation

Recital 19 a (new)

Text proposed by the Commission

Amendment

(19 a) The CBAM and the EU ETS should have no differences in their functioning benefitting domestic production over imports. The Commission should only accept such differences as justifiable if it determines that there is a need to ensure the effectiveness of both systems.

Or. en

Amendment 146

Dita Charanzová, Svenja Hahn

Proposal for a regulation

Recital 19 a (new)

(19 a) In order to not disproportionately hinder existing trade flows by CBAM obligations, we must do the utmost to reduce unnecessary administrative burden, for instance by recognition of third countries' emission monitoring systems

Or. en

Amendment 147

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Seán Kelly, Angelika Winzig

Proposal for a regulation

Recital 20

Text proposed by the Commission

(20) The CBAM system has some specific features compared with the EU ETS, including on the calculation of the price of CBAM certificates, on the possibilities to trade certificates and on their validity over time. These are due to the need to preserve the effectiveness of the CBAM as a measure preventing carbon leakage over time and to ensure that the management of the system ***is not excessively burdensome*** in terms of obligations imposed on the operators and of resources ***for the administration***, while at the same time preserving an equivalent level of flexibility available to operators under the EU ETS.

Amendment

(20) The CBAM system has some specific features compared with the EU ETS, including on the calculation of the price of CBAM certificates, on the possibilities to trade certificates and on their validity over time. These are due to the need to preserve the effectiveness of the CBAM as a measure preventing carbon leakage over time and to ensure that the management of the system ***does not add excessive administrative burden to EU companies*** in terms of obligations imposed on the operators and of resources, while at the same time preserving an equivalent level of flexibility available to operators under the EU ETS.

Or. en

Amendment 148

Jörgen Warborn, Massimiliano Salini

Proposal for a regulation

Recital 20

Text proposed by the Commission

(20) The CBAM system has some specific features compared with the EU ETS, including on the calculation of the price of CBAM certificates, on the possibilities to trade certificates and on their validity over time. These are due to the need to preserve the effectiveness of the CBAM as a measure preventing carbon leakage over time and to ensure that the **management** of the system is **not excessively burdensome** in terms of obligations imposed on the operators and of resources for the administration, while at the same time preserving an equivalent level of flexibility available to operators under the EU ETS.

Amendment

(20) The CBAM system has some specific features compared with the EU ETS, including on the calculation of the price of CBAM certificates, on the possibilities to trade certificates and on their validity over time. These are due to the need to preserve the effectiveness of the CBAM as a measure preventing carbon leakage over time and to ensure that the **administrative burden** of the system is **kept to a minimum** in terms of obligations imposed on the operators and of resources for the administration, while at the same time preserving an equivalent level of flexibility available to operators under the EU ETS.

Or. en

Amendment 149
Christophe Hansen

Proposal for a regulation
Recital 21

Text proposed by the Commission

(21) In order to preserve its effectiveness as a carbon leakage measure, the CBAM needs to reflect closely the EU ETS price. While on the EU ETS market the price of allowances is determined through auctions, the price of CBAM certificates should reasonably reflect the price of such auctions through averages calculated on a weekly basis. Such weekly average prices reflect closely the price fluctuations of the EU ETS and allow a reasonable margin for importers to take advantage of the price changes of the EU ETS while at the same ensuring that the system remains manageable for the administrative authorities.

Amendment

(21) In order to preserve its effectiveness as a carbon leakage measure, the CBAM needs to reflect closely the EU ETS price, **especially since the EU-ETS price already largely exceeded the figures used for the impact assessment related to the CBAM legislative proposal**. While on the EU ETS market the price of allowances is determined through auctions, the price of CBAM certificates should reasonably reflect the price of such auctions through averages calculated on a weekly basis. Such weekly average prices reflect closely the price fluctuations of the EU ETS and allow a reasonable margin for importers to take advantage of the price changes of the EU ETS while at the same ensuring that the system remains manageable for the

administrative authorities.

Or. en

Amendment 150
Emmanuel Maurel

Proposal for a regulation
Recital 21

Text proposed by the Commission

(21) In order to preserve its effectiveness as a carbon leakage measure, the CBAM needs to reflect closely **the** EU ETS price. While on the EU ETS market the price of allowances is determined through auctions, the **price of CBAM certificates should reasonably reflect the price of such auctions through averages calculated on a weekly basis. Such weekly average prices** reflect closely the price fluctuations of the EU ETS and allow a reasonable margin for importers to take advantage of the price changes of the EU ETS while at the same ensuring that the system remains manageable for the administrative authorities.

Amendment

(21) In order to preserve its effectiveness as a carbon leakage measure, the CBAM needs to reflect closely **an** EU ETS price **sufficient to create a decisive incentive to change production methods.** While on the EU ETS market the price of allowances is determined through auctions, the **result of which, by 2025, can no longer be less than a minimum price, the price of CBAM certificates should** reflect the price of the auctions, then, from 2025 onwards, the level at which they are set above the minimum price, through averages calculated on a weekly basis.

Or. fr

Amendment 151
Jörgen Warborn, Massimiliano Salini

Proposal for a regulation
Recital 21

Text proposed by the Commission

(21) In order to preserve its effectiveness as a carbon leakage measure, the CBAM needs to reflect closely the EU ETS price. While on the EU ETS market the price of allowances is determined through auctions, the price of CBAM certificates should reasonably reflect the

Amendment

(21) In order to preserve its effectiveness as a carbon leakage measure, the CBAM needs to reflect closely the EU ETS price. While on the EU ETS market the price of allowances is determined through auctions, the price of CBAM certificates should reasonably reflect the

price of such auctions through averages calculated on a weekly basis. Such weekly average prices reflect closely the price fluctuations of the EU ETS and allow a reasonable margin for importers to take advantage of the price changes of the EU ETS while at the same *ensuring that the system remains manageable for the administrative authorities*.

price of such auctions through averages calculated on a weekly basis. Such weekly average prices reflect closely the price fluctuations of the EU ETS and allow a reasonable margin for importers to take advantage of the price changes of the EU ETS while *the system* at the same *time needs to consider the costs and administrative burden impacting EU downstream industries*.

Or. en

Amendment 152

Jörgen Warborn, Massimiliano Salini

Proposal for a regulation

Recital 21 a (new)

Text proposed by the Commission

Amendment

(21 a) In order to keep any additional burden to an absolute minimum the CBAM should be easy to administer and not place an undue burden on enterprises, especially small and medium- sized enterprises (SMEs).

Or. en

Amendment 153

Emmanuel Maurel

Proposal for a regulation

Recital 22

Text proposed by the Commission

Amendment

(22) Under the EU ETS, the total number of allowances issued (the ‘cap’) determines the supply of emission allowances and provides certainty about the maximum emissions of GHG. The carbon price is determined by the balance of this supply against the demand of the market. Scarcity is necessary for there to

(22) Under the EU ETS, the total number of allowances issued (the ‘cap’) determines the supply of emission allowances and provides certainty about the maximum emissions of GHG. The carbon price is *currently* determined by the balance of this supply against the demand of the market. *While* scarcity is necessary

be a price incentive. *As it is not possible* to impose a cap on the number of CBAM certificates available to importers, if importers had the possibility to carry forward and trade CBAM certificates, this could result in situations where the price for CBAM certificates would no longer reflect the evolution of the price in the EU ETS. That would weaken the incentive for decarbonisation between domestic and imported goods, favouring carbon leakage and impairing the overarching climate objective of the CBAM. It could also result in different prices for operators of different countries. Therefore, the limits to the possibilities to trade CBAM certificates and to carry them forward is justified by the need to avoid undermining the effectiveness and climate objective of the CBAM and to ensure even handed treatment to operators from different countries. However, in order to preserve the possibility for importers to optimise their costs, this Regulation should foresee a system where authorities can re-purchase a certain amount of excess certificates from the importers. Such amount is set at a level which allows a reasonable margin for importers to leverage their costs over the period of validity of the certificates whilst preserving the overall price transmission effect, ensuring that the environmental objective of the measure is preserved.

for there to be a price incentive, *it is not sufficient and needs to be complemented by minimum pricing measures. As the refusal to place quotas on imports makes it impossible* to impose a cap on the number of CBAM certificates available to importers, if importers had the possibility to carry forward and trade CBAM certificates, this could result in situations where the price for CBAM certificates would no longer reflect the evolution of the price in the EU ETS. That would weaken the incentive for decarbonisation between domestic and imported goods, favouring carbon leakage and impairing the overarching climate objective of the CBAM. It could also result in different prices for operators of different countries. Therefore, the limits to the possibilities to trade CBAM certificates and to carry them forward is justified by the need to avoid undermining the effectiveness and climate objective of the CBAM and to ensure even handed treatment to operators from different countries. However, in order to preserve the possibility for importers to optimise their costs, this Regulation should foresee a system where authorities can re-purchase a certain amount of excess certificates from the importers. Such amount is set at a level which allows a reasonable margin for importers to leverage their costs over the period of validity of the certificates whilst preserving the overall price transmission effect, ensuring that the environmental objective of the measure is preserved.

Or. fr

Amendment 154

Jürgen Warborn, Massimiliano Salini

Proposal for a regulation

Recital 23

Text proposed by the Commission

Amendment

(23) Given that the CBAM applies to imports of goods into the customs territory of the Union rather than to installations, certain adaptations and simplifications would also need to apply in the CBAM regime. One of those simplifications should consist in a declarative system where importers should report the total verified GHG emissions embedded in goods imported in a given calendar year. A different timing compared to the compliance cycle of the EU ETS should also be applied to avoid any potential bottleneck resulting from obligations for accredited verifiers under this Regulation and the EU ETS.

(23) Given that the CBAM applies to imports of goods into the customs territory of the Union rather than to installations, certain adaptations and simplifications would also need to apply in the CBAM regime. One of those simplifications should consist in a declarative system where importers should report the total verified GHG emissions embedded in goods imported in a given calendar year. A different timing compared to the compliance cycle of the EU ETS should also be applied to avoid any potential bottleneck resulting from obligations for accredited verifiers under this Regulation and the EU ETS. ***The transition period should be of adequate timeframe to allow European companies to adjust and focus on low carbon investments.***

Or. en

Amendment 155
Carles Puigdemont i Casamajó

Proposal for a regulation
Recital 23 a (new)

Text proposed by the Commission

Amendment

(23 a) Passing on costs to consumers, while being an expected consequence of CBAM, will increase market prices of some necessity goods. It is therefore necessary to especially protect the most vulnerable populations while strengthening all measures against energy poverty.

Or. en

Amendment 156
Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Arnaud Danjean, Christophe Hansen, Seán Kelly, Angelika Winzig

Proposal for a regulation
Recital 23 a (new)

Text proposed by the Commission

Amendment

(23 a) Given the unique nature of the CBAM and the need for close EU coordination, a CBAM authority at the EU level should be established to properly implement and monitor the provisions contained in this regulation.

Or. en

Amendment 157

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Arnaud Danjean, Christophe Hansen

Proposal for a regulation
Recital 24

Text proposed by the Commission

Amendment

(24) In terms of sanctions, ***Member States*** should apply penalties to infringements of this Regulation and ensure that they are implemented. The amount of those penalties should be identical to penalties currently applied within the Union in case of infringement of EU ETS according to Article 16(3) and (4) of Directive 2003/87/EC.

(24) In terms of sanctions, ***the EU Central Authority*** should apply penalties to infringements of this Regulation and ensure that they are implemented. The amount of those penalties should be identical to penalties currently applied within the Union in case of infringement of EU ETS according to Article 16(3) and (4) of Directive 2003/87/EC. ***However, in case of circumvention or absorption practices or in case of repeated infringements of the provisions of the present Regulation, stronger penalties should apply to avoid undermining the effectiveness of the CBAM regime.***

Or. en

Amendment 158
Emmanuel Maurel

Proposal for a regulation

Recital 24

Text proposed by the Commission

(24) In terms of sanctions, Member States should apply penalties to infringements of this Regulation and ensure that they are implemented. The amount of those penalties should be identical to penalties currently applied within the Union in case of infringement of EU ETS according to Article 16(3) and (4) of Directive 2003/87/EC.

Amendment

(24) In terms of sanctions, Member States should apply penalties to infringements of this Regulation and ensure that they are implemented. The amount of those penalties should be identical to penalties currently applied within the Union in case of infringement of EU ETS according to Article 16(3) and (4) of Directive 2003/87/EC. ***Member States should also be empowered to impose quantitative import restrictions on importers.***

Or. fr

Amendment 159 Emmanuel Maurel

Proposal for a regulation Recital 27

Text proposed by the Commission

(27) Setting a product scope for the CBAM reflecting the activities covered by the EU ETS would also contribute to ensuring that imported products are granted a treatment that is not less favourable than that accorded to like products of domestic origin.

Amendment

deleted

Or. fr

Amendment 160 Sara Matthieu on behalf of the Verts/ALE Group

Proposal for a regulation Recital 28

Text proposed by the Commission

Amendment

(28) Whilst the ultimate objective of the CBAM is a broad product coverage, it would be prudent to start with a selected number of sectors with relatively homogeneous products where there is a risk of carbon leakage. Union sectors deemed at risk of carbon leakage are listed in Commission Delegated Decision 2019/708⁴².

⁴² Commission Delegated Decision (EU) 2019/708 of 15 February 2019 supplementing Directive 2003/87/EC of the European Parliament and of the Council concerning the determination of sectors and subsectors deemed at risk of carbon leakage for the period 2021 to 2030 (OJ L 120, 8.5.2019, p. 2).

(28) Whilst the ultimate objective of the CBAM is a broad product coverage, it would be prudent to start with a selected number of sectors with relatively homogeneous products where there is a risk of carbon leakage. Union sectors deemed at risk of carbon leakage are listed in Commission Delegated Decision 2019/708⁴². ***Before the end of the transitional period, the Commission will present a new legislation proposal with a view to extending the scope of this Regulation to goods other than those listed in Annex I, including oil refineries, paper, glass, plastics, and downstream products using goods covered by this Regulation.***

⁴² Commission Delegated Decision (EU) 2019/708 of 15 February 2019 supplementing Directive 2003/87/EC of the European Parliament and of the Council concerning the determination of sectors and subsectors deemed at risk of carbon leakage for the period 2021 to 2030 (OJ L 120, 8.5.2019, p. 2).

Or. en

Amendment 161

Tiziana Beghin

Proposal for a regulation

Recital 28

Text proposed by the Commission

(28) Whilst the ultimate objective of the CBAM is a broad product coverage, it would be prudent to start with a selected number of sectors ***with relatively homogeneous products*** where there is a risk of carbon leakage. Union sectors deemed at risk of carbon leakage are listed in Commission Delegated Decision 2019/708⁴².

Amendment

(28) Whilst the ultimate objective of the CBAM is a broad product coverage, it would be prudent to start with a selected number of sectors where there is a risk of carbon leakage. Union sectors deemed at risk of carbon leakage are listed in Commission Delegated Decision 2019/708⁴².

⁴² Commission Delegated Decision (EU) 2019/708 of 15 February 2019 supplementing Directive 2003/87/EC of the European Parliament and of the Council concerning the determination of sectors and subsectors deemed at risk of carbon leakage for the period 2021 to 2030 (OJ L 120, 8.5.2019, p. 2).

⁴² Commission Delegated Decision (EU) 2019/708 of 15 February 2019 supplementing Directive 2003/87/EC of the European Parliament and of the Council concerning the determination of sectors and subsectors deemed at risk of carbon leakage for the period 2021 to 2030 (OJ L 120, 8.5.2019, p. 2).

Or. en

Amendment 162 **Emmanuel Maurel**

Proposal for a regulation **Recital 28**

Text proposed by the Commission

(28) *Whilst* the ultimate objective of the CBAM is *a broad product coverage*, it would be *prudent* to start with *a selected number of* sectors *with relatively homogeneous products* where there is a risk of carbon leakage. Union sectors deemed at risk of carbon leakage are listed in Commission Delegated *Decision 2019/708*⁴².

⁴² Commission Delegated Decision (EU) 2019/708 of 15 February 2019 supplementing Directive 2003/87/EC of the European Parliament and of the Council concerning the determination of sectors and subsectors deemed at risk of carbon leakage for the period 2021 to 2030 (OJ L 120, 8.5.2019, p. 2).

Amendment

(28) *Since* the ultimate objective of the CBAM is *to cover all products*, it would be *efficient* to start with *the* sectors where there is a risk of carbon leakage *and certain hydrocarbon imports*. Union sectors deemed at risk of carbon leakage are listed in Commission Delegated *Decision 2019/708*⁴².

⁴² Commission Delegated Decision (EU) 2019/708 of 15 February 2019 supplementing Directive 2003/87/EC of the European Parliament and of the Council concerning the determination of sectors and subsectors deemed at risk of carbon leakage for the period 2021 to 2030 (OJ L 120, 8.5.2019, p. 2).

Or. fr

Amendment 163 **Jürgen Warborn, Massimiliano Salini**

Proposal for a regulation

Recital 29

Text proposed by the Commission

(29) The goods under this Regulation should be selected after a careful analysis of their relevance in terms of cumulated GHG emissions and risk of carbon leakage in the corresponding EU ETS sectors while limiting complexity and administrative burden. In particular, the actual selection should take into account basic materials and basic products covered by the EU ETS with the objective of ensuring that imports of energy intensive products into the Union are on equal footing with EU products in terms of EU ETS carbon pricing, and to mitigate risks of carbon leakage. Other relevant criteria to narrow the selection should be: firstly, relevance of sectors in terms of emissions, namely whether the sector is one of the largest aggregate emitters of GHG emissions; secondly, sector's exposure to significant risk of carbon leakage, as defined pursuant to Directive 2003/87/EC; thirdly, the need to balance broad coverage in terms of GHG emissions while limiting complexity and administrative effort.

Amendment

(29) The goods under this Regulation should be selected after a careful analysis of their relevance in terms of cumulated GHG emissions and risk of carbon leakage in the corresponding EU ETS sectors while limiting complexity and administrative burden. In particular, the actual selection should take into account basic materials and basic products covered by the EU ETS with the objective of ensuring that imports of energy intensive products into the Union are on equal footing with EU products in terms of EU ETS carbon pricing, and to mitigate risks of carbon leakage. ***A mechanism centred solely on basic materials could lead to a shift in imports towards intermediate and final products not covered by the mechanism, thereby affecting the EU industry and increasing the risk of carbon leakage; A thorough, proper and comprehensive impact assessments should be done after the transition period also aimed to identify measures for sectors where the risk of carbon leakage is highest, while taking into consideration the sector's competitiveness; This requires transparency throughout of the process leading to the CBAM, as well as engagement with the EU's trading partners and to avoid any possible retaliations.*** Other relevant criteria to narrow the selection should be: firstly, relevance of sectors in terms of emissions, namely whether the sector is one of the largest aggregate emitters of GHG emissions; secondly, sector's exposure to significant risk of carbon leakage, as defined pursuant to Directive 2003/87/EC; thirdly, the need to balance broad coverage in terms of GHG emissions while limiting complexity and administrative effort.

Or. en

Amendment 164
Emmanuel Maurel

Proposal for a regulation
Recital 29

Text proposed by the Commission

(29) The goods under this Regulation should be selected after a careful analysis of their relevance in terms of cumulated GHG emissions ***and risk of carbon leakage in the corresponding EU ETS sectors while limiting complexity and administrative burden. In particular,*** the actual selection should take into account basic materials and basic products covered by the EU ETS ***with the objective of ensuring that imports of energy intensive products into the Union are on equal footing with EU products in terms of EU ETS carbon pricing, and to mitigate risks of carbon leakage.*** Other relevant criteria to narrow the selection should be: firstly, relevance of sectors in terms of emissions, namely whether the sector is one of the largest aggregate emitters of GHG emissions; secondly, sector's exposure to significant risk of carbon leakage, as defined pursuant to Directive 2003/87/EC; thirdly, the need to balance broad coverage in terms of GHG emissions while limiting complexity and administrative effort.

Amendment

(29) The goods under this Regulation should be selected after a careful analysis of their relevance in terms of cumulated GHG emissions ***and/or*** risk of carbon leakage. The actual selection should take into account basic materials and basic products covered by the EU ETS. Other relevant criteria to narrow the selection should be: firstly, relevance of sectors in terms of emissions, namely whether the sector is one of the largest aggregate emitters of GHG emissions; secondly, sector's exposure to significant risk of carbon leakage, as defined pursuant to Directive 2003/87/EC; thirdly, the need to balance broad coverage in terms of GHG emissions while limiting complexity and administrative effort.

Or. fr

Amendment 165
Danilo Oscar Lancini, Roman Haider, Herve Juvin, Marco Campomenosi

Proposal for a regulation
Recital 29

Text proposed by the Commission

(29) The goods under this Regulation should be selected after a careful analysis of their relevance in terms of cumulated GHG emissions and risk of carbon leakage

Amendment

(29) The goods under this Regulation should be selected after a careful analysis of their relevance in terms of cumulated GHG emissions and risk of carbon leakage

in the corresponding EU ETS sectors while limiting complexity and administrative burden. In particular, the actual selection should take into account basic materials and basic products covered by the EU ETS with the objective of ensuring that imports of energy intensive products into the Union are on equal footing with EU products in terms of EU ETS carbon pricing, and to mitigate risks of carbon leakage. Other relevant criteria to narrow the selection should be: firstly, relevance of sectors in terms of emissions, namely whether the sector is one of the largest aggregate emitters of GHG emissions; secondly, sector's exposure to significant risk of carbon leakage, as defined pursuant to Directive 2003/87/EC; thirdly, the need to balance broad coverage in terms of GHG emissions while limiting complexity and administrative effort.

in the corresponding EU ETS sectors while limiting complexity and administrative burden. In particular, the actual selection should take into account basic materials and basic products covered by the EU ETS with the objective of ensuring that imports of energy intensive products into the Union are on equal footing with EU products in terms of EU ETS carbon pricing, and to mitigate risks of carbon leakage. Other relevant criteria to narrow the selection should be: firstly, relevance of sectors in terms of emissions, namely whether the sector is one of the largest aggregate emitters of GHG emissions; secondly, sector's exposure to significant risk of carbon leakage, as defined pursuant to Directive 2003/87/EC; thirdly, the need to balance broad coverage in terms of GHG emissions while limiting complexity and administrative effort; ***fourthly, the impact of Covid-19 on global supply chain disruption and the increasing of prices in raw materials and other strategic sectors.***

Or. en

Amendment 166

Kathleen Van Brempt, Raphaël Glucksmann, Miroslav Číž, Inma Rodríguez-Piñero, Paolo De Castro

Proposal for a regulation

Recital 30

Text proposed by the Commission

(30) The use of the first criterion allows listing the following industrial sector in terms of cumulated emissions: iron and steel, refineries, cement, organic basic chemicals, and fertilisers.

Amendment

(30) The use of the first criterion allows listing the following industrial sector in terms of cumulated emissions: iron and steel, refineries, cement, organic basic chemicals ***and polymers***, and fertilisers.

Or. en

Amendment 167

Tiziana Beghin

Proposal for a regulation
Recital 30

Text proposed by the Commission

(30) The use of the first criterion allows listing the following industrial sector in terms of cumulated emissions: iron and steel, refineries, cement, organic basic chemicals, and fertilisers.

Amendment

(30) The use of the first criterion allows listing the following industrial sector in terms of cumulated emissions: iron and steel, refineries, cement, organic basic chemicals, ***pesticides*** and fertilisers.

Or. en

Amendment 168
Emmanuel Maurel

Proposal for a regulation
Recital 30

Text proposed by the Commission

(30) The ***use of the first criterion allows listing the following industrial sector in terms of cumulated emissions:*** iron and steel, refineries, cement, ***organic*** basic chemicals, and fertilisers.

Amendment

(30) The ***following sectors can be listed in terms of cumulated emissions: certain agricultural sectors, particularly meat; the fertilisers sector; the industrial sectors of*** iron and steel, refineries, cement and basic ***organic chemicals.***

Or. fr

Amendment 169
Emmanuel Maurel

Proposal for a regulation
Recital 31

Text proposed by the Commission

(31) However, ***certain*** sectors listed in Commission Delegated Decision (EU) 2019/708 ***should not at this stage*** be addressed in this Regulation, due to their particular characteristics.

Amendment

(31) However, ***all*** sectors listed in Commission Delegated Decision (EU) 2019/708 ***cannot*** be addressed ***immediately*** in this Regulation, due to their particular characteristics. ***In order to consolidate the overall effectiveness of the mechanism, they should all be addressed***

by 1 January 2030 at the latest.

Or. fr

Amendment 170

Tiziana Beghin

Proposal for a regulation

Recital 31 a (new)

Text proposed by the Commission

Amendment

(31 a) The Commission should foresee an immediate application of CBAM after the transitional period for sectors, included in this Regulation, having a higher expositions to carbon leakage and impacts on climate, namely cement, steel, iron and pesticides, bypassing the phasing out of the EU ETS schemes.

Or. en

Amendment 171

Tiziana Beghin

Proposal for a regulation

Recital 31 b (new)

Text proposed by the Commission

Amendment

(31 b) The scope of the CBAM should be extended to agricultural products after the phasing-in period. Meanwhile, the Commission should monitor the stability of the Union agricultural markets and foresee the viability of agricultural production as effect of the implementation of the CBAM certificates for the sectors involved

Or. en

Amendment 172

Proposal for a regulation
Recital 32

Text proposed by the Commission

Amendment

(32) *In particular, organic chemicals are not included in the scope of this Regulation due to technical limitations that do not allow to clearly define the embedded emissions of imported goods. For these goods the applicable benchmark under the EU ETS is a basic parameter, which does not allow for an unambiguous allocation of emissions embedded in individual imported goods. A more targeted allocation to organic chemicals will require more data and analysis.* **deleted**

Or. en

Justification

Since organic chemicals and polymers used in the production of, amongst others, plastics are highly emitting and the products are heavily traded goods, they should be included in the CBAM from the date of application on. The Commission can use the time in the transitional period to define which exact products to cover (CN codes), tackle technical limitations and optimize calculation processes to define embedded emissions.

Amendment 173
Emmanuel Maurel

Proposal for a regulation
Recital 32

Text proposed by the Commission

Amendment

(32) *In particular, organic chemicals are not included in the scope of this Regulation due to technical limitations that do not allow to clearly define the embedded emissions of imported goods. For these goods the applicable benchmark under the EU ETS is a basic parameter, which does not allow for an unambiguous allocation of emissions embedded in*

(32) *For organic chemicals, while technical limitations could make it less easy to accurately assess the embedded emissions of imported goods, the applicable benchmark under the EU ETS could be improved but it is still a relevant basic parameter for including organic chemicals in the CBAM straight away.*

individual imported goods. A more targeted allocation to organic chemicals will require more data and analysis.

Or. fr

Amendment 174

Carles Puigdemont i Casamajó

Proposal for a regulation

Recital 32

Text proposed by the Commission

(32) In particular, organic chemicals are not included in the scope of this Regulation due to technical limitations that do not allow to clearly define the embedded emissions of imported goods. For these goods the applicable benchmark under the EU ETS is a basic parameter, which does not allow for an unambiguous allocation of emissions embedded in individual imported goods. A more targeted allocation to organic chemicals will require more data *and* analysis.

Amendment

(32) In particular, organic chemicals are not included in the scope of this Regulation due to technical limitations that do not allow to clearly define the embedded emissions of imported goods. For these goods the applicable benchmark under the EU ETS is a basic parameter, which does not allow for an unambiguous allocation of emissions embedded in individual imported goods. A more targeted allocation to organic chemicals will require more data, analysis *and assessment by the Commission, who should consider to include them in the CBAM after the transition period.*

Or. en

Amendment 175

Michiel Hoogeveen

Proposal for a regulation

Recital 33

Text proposed by the Commission

(33) Similar technical constraints apply to refinery products, for which it is not possible to unambiguously assign GHG emissions to individual output products. At the same time, the relevant benchmark in the EU ETS does not directly relate to

Amendment

(33) Similar technical constraints apply to refinery products, for which it is not possible to unambiguously assign GHG emissions to individual output products. At the same time, the relevant benchmark in the EU ETS does not directly relate to

specific products, such as gasoline, diesel or kerosene, but to all refinery output.

specific products, such as gasoline, diesel or kerosene, but to all refinery output. ***Due to these constraints, refinery products should be eligible to be included in the scope only if an unambiguous, verifiable and effective methodology is developed in close cooperation with the refining industry.***

Or. en

Amendment 176
Danilo Oscar Lancini

Proposal for a regulation
Recital 33

Text proposed by the Commission

(33) Similar technical constraints apply to refinery products, for which it is not possible to unambiguously assign GHG emissions to individual output products. At the same time, the relevant benchmark in the EU ETS does not directly relate to specific products, such as gasoline, diesel or kerosene, but to all refinery output.

Amendment

(33) Similar technical constraints apply to refinery products, for which it is not possible to unambiguously assign GHG emissions to individual output products. At the same time, the relevant benchmark in the EU ETS does not directly relate to specific products, such as gasoline, diesel or kerosene, but to all refinery output. ***Due to these constraints, refinery products should be eligible to be included in the scope only if an unambiguous, verifiable and effective methodology is developed in close cooperation with the refining industry.***

Or. en

Amendment 177
Emmanuel Maurel

Proposal for a regulation
Recital 33

Text proposed by the Commission

(33) Similar technical constraints apply to refinery products, ***for which it is not***

Amendment

(33) ***While*** similar technical constraints apply to refinery products, ***it will***

possible to unambiguously assign GHG emissions to individual output products. At the same time, the relevant benchmark in the EU ETS does not directly relate to specific products, such as gasoline, diesel or kerosene, but to all refinery output.

nevertheless be necessary to include in the CBAM the goods referred to under CN codes 2710, 2711, 2713 and 2714 as from 1 January 2024. The Commission will propose the benchmarks or default values applicable to each of them in the year preceding the end of the transitional period.

Or. fr

Amendment 178

Kathleen Van Brempt, Raphaël Glucksmann, Miroslav Číž, Inma Rodríguez-Piñero, Paolo De Castro

Proposal for a regulation Recital 33

Text proposed by the Commission

(33) *Similar* technical constraints apply to refinery products, for which it is not possible to unambiguously assign GHG emissions to individual output products. At the same time, the relevant benchmark in the EU ETS does not directly relate to specific products, such as gasoline, diesel or kerosene, but to all refinery output.

Amendment

(33) Technical constraints apply to refinery products, for which it is not possible to unambiguously assign GHG emissions to individual output products. At the same time, the relevant benchmark in the EU ETS does not directly relate to specific products, such as gasoline, diesel or kerosene, but to all refinery output.

Or. en

Amendment 179

Kathleen Van Brempt, Raphaël Glucksmann, Miroslav Číž, Inma Rodríguez-Piñero

Proposal for a regulation Recital 34

Text proposed by the Commission

(34) However, aluminium products should be included in the CBAM as they are highly exposed to carbon leakage. Moreover, in several industrial applications they are in direct competition with steel products because of characteristics closely resembling those of steel products.

Amendment

(34) However, aluminium products should be included in the CBAM as they are highly exposed to carbon leakage. Moreover, in several industrial applications they are in direct competition with steel products because of characteristics closely resembling those of steel products. The

Inclusion of aluminium is also relevant as the scope of the CBAM may be extended to cover also indirect emissions in the future.

scope of the CBAM ***shall*** cover also indirect emissions ***related to electricity consumption, heating and cooling, used to produce CBAM products. To eliminate risks of carbon leakage due to resource shuffling, indirect emissions shall be calculated based on the average marginal or other price-setting power generation unit in the relevant electricity market. Where such data are not available, average CO2 intensity of the relevant power market supplying the producing installation shall be used instead.***

Or. en

Amendment 180
Emmanuel Maurel

Proposal for a regulation
Recital 34

Text proposed by the Commission

(34) ***However***, aluminium products should be included in the CBAM as they are highly exposed to carbon leakage. Moreover, in several industrial applications they are in direct competition with steel products because of characteristics closely resembling those of steel products. Inclusion of aluminium is also relevant as the scope of the CBAM may be extended to cover also indirect emissions in the future.

Amendment

(34) ***In addition***, aluminium products should be included in the CBAM as they are highly exposed to carbon leakage. Moreover, in several industrial applications they are in direct competition with steel products because of characteristics closely resembling those of steel products. Inclusion of aluminium is also relevant as the scope of the CBAM may be extended to cover also indirect emissions in the future.

Or. fr

Amendment 181
Sara Matthieu
on behalf of the Verts/ALE Group

Proposal for a regulation
Recital 34

Text proposed by the Commission

Amendment

(34) However, aluminium products should be included in the CBAM as they are highly exposed to carbon leakage. Moreover, in several industrial applications they are in direct competition with steel products because of characteristics closely resembling those of steel products. Inclusion of aluminium is also relevant as the scope of the CBAM ***may be extended to cover*** also indirect emissions ***in the future***.

(34) However, aluminium products should be included in the CBAM as they are highly exposed to carbon leakage. Moreover, in several industrial applications they are in direct competition with steel products because of characteristics closely resembling those of steel products. Inclusion of aluminium is also relevant as the scope of the CBAM ***covers*** also indirect emissions.

Or. en

Amendment 182

Tiziana Beghin

Proposal for a regulation

Recital 35 a (new)

Text proposed by the Commission

Amendment

(35 a) Cement should have apriority in the CBAM phasing-in because of its high exposition to carbon leakage compared to the other sectors involved.

Or. en

Amendment 183

Danilo Oscar Lancini, Herve Juvin, Marco Campomenosi

Proposal for a regulation

Recital 36 a (new)

Text proposed by the Commission

Amendment

(36 a) Circumvention practices must be prohibited, where a change in the pattern of trade between third countries and the Union, or between third countries, or between individual companies, or within the same undertaking, in relation with products included in the scope of this

Regulation, whether slightly modified or not, stems from a practice, process or work that have insufficient due cause or economic justification other than avoiding obligations as laid down in this Regulation. Those practices should include all types of circumvention practices, including 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 this Regulation. In case of circumvention as well as absorption practices or repeated infringements of the provisions of this Regulation, stronger penalties should apply to avoid undermining the effectiveness of the CBAM regime.

Or. en

Amendment 184
Jörgen Warborn, Massimiliano Salini

Proposal for a regulation
Recital 38

Text proposed by the Commission

(38) As importers of goods covered by this Regulation should not have to fulfil their CBAM obligations under this Regulation at the time of importation, *specific* administrative measures should be applied to ensure that the obligations are fulfilled at a later stage. Therefore, importers should only be entitled to import CBAM goods after they have been granted an authorisation by competent authorities responsible for the application of this Regulation.

Amendment

(38) As importers of goods covered by this Regulation should not have to fulfil their CBAM obligations under this Regulation at the time of importation, ***only necessary*** administrative measures should be applied to ensure that the obligations are fulfilled at a later stage. Therefore, importers should only be entitled to import CBAM goods after they have been granted an authorisation by competent authorities responsible for the application of this Regulation.

Or. en

Amendment 185

Sven Simon, Daniel Caspary

Proposal for a regulation

Recital 38

Text proposed by the Commission

(38) As importers of goods covered by this Regulation should not have to fulfil their CBAM obligations under this Regulation at the time of importation, specific administrative measures should be applied to ensure that the obligations are fulfilled at a later stage. Therefore, importers should only be entitled to import CBAM goods after they have been granted an authorisation by competent *authorities* responsible for the application of this Regulation.

Amendment

(38) As importers of goods covered by this Regulation should not have to fulfil their CBAM obligations under this Regulation at the time of importation, specific administrative measures should be applied to ensure that the obligations are fulfilled at a later stage. Therefore, importers should only be entitled to import CBAM goods after they have been granted an authorisation by *the* competent *authority* responsible for the application of this Regulation.

Or. en

Amendment 186

Christophe Hansen

Proposal for a regulation

Recital 38 a (new)

Text proposed by the Commission

Amendment

(38 a) The Commission shall ensure that any additional administrative burden and financial costs related to the declaration and reporting obligations, under this Regulation, can be compensated in order to avoid potential trade barriers and to ensure the WTO compatibility of the mechanism.

Or. en

Amendment 187

Tiziana Beghin

Proposal for a regulation

Recital 41

Text proposed by the Commission

(41) The embedded declared emissions should be verified by a person accredited by a ***national*** accreditation body appointed in accordance with ***Article 4(1) of Regulation No 765/2008 of the European Parliament and of the Council***⁴³ ***or pursuant to Commission Implementing Regulation (EU) 2018/2067***⁴⁴.

⁴³ Regulation (EC) No 765/2008 of the European Parliament and of the Council of 9 July 2008 setting out the requirements for accreditation and market surveillance relating to the marketing of products and repealing Regulation (EEC) No 339/93 (OJ L 218, 13.8.2008, p. 30).

⁴⁴ Commission Implementing Regulation (EU) 2018/2067 of 19 December 2018 on the verification of data and on the accreditation of verifiers pursuant to Directive 2003/87/EC of the European Parliament and of the Council (OJ L 334, 31.12.2018, p. 94).

Amendment

(41) The embedded declared emissions should be verified by a person accredited by a ***European*** accreditation body appointed ***by the European Commission*** in accordance with the European Parliament and the Council

Or. en

Amendment 188

Sara Matthieu

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 42

Text proposed by the Commission

(42) The system should allow operators of production installations in third countries to register in a central database and to make their verified embedded GHG emissions from production of goods available to authorised declarants. An operator should be able to choose not to have its ***name***, address and contact details in the central database made accessible to

Amendment

(42) The system should allow operators of production installations in third countries to register in a central database and to make their verified embedded GHG emissions from production of goods available to authorised declarants. An operator should be able to choose not to have its address and contact details in the central database made accessible to the

the public.

public.

Or. en

Amendment 189

Sara Matthieu

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 43

Text proposed by the Commission

(43) CBAM certificates differ from EU ETS allowances for which daily auctioning is an essential feature. The need to set a clear price for CBAM certificates makes a daily publication excessively burdensome and confusing for operators, as daily prices risk becoming obsolete upon publication. Thus, the publication of CBAM prices on a weekly basis would accurately reflect the pricing trend of EU ETS allowances and pursue the same climate objective. The calculation of the price of CBAM certificates should therefore be set on the basis of a longer timeframe (on a weekly basis) than in the timeframe established by the EU ETS (on a daily basis). The Commission should be tasked to calculate and publish that average price.

Amendment

(43) CBAM certificates differ from EU ETS allowances for which daily auctioning is an essential feature. The need to set a clear price for CBAM certificates makes a daily publication excessively burdensome and confusing for operators, as daily prices risk becoming obsolete upon publication. Thus, the publication of CBAM **direct emission** prices on a weekly basis would accurately reflect the pricing trend of EU ETS allowances and pursue the same climate objective. The calculation of the price of CBAM certificates should therefore be set on the basis of a longer timeframe (on a weekly basis) than in the timeframe established by the EU ETS (on a daily basis). The Commission should be tasked to calculate and publish that average price.

Or. en

Amendment 190

Tiziana Beghin

Proposal for a regulation

Recital 44

Text proposed by the Commission

(44) In order to give the authorised declarants flexibility in complying with their CBAM obligations and allow them to

Amendment

(44) In order to give the authorised declarants flexibility in complying with their CBAM obligations and allow them to

benefit from fluctuations in the price of EU ETS allowances, the CBAM certificates should be valid for a period of two years from the date of purchase. The authorised declarant should be allowed to re-sell to the ***national authority*** a portion of the certificates bought in excess. The authorised declarant should build up during the year the amount of certificates required at the time of surrendering, with thresholds set at the end of each quarter.

benefit from fluctuations in the price of EU ETS allowances, the CBAM certificates should be valid for a period of two years from the date of purchase. The authorised declarant should be allowed to re-sell to the ***European Commission*** a portion of the certificates bought in excess. The authorised declarant should build up during the year the amount of certificates required at the time of surrendering, with thresholds set at the end of each quarter.

Or. en

Amendment 191

Danuta Maria Hübner, Andrius Kubilius, Andrzej Halicki, Liudas Mažylis

Proposal for a regulation

Recital 47

Text proposed by the Commission

(47) Contracting Parties to the Treaty establishing the Energy Community⁴⁵ or Parties to Association Agreements including Deep and Comprehensive Free Trade Areas are committed to decarbonisation processes that should eventually result in the adoption of carbon pricing mechanisms similar or equivalent to the EU ETS or in their participation in the EU ETS.

Amendment

(47) Contracting Parties to the Treaty establishing the Energy Community⁴⁵ or Parties to Association Agreements including Deep and Comprehensive Free Trade Areas are committed to decarbonisation processes that should eventually result in the adoption of carbon pricing mechanisms similar or equivalent to the EU ETS or in their participation in the EU ETS ***similar to the EU ETS should benefit from CBAM exemption with regard to the goods originating in those countries provided that certain conditions are satisfied. Those third countries should develop a roadmap and commit to implement an effective system of monitoring, reporting and verification of greenhouse gas emissions, a carbon pricing mechanism similar to the EU ETS, and should commit to achieving carbon neutrality. That exemption should be withdrawn if there are reasons to believe that the country in question does not fulfil its commitments. The Union is committed to providing those third countries with financial support for the***

adoption of carbon pricing mechanisms similar to the EU ETS, the deployment of decarbonization technologies, and the implementation of other measures aimed at achieving climate neutrality.

⁴⁵ Council Decision 2006/500/EC of 29 May 2006 on the conclusion by the European Community of the Energy Community Treaty (OJ L 198, 20.7.2006, p. 15).

⁴⁵ Council Decision 2006/500/EC of 29 May 2006 on the conclusion by the European Community of the Energy Community Treaty (OJ L 198, 20.7.2006, p. 15).

Or. en

Amendment 192
Kathleen Van Brempt, Raphaël Glucksmann

Proposal for a regulation
Recital 50

Text proposed by the Commission

(50) A transitional period should apply during the period 2023 until **2025**. A CBAM without financial adjustment should apply, with the objective to facilitate a smooth roll out of the mechanism hence reducing the risk of disruptive impacts on trade. Declarants should have to report on a quarterly basis the actual embedded emissions in goods imported during the transitional period, detailing direct and indirect emissions as well as any carbon price paid abroad.

Amendment

(50) A transitional period should apply during the period 2023 until ***the end of 2024***. A CBAM without financial adjustment should apply, with the objective to facilitate a smooth roll out of the mechanism hence reducing the risk of disruptive impacts on trade. Declarants should have to report on a quarterly basis the actual embedded emissions in goods imported during the transitional period, detailing direct and indirect emissions as well as any carbon price paid abroad.

Or. en

Amendment 193
Sara Matthieu
on behalf of the Verts/ALE Group

Proposal for a regulation
Recital 50

Text proposed by the Commission

(50) A transitional period should apply during the period 2023 until **2025**. A CBAM without financial adjustment should apply, with the objective to facilitate a smooth roll out of the mechanism hence reducing the risk of disruptive impacts on trade. Declarants should have to report on a quarterly basis the actual embedded emissions in goods imported during the transitional period, detailing direct and indirect emissions as well as any carbon price paid abroad.

Amendment

(50) A transitional period should apply during the period 2023 until **2024**. A CBAM without financial adjustment should apply, with the objective to facilitate a smooth roll out of the mechanism hence reducing the risk of disruptive impacts on trade. Declarants should have to report on a quarterly basis the actual embedded emissions in goods imported during the transitional period, detailing direct and indirect emissions as well as any carbon price paid abroad.

Or. en

Amendment 194
Emmanuel Maurel

Proposal for a regulation
Recital 50

Text proposed by the Commission

(50) A transitional period should apply **during the period 2023 until 2025**. A CBAM without financial adjustment should apply, with the objective to facilitate a smooth roll out of the mechanism hence reducing the risk of disruptive impacts on trade. Declarants should have to report on a quarterly basis the actual embedded emissions in goods imported during the transitional period, detailing direct and indirect emissions as well as any carbon price paid abroad.

Amendment

(50) A transitional period should apply **until the end of 2023**. A CBAM without financial adjustment should apply, with the objective to facilitate a smooth roll out of the mechanism hence reducing the risk of disruptive impacts on trade. Declarants should have to report on a quarterly basis the actual embedded emissions in goods imported during the transitional period, detailing direct and indirect emissions as well as any carbon price paid abroad.

Or. fr

Amendment 195
Sara Matthieu
on behalf of the Verts/ALE Group

Proposal for a regulation
Recital 51

Text proposed by the Commission

(51) To facilitate and ensure a proper functioning of the CBAM, the Commission should provide support to the competent authorities responsible for the application of this Regulation in carrying out their obligations.

Amendment

(51) To facilitate and ensure a proper functioning of the CBAM, the Commission should provide support to the competent authorities responsible for the application of this Regulation in carrying out their obligations. ***Before the end of the transitional period, the Commission should assess the governance system with a view to creating a European CBAM Authority which would coordinate the work of relevant authorities, help centralising data and provide a single contact point for operators, authorised declarants and any interested parties, with all relevant information concerning the implementation of the this Regulation.***

Or. en

Amendment 196

Sven Simon, Daniel Caspary

Proposal for a regulation

Recital 51

Text proposed by the Commission

(51) To facilitate and ensure a proper functioning of the CBAM, the Commission should provide support to the competent ***authorities*** responsible for the application of this Regulation in carrying out ***their*** obligations.

Amendment

(51) To facilitate and ensure a proper functioning of the CBAM, the Commission should provide support to the competent ***authority*** responsible for the application of this Regulation in carrying out ***its*** obligations.

Or. en

Amendment 197

Carles Puigdemont i Casamajó

Proposal for a regulation

Recital 51 a (new)

Text proposed by the Commission

Amendment

(51 a) The Commission should set up and manage a single-point digital portal where authorised declarants may retrieve all relevant information regarding the CBAM as well as on how the CBAM and global CO₂-pricing would affect the price of imported goods covered by the Union's CBAM. This single-point digital portal should also give the declarant the possibility to report any wrong-doing or suspicion of misuse of such information.

Or. en

Amendment 198
Angelika Winzig

Proposal for a regulation
Recital 51 a (new)

Text proposed by the Commission

Amendment

(51 a) In case a competent authority for the purpose of carrying out duties laid down in this Regulation is established, the Commission should assess to what extent qualified human resources are already available before creating new posts.

Or. en

Amendment 199
Carles Puigdemont i Casamajó

Proposal for a regulation
Recital 51 b (new)

Text proposed by the Commission

Amendment

(51 b) The Commission should assess, in the revision of the current Regulation, whether it would be useful to experiment a complementary distributed ledger technology in order for

decentralised autonomous organisations aiming at green and sustainability projects to be part of the European carbon market.

Or. en

Amendment 200

Danilo Oscar Lancini, Herve Juvin

Proposal for a regulation

Recital 52

Text proposed by the Commission

(52) The Commission should evaluate the application of this Regulation before the end of the transitional period and report to the European Parliament and the Council. The report of the Commission should in particular focus on possibilities to enhance climate actions towards the objective of a climate neutral Union by 2050. The Commission *should*, as part of that evaluation, initiate collection of information necessary to possibly extend the scope to indirect emissions, as well as to other goods and services at risk of carbon leakage, and to develop methods of calculating embedded emissions based on the environmental footprint methods⁴⁷.

⁴⁷ Commission Recommendation 2013/179/EU of 9 April 2013 on the use of common methods to measure and communicate the life cycle environmental performance of products and organisations

Amendment

(52) The Commission should evaluate the application of this Regulation before the end of the transitional period and report to the European Parliament and the Council. The report of the Commission should in particular focus on possibilities to enhance climate actions towards the objective of a climate neutral Union by 2050 ***and possibilities to improve carbon leakage measures to ensure a level playing field between the EU and third countries.*** The Commission *shall*, as part of that evaluation, initiate collection of information necessary to possibly extend the scope to indirect emissions, as well as to other goods and services at risk of carbon leakage, ***including downstream products using goods covered by the CBAM,*** and to develop methods of calculating embedded emissions based on the environmental footprint methods⁴⁷. ***With regard to indirect emissions, the evaluation shall take into account the exposure of EU producers to carbon costs passed on in electricity prices due to the functioning of the EU energy market.***

⁴⁷ Commission Recommendation 2013/179/EU of 9 April 2013 on the use of common methods to measure and communicate the life cycle environmental performance of products and organisations

Amendment 201

Sara Matthieu

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 52

Text proposed by the Commission

(52) The Commission should evaluate the application of this Regulation before the end of the transitional period and report to the European Parliament and the Council. The **report of the Commission** should **in particular** focus on **possibilities to enhance** climate actions towards the objective of a climate neutral Union by 2050. The Commission should, **as part of that evaluation, initiate collection of information necessary to possibly** extend the scope **to indirect emissions, as well as** to other goods and services at risk of carbon leakage, **and to develop methods of calculating embedded emissions based on the environmental footprint methods**⁴⁷.

Amendment

(52) The Commission should **collect information**, evaluate the application of this Regulation **and develop methods of calculating embedded emissions based on the environmental footprint methods** before the end of the transitional period and **submit a report and a legislative proposal** to the European Parliament and the Council. The **legislative proposal** should focus on **enhancing** climate actions towards the objective of a climate neutral Union by 2050. The Commission should, **propose to** extend the scope to other goods and services at risk of carbon leakage, **including oil refineries, paper, glass, plastics aiming at matching the same product scope as ETS, as well as to downstream products using goods covered by the CBAM. The Report should provide an assessment of the governance system of the Regulation, if appropriate, to be accompanied by a legislative proposal to introduce a European CBAM Authority; it should also evaluate the risks of circumvention and fraud identified and, if appropriate, propose measures to address them.**

⁴⁷ Commission Recommendation 2013/179/EU of 9 April 2013 on the use of common methods to measure and communicate the life cycle environmental performance of products and organisations (OJ L 124, 4.5.2013, p. 1).

Amendment 202

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Arnaud Danjean, Christophe Hansen, Jörgen Warborn, Seán Kelly, Angelika Winzig

Proposal for a regulation**Recital 52***Text proposed by the Commission*

(52) The Commission should evaluate the application of this Regulation before the end of the transitional period and report to the European Parliament and the Council. The report of the Commission should in particular focus on possibilities to enhance climate actions towards the objective of a climate neutral Union by 2050. The Commission should, as part of that evaluation, initiate collection of information necessary to possibly extend the scope to indirect emissions, as well as to other goods and services at risk of carbon leakage, and to develop methods of calculating embedded emissions based on the environmental footprint methods⁴⁷.

⁴⁷ Commission Recommendation 2013/179/EU of 9 April 2013 on the use of common methods to measure and communicate the life cycle environmental performance of products and organisations (OJ L 124, 4.5.2013, p. 1).

Amendment

(52) The Commission should evaluate the application of this Regulation before the end of the transitional period and report to the European Parliament and the Council. The report of the Commission should in particular focus on possibilities to enhance climate actions towards the objective of a climate neutral Union by 2050. The Commission should, as part of that evaluation, initiate collection of information necessary to ***prevent distortion of competition in the EU and in global markets and*** possibly extend the scope to indirect emissions, as well as to other goods and services at risk of carbon leakage, and to develop methods of calculating embedded emissions based on the environmental footprint methods⁴⁷. ***With regard to indirect emissions, the evaluation shall take into account the exposure of EU producers to carbon costs passed on in electricity prices due to the functioning of the EU energy market.***

⁴⁷ Commission Recommendation 2013/179/EU of 9 April 2013 on the use of common methods to measure and communicate the life cycle environmental performance of products and organisations (OJ L 124, 4.5.2013, p. 1).

Amendment 203

Seán Kelly

Proposal for a regulation

Recital 52

Text proposed by the Commission

(52) The Commission should evaluate the application of this Regulation before the ***end of the transitional period*** and report to the European Parliament and the Council. ***The report*** of the Commission should in particular focus on possibilities to enhance climate actions towards the objective of a climate neutral Union by 2050. The Commission should, as part of that evaluation, initiate collection of information necessary to possibly extend the scope to indirect emissions, as well as to other goods and services at risk of carbon leakage, and to develop methods of calculating embedded emissions based on the environmental footprint methods⁴⁷.

⁴⁷ Commission Recommendation 2013/179/EU of 9 April 2013 on the use of common methods to measure and communicate the life cycle environmental performance of products and organisations (OJ L 124, 4.5.2013, p. 1).

Amendment

(52) The Commission should evaluate the application of this Regulation ***two years*** before the ***start of removal of free allowances in ETS*** and report to the European Parliament and the Council. ***There port*** of the Commission should in particular focus on ***the impact on competitiveness of the EU downstream industry and*** possibilities to enhance climate actions towards the objective of a climate neutral Union by 2050. The Commission should, as part of that evaluation, initiate collection of information necessary to ***prevent distortion of competition in the EU and on global markets and accordingly prepare a legislative proposal***, possibly extend the scope to indirect emissions, as well as to other goods and services at risk of carbon leakage, and to develop methods of calculating embedded emissions based on the environmental footprint methods

Or. en

Amendment 204

Jürgen Warborn, Massimiliano Salini

Proposal for a regulation

Recital 52

(52) The Commission should evaluate the application of this Regulation before the end of the transitional period and report to the European Parliament and the Council. The report of the Commission should in particular focus on possibilities to enhance climate actions towards the objective of a climate neutral Union by 2050. The Commission should, as part of that evaluation, initiate collection of information necessary to possibly extend the scope to indirect emissions, as well as to other goods and services at risk of carbon leakage, and to develop methods of calculating embedded emissions based on the environmental footprint methods⁴⁷.

(52) The Commission should evaluate the application of this Regulation before the end of the transitional period and report to the European Parliament and the Council. The report of the Commission should in particular focus on possibilities to enhance climate actions towards the objective of a climate neutral Union by 2050, ***without hindering the efficiency of trade with goods covered by the CBAM.*** The Commission should, as part of that evaluation, initiate collection of information necessary to possibly extend the scope to indirect emissions, as well as to other goods and services at risk of carbon leakage, and to develop methods of calculating embedded emissions based on the environmental footprint methods⁴⁷.

⁴⁷ Commission Recommendation 2013/179/EU of 9 April 2013 on the use of common methods to measure and communicate the life cycle environmental performance of products and organisations (OJ L 124, 4.5.2013, p. 1).

⁴⁷ Commission Recommendation 2013/179/EU of 9 April 2013 on the use of common methods to measure and communicate the life cycle environmental performance of products and organisations (OJ L 124, 4.5.2013, p. 1).

Or. en

Amendment 205

Carles Puigdemont i Casamajó

Proposal for a regulation

Recital 52

(52) The Commission should evaluate the application of this Regulation before the end of the transitional period and report to the European Parliament and the Council. The report of the Commission should in particular focus on possibilities to enhance climate actions towards the objective of a climate neutral Union by 2050. The Commission should, as part of

(52) The Commission should evaluate the application of this Regulation before the end of the transitional period and report to the European Parliament and the Council. The report of the Commission should in particular focus on possibilities to enhance climate actions towards the objective of a climate neutral Union by 2050. The Commission should, as part of

that evaluation, initiate collection of information necessary to *possibly* extend the scope to indirect emissions, as well as to other goods and services at risk of carbon leakage, and to develop methods of calculating embedded emissions based on the environmental footprint methods⁴⁷.

⁴⁷ Commission Recommendation 2013/179/EU of 9 April 2013 on the use of common methods to measure and communicate the life cycle environmental performance of products and organisations (OJ L 124, 4.5.2013, p. 1).

that evaluation, initiate collection of information necessary to, *by the end of the transition period*, extend the scope to indirect emissions, as well as to other goods and services at risk of carbon leakage, and to develop methods of calculating embedded emissions based on the environmental footprint methods⁴⁷.

⁴⁷ Commission Recommendation 2013/179/EU of 9 April 2013 on the use of common methods to measure and communicate the life cycle environmental performance of products and organisations (OJ L 124, 4.5.2013, p. 1).

Or. en

Amendment 206

Kathleen Van Brempt, Raphaël Glucksmann, Miroslav Číž, Inma Rodríguez-Piñero, Paolo De Castro, Margarida Marques

Proposal for a regulation

Recital 52

Text proposed by the Commission

(52) The Commission should evaluate the application of this Regulation before the end of the transitional period and report to the European Parliament and the Council. The report of the Commission should in particular focus on possibilities to enhance climate actions towards the objective of a climate neutral Union by 2050. The Commission should, as part of that evaluation, initiate collection of information necessary to possibly extend the scope to *indirect emissions, as well as to* other goods and services at risk of carbon leakage, and to develop methods of calculating embedded emissions based on the environmental footprint methods⁴⁷.

⁴⁷ Commission Recommendation

Amendment

(52) The Commission should evaluate the application of this Regulation before the end of the transitional period and report to the European Parliament and the Council. The report of the Commission should in particular focus on possibilities to enhance climate actions towards the objective of a climate neutral Union by 2050. The Commission should, as part of that evaluation, initiate collection of information necessary to possibly extend the scope to other goods and services at risk of carbon leakage, *such as all sectors covered by ETS and downstream sectors*, and to develop methods of calculating embedded emissions based on the environmental footprint methods⁴⁷.

⁴⁷ Commission Recommendation

2013/179/EU of 9 April 2013 on the use of common methods to measure and communicate the life cycle environmental performance of products and organisations (OJ L 124, 4.5.2013, p. 1).

2013/179/EU of 9 April 2013 on the use of common methods to measure and communicate the life cycle environmental performance of products and organisations (OJ L 124, 4.5.2013, p. 1).

Or. en

Justification

indirect emissions should be included from the start of the implementation phase. In order to mirror the ETS to a maximum extent, all sectors covered by the ETS should be covered by the CBAM as soon as feasible. Effects on downstream sectors should be carefully monitored and if (risk of) carbon leakage arises, action should be taken accordingly.

Amendment 207

Dita Charanzová, Svenja Hahn

Proposal for a regulation

Recital 52

Text proposed by the Commission

(52) The Commission should evaluate the application of this Regulation before the **end** of the **transitional period** and report to the European Parliament and the Council. The report of the Commission should in particular focus on possibilities to enhance climate actions towards the objective of a climate neutral Union by 2050. The Commission should, as part of that evaluation, initiate collection of information necessary to possibly extend the scope to indirect emissions, as well as to other goods and services at risk of carbon leakage, and to develop methods of calculating embedded emissions based on the environmental footprint methods⁴⁷.

⁴⁷ Commission Recommendation 2013/179/EU of 9 April 2013 on the use of common methods to measure and communicate the life cycle environmental performance of products and organisations (OJ L 124, 4.5.2013, p. 1).

Amendment

(52) The Commission should evaluate the application of this Regulation before the **start** of the **removal of free allowances in ETS** and report to the European Parliament and the Council. The report of the Commission should in particular focus on possibilities to enhance climate actions towards the objective of a climate neutral Union by 2050. The Commission should, as part of that evaluation, initiate collection of information necessary to possibly extend the scope to indirect emissions, as well as to other goods and services at risk of carbon leakage, and to develop methods of calculating embedded emissions based on the environmental footprint methods⁴⁷.

⁴⁷ Commission Recommendation 2013/179/EU of 9 April 2013 on the use of common methods to measure and communicate the life cycle environmental performance of products and organisations (OJ L 124, 4.5.2013, p. 1).

Amendment 208
Emmanuel Maurel

Proposal for a regulation
Recital 52

Text proposed by the Commission

(52) The Commission should evaluate the application of this Regulation before the end of the transitional period and report to the European Parliament and the Council. The report of the Commission should in particular focus on possibilities to enhance climate actions towards the objective of a climate neutral Union by 2050. The Commission *should*, as part of that evaluation, initiate collection of information necessary to *possibly* extend the scope to indirect emissions, as well as to other goods and services at risk of carbon leakage, and to develop methods of calculating embedded emissions based on the environmental footprint methods⁴⁷.

⁴⁷ Commission Recommendation 2013/179/EU of 9 April 2013 on the use of common methods to measure and communicate the life cycle environmental performance of products and organisations (OJ L 124, 4.5.2013, p. 1).

Amendment

(52) The Commission should evaluate the application of this Regulation before the end of the transitional period and report to the European Parliament and the Council. The report of the Commission should 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 collection of information necessary to extend the scope to indirect emissions *as soon as possible*, as well as to other goods and services at risk of carbon leakage, and to develop methods of calculating embedded emissions based on the environmental footprint methods⁴⁷.

⁴⁷ Commission Recommendation 2013/179/EU of 9 April 2013 on the use of common methods to measure and communicate the life cycle environmental performance of products and organisations (OJ L 124, 4.5.2013, p. 1).

Amendment 209
Anna-Michelle Asimakopoulou, Massimiliano Salini

Proposal for a regulation
Recital 52 a (new)

Text proposed by the Commission

Amendment

(52 a) Given the particularities of the European electricity market vis-à-vis those of third countries, the provisions laid down in Articles 10a(6) and 10b of Directive 2003/87/EC play a crucial role in ensuring the competitiveness of EU electro-intensive industries against carbon leakage. These particularities result in an embedded carbon cost even when the electricity being consumed by an installation is decarbonised. Should the Commission seek to extend the scope to indirect emissions, the said provisions of Directive 2003/87/EC should not be phased out until the European electricity mix has been decarbonised to a degree that the mismatch between indirect costs and indirect emissions is negligible.

Or. en

Amendment 210

Angelika Winzig, Massimiliano Salini

Proposal for a regulation

Recital 52 a (new)

Text proposed by the Commission

Amendment

(52 a) Agriculture is a sector of strategic importance in terms of food security and food autonomy. Accordingly, the impact of the inclusion of fertilizers in the CBAM on European agriculture, food security and food autonomy must be reviewed before the CBAM including the financial adjustment for fertilizers should apply.

Or. en

Amendment 211

Bernd Lange

Proposal for a regulation

Recital 52 a (new)

(52 a) the Commission shall, in its evaluation of the transition period, take into account any results of the Global Arrangement on Sustainable Steel and Aluminium which was launched in the context of the discussion on US tariffs on steel and aluminium and whose aim is to develop measures to reduce CO2 in a global context

Or. en

Amendment 212

Sven Simon, Daniel Caspary

Proposal for a regulation

Recital 53

Text proposed by the Commission

(53) In light of the above, a dialogue with third countries should *continue and* there should be space for cooperation and solutions that could inform the specific choices that will be made on the details of the design of the measure during the implementation, in particular during the transitional period.

Amendment

(53) In light of the above, a dialogue with third countries **at the WTO to set global, non-discriminatory, transparent and enforceable rules on CO2-pricing as well as to prevent trade conflicts** should **commence as soon as possible. In particular, a rapid agreement on the legal status of non-discriminatory climate measures is needed to prevent the clash of normative frameworks and future trade conflicts.** There should be space for cooperation and solutions that could inform the specific choices that will be made on the details of the design of the measure during the implementation, in particular during the transitional period.

Or. en

Amendment 213

Kathleen Van Brempt, Raphaël Glucksmann, Miroslav Číž, Inma Rodríguez-Piñero, Paolo De Castro, Margarida Marques, Marek Belka, Miapetra Kumpula-Natri

Proposal for a regulation

Recital 53

Text proposed by the Commission

(53) In light of the above, **a** dialogue with third countries should continue **and** there should be space for cooperation and solutions that could inform the specific choices that will be made on the details of the design of the measure during the implementation, in particular during the transitional period.

Amendment

(53) In light of the above, **an extensive** dialogue with third countries, **trade partners, EU's and third country's industries, federations, international organisations, NGO's, think tanks and all other involved stakeholders** should continue **in order to boost global climate action and maximize engagement and the chances of the CBAM succeeding**. There should be space for cooperation and solutions that could inform the specific choices that will be made on the details of the design of the measure during the implementation, in particular during the transitional period.

Or. en

Amendment 214

Carles Puigdemont i Casamajó

Proposal for a regulation

Recital 53

Text proposed by the Commission

(53) In light of the above, a dialogue with third countries should continue and there should be space for cooperation and solutions that could inform the specific choices that will be made on the details of the design of the measure during the implementation, in particular during the transitional period.

Amendment

(53) In light of the above, **in order to strengthen the Union's multilateral cooperation**, a dialogue with third countries should continue and there should be space for cooperation and solutions that could inform the specific choices that will be made on the details of the design of the measure during the implementation, in particular during the transitional period.

Or. en

Amendment 215

Geert Bourgeois

Proposal for a regulation

Recital 54

Text proposed by the Commission

(54) The Commission should strive to engage in an even handed manner and in line with the international obligations of the EU, with the third countries whose trade to the EU is affected by this Regulation, to explore possibilities for dialogue and cooperation with regard to the implementation of specific elements of the Mechanism set out this Regulation and related implementing acts. It should also explore possibilities for concluding agreements to take into account their carbon pricing mechanism.

Amendment

(54) ***The Commission shall pursue and strengthen communication and climate diplomacy outreach in the relevant international fora and with its main commercial partners.*** The Commission should strive to engage in an even handed manner and in line with the international obligations of the EU, with the third countries whose trade to the EU is affected by this Regulation, to explore possibilities for dialogue and cooperation with regard to the implementation of specific elements of the Mechanism set out this Regulation and related implementing acts. It should also explore possibilities for concluding agreements to take into account their carbon pricing mechanism, ***provided that they deliver equivalent GHG emissions reductions and carbon costs constraints. This may involve, where appropriate, coordination in relevant international fora.***

Or. en

Amendment 216

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Arnaud Danjean, Christophe Hansen, Jörgen Warborn, Seán Kelly, Angelika Winzig

Proposal for a regulation **Recital 54**

Text proposed by the Commission

(54) The Commission should strive to engage in an even handed manner and in line with the international obligations of the EU, with the third countries whose trade to the EU is affected by this Regulation, to explore possibilities for dialogue and cooperation with regard to the implementation of specific elements of the Mechanism set out this Regulation and

Amendment

(54) The Commission should strive to engage in an even handed manner and in line with the international obligations of the EU, with the third countries whose trade to the EU is affected by this Regulation, to explore possibilities for dialogue and cooperation with regard to the implementation of specific elements of the Mechanism set out this Regulation and

related implementing acts. It should also explore possibilities for concluding agreements to take into account their carbon pricing mechanism.

related implementing acts. It should also explore possibilities for concluding agreements to take into account their carbon pricing mechanism, ***provided that they deliver equivalent GHG emissions reductions and carbon costs constraints.***

Or. en

Amendment 217

Jürgen Warborn, Massimiliano Salini

Proposal for a regulation

Recital 54

Text proposed by the Commission

(54) The Commission should strive to engage in an even handed manner and in line with the international obligations of the EU, with the third countries whose trade to the EU is affected by this Regulation, to ***explore possibilities for*** dialogue and cooperation with regard to the implementation of specific elements of the Mechanism set out this Regulation and related implementing acts. It should also explore possibilities for concluding agreements to take into account their carbon pricing mechanism.

Amendment

(54) The Commission should strive to engage in an even handed manner and in line with the international obligations of the EU, with the third countries whose trade to the EU is affected by this Regulation, to ***ensure*** dialogue and ***enhance*** cooperation with regard to the implementation of specific elements of the Mechanism set out this Regulation and related implementing acts. It should also explore possibilities for concluding agreements to take into account their carbon pricing mechanism.

Or. en

Amendment 218

Sara Matthieu

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 55

Text proposed by the Commission

(55) As the CBAM aims to encourage cleaner production processes, the EU stands ready to work with low and middle-income countries towards the de-

Amendment

(55) As the CBAM aims to encourage cleaner production processes, the EU stands ready to work with low and middle-income countries towards the de-

carbonisation of their manufacturing industries. *Moreover, the Union should support less developed countries* with the necessary technical assistance in order to facilitate their adaptation to the new obligations established by this regulation.

carbonisation of their manufacturing industries *and provide them.* with the necessary technical assistance *and with the sharing or GHG-abating technology* in order to facilitate their adaptation to the new obligations established by this regulation. *Least Developed Countries have limited capacity to decarbonise their industries, and compliance with CBAM obligations would be highly demanding for them; moreover, manufacturing capacities and associated emissions in these countries are negligible on a global scale. In order not to place a disproportionate burden on these countries, and in line with the ‘common but differentiated responsibility’ principle, the CBAM will not apply to them. However, to prevent risks of circumvention, the Commission will set up a system to monitor potential circumvention and will take measures where appropriate.*

Or. en

Amendment 219

Kathleen Van Brempt, Raphaël Glucksmann, Miroslav Číž, Inma Rodríguez-Piñero, Paolo De Castro, Joachim Schuster, Miapetra Kumpula-Natri

Proposal for a regulation

Recital 55

Text proposed by the Commission

(55) As the CBAM aims to encourage cleaner production processes, the EU stands ready to work with low and middle-income countries towards the de-carbonisation of their manufacturing industries. Moreover, the *Union* should support *less developed countries* with the necessary technical assistance in order to facilitate their adaptation to the new obligations established by this regulation.

Amendment

(55) As the CBAM aims to encourage cleaner production processes, *and in line with the CBDR principle*, the EU stands ready to work with low and middle-income countries towards the de-carbonisation of their manufacturing industries. Moreover, the *Commission* should *come forward with a proposal and sufficient funding to* support *LDCs* with the necessary technical *and financial* assistance in order to facilitate their adaptation to the new obligations established by this regulation. *In the transitional phase, producers of*

LDCs in the sectors covered by the CBAM should be supported in complying with the administrative requirements of the CBAM, assisted in mapping the real emissions of their production processes and supported to determine production process improvements. During the implementation phase, when the CBAM has financial consequences, LDCs should be supported to cut emissions and thus CBAM costs and accomplish the green transition.

Or. en

Amendment 220

Carles Puigdemont i Casamajó

Proposal for a regulation

Recital 55

Text proposed by the Commission

(55) As the CBAM aims to encourage cleaner production processes, the EU stands ready to work with low and middle-income countries towards the de-carbonisation of their manufacturing industries. Moreover, the Union should support less developed countries with the necessary technical assistance in order to facilitate their adaptation to the new obligations established by this regulation.

Amendment

(55) As the CBAM aims to encourage cleaner production processes ***by lowering global carbon emissions and preventing carbon leakage***, the EU stands ready to work with low and middle-income countries towards the de-carbonisation of their manufacturing industries. Moreover, the Union should support less developed countries with the necessary technical assistance in order to facilitate their adaptation to the new obligations established by this regulation.

Or. en

Amendment 221

Tiziana Beghin

Proposal for a regulation

Recital 55 a (new)

Text proposed by the Commission

Amendment

(55 a) In order to fulfil the European Union ambitious policy on climate action and to achieve its 2030 GHG emissions reduction target, all CBAM revenues should have a clear climate earmarking. The revenues of the correct application of CBAM should return to producers to help investments in cleaner technologies, the development of environmental and climate projects and if necessary in the form of tax reductions or lump sum transfers for those sectors highly exposed to price volatility as agriculture;

Or. en

Amendment 222

Sara Matthieu

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 55 a (new)

Text proposed by the Commission

Amendment

(55 a) Revenues from the CBAM should flow into the general budget of the European Union and should constitute internal assigned revenue for the purpose of Article 21(3) of the Financial Regulation. To further ensure that the aim of the CBAM is solely to reduce global carbon emission, these new resources should contribute to supporting the implementation of the Green Deal by stepping up the Union's contribution to international climate finance and help to Least-developed Countries.

Or. en

Amendment 223

Michiel Hoogeveen

Proposal for a regulation

Recital 55 a (new)

Text proposed by the Commission

Amendment

(55 a) To further ensure that one of the aims of the CBAM is also to reduce global carbon emission, the revenues from the CBAM must be used to align them with the aim of the mechanism. Therefore revenues collected from the CBAM, or the yearly equivalent in financial value, shall be directed to Union action aimed at reducing carbon emissions and mitigate the effects of climate change in least developed countries (LDCs) as well as cover the cost of administering the CBAM.

Or. en

Amendment 224

Carles Puigdemont i Casamajó

Proposal for a regulation

Recital 55 a (new)

Text proposed by the Commission

Amendment

(55 a) The CBAM should also be a tool to mitigate and eventually reduce the effects of global warming and climate change in least developed countries (LDCs). Therefore, the Commission should also direct part of the revenues collected by the CBAM to its development aid towards LDCs, ensuring that these implement policies aimed at lowering emissions.

Or. en

Amendment 225

Carles Puigdemont i Casamajó

Proposal for a regulation

Recital 57 a (new)

(57 a) *The Commission should monitor any changes in trade flows attributable to the CBAM in order to evaluate the efficiency of the measure and to identify circumventing practices. The Commission should ultimately increase and develop its carbon market alongside preventing subsidies to highly polluting industries.*

Or. en

Amendment 226

Roman Haider

Proposal for a regulation

Recital 58

Text proposed by the Commission

(58) In order to remedy circumvention of the provisions of this Regulation, the ***power to adopt acts in accordance with Article 290 of TFEU should be delegated to the Commission in respect of supplementing the list of goods in Annex I.***

Amendment

(58) ***The Commission should monitor any changes in trade flows attributable to the CBAM, both to assess the efficiency of the measure and to identify practices of circumvention.*** In order to remedy circumvention of the provisions of this Regulation, the Commission ***should propose to adapt this Regulation when it is deemed necessary and possible, with regard to international commitments of the Union, such as those under the WTO.***

Or. en

Amendment 227

Angelika Winzig, Massimiliano Salini

Proposal for a regulation

Recital 58

Text proposed by the Commission

(58) In order to remedy circumvention of the provisions of this Regulation, the ***power to adopt acts in accordance with***

Amendment

(58) In order to remedy circumvention of the provisions of this Regulation, the Commission ***should put forward a***

Article 290 of TFEU should be delegated to the Commission in respect of supplementing the list of goods in Annex I.

legislative proposal to adapt this Regulation when it is deemed necessary and possible, with regard to international commitments of the Union, such as those under the WTO.

Or. en

Amendment 228
Angelika Winzig

Proposal for a regulation
Recital 61 a (new)

Text proposed by the Commission

Amendment

(61 a) The revenues generated by the arrangements set out in this Regulation should be used as additional own resource of the EU in accordance with the interinstitutional agreement 32020Q1222(01) from 16th December 2020.

Or. en

Amendment 229
Sara Matthieu
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 1 – paragraph 1

Text proposed by the Commission

Amendment

1. This Regulation establishes a carbon border adjustment mechanism (the ‘CBAM’) for addressing greenhouse gas emissions embedded in the goods referred to in Annex I, upon their importation into the customs territory of the Union, in order to ***prevent the*** risk of carbon leakage.

1. This Regulation establishes a carbon border adjustment mechanism (the ‘CBAM’) for addressing greenhouse gas emissions embedded in the goods referred to in Annex I, upon their importation into the customs territory of the Union, in order to ***reduce global carbon emissions and support the implementation of the goals of the Paris Agreement by preventing any*** risk of carbon leakage.

Amendment 230

Danilo Oscar Lancini, Herve Juvin, Marco Campomenosi

Proposal for a regulation

Article 1 – paragraph 1

Text proposed by the Commission

1. This Regulation establishes a carbon border adjustment mechanism (the ‘CBAM’) for addressing greenhouse gas emissions embedded in the goods referred to in Annex I, upon their importation into the customs territory of the Union, in order to prevent the risk of carbon leakage.

Amendment

1. This Regulation establishes a carbon border adjustment mechanism (the ‘CBAM’) for addressing greenhouse gas emissions embedded in the goods referred to in Annex I, upon their importation into the customs territory of the Union, in order to prevent the risk of carbon leakage ***and at the same time ensure a level playing field to preserve the competitiveness of EU industries.***

Or. en

Amendment 231

Michiel Hoogeveen

Proposal for a regulation

Article 1 – paragraph 1

Text proposed by the Commission

1. This Regulation establishes a carbon border adjustment mechanism (the ‘CBAM’) for addressing greenhouse gas emissions embedded in the goods referred to in Annex I, upon their importation into the customs territory of the Union, in order to prevent the risk of carbon leakage.

Amendment

1. This Regulation establishes a carbon border adjustment mechanism (the ‘CBAM’) for addressing greenhouse gas emissions embedded in the goods referred to in Annex I, upon their importation into the customs territory of the Union, in order to prevent the risk of carbon leakage ***from the EU, and thus contributing to the reduction of global carbon emissions.***

Or. en

Amendment 232

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Arnaud Danjean, Danuta Maria Hübner, Christophe Hansen, Jörgen Warborn, Seán Kelly, Angelika Winzig

Proposal for a regulation
Article 1 – paragraph 1

Text proposed by the Commission

1. This Regulation establishes a carbon border adjustment mechanism (the ‘CBAM’) for addressing greenhouse gas emissions embedded in the goods referred to in Annex I, upon their importation into the customs territory of the Union, in order to prevent *the risk of* carbon leakage.

Amendment

1. This Regulation establishes a carbon border adjustment mechanism (the ‘CBAM’) for addressing greenhouse gas emissions embedded in the goods referred to in Annex I, upon their importation into the customs territory of the Union, in order to prevent carbon leakage *from the EU and contribute to the reduction of global carbon emissions.*

Or. en

Amendment 233

Kathleen Van Brempt, Raphaël Glucksmann, Miroslav Číž, Inma Rodríguez-Piñero, Paolo De Castro, Margarida Marques, Joachim Schuster, Miapetra Kumpula-Natri

Proposal for a regulation
Article 1 – paragraph 1

Text proposed by the Commission

1. This Regulation establishes a carbon border adjustment mechanism (the ‘CBAM’) for addressing greenhouse gas emissions embedded in the goods referred to in Annex I, upon their importation into the customs territory of the Union, in order to *prevent* the risk of carbon leakage.

Amendment

1. This Regulation establishes a carbon border adjustment mechanism (the ‘CBAM’) for addressing greenhouse gas emissions embedded in the goods referred to in Annex I, upon their importation into the customs territory of the Union, in order to *reduce global carbon emissions by preventing* the risk of carbon leakage.

Or. en

Amendment 234

Emmanuel Maurel

Proposal for a regulation

Article premier – paragraph 1

Text proposed by the Commission

1. This Regulation establishes a carbon border adjustment mechanism (the ‘CBAM’) for addressing greenhouse gas emissions embedded in the goods referred to in Annex I, upon their importation into the customs territory of the Union, in order to prevent ***the risk of*** carbon leakage.

Amendment

1. This Regulation establishes a carbon border adjustment mechanism (the ‘CBAM’) for addressing greenhouse gas emissions embedded in the goods referred to in Annex I, upon their importation into the customs territory of the Union, in order to prevent carbon leakage.

Or. fr

Amendment 235

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Arnaud Danjean, Christophe Hansen, Jörgen Warborn, Seán Kelly

Proposal for a regulation

Article 1 – paragraph 3

Text proposed by the Commission

3. The mechanism ***will*** progressively become an alternative to the mechanisms established under Directive 2003/87/EC to prevent the risk of carbon leakage, notably the allocation of allowances free of charge in accordance with Article 10a of that Directive.

Amendment

3. The mechanism ***should*** progressively become an alternative to the mechanisms established under Directive 2003/87/EC to prevent the risk of carbon leakage, notably the allocation of allowances free of charge in accordance with Article 10a of that Directive, ***if it has been proven to be effective in preventing carbon leakage both for imports into and exports from the Union’s custom territory, and without prejudice to maintaining EU ETS allowances free of charge at benchmark level until a test period with actual surrendering obligation by declarants running until 2030 has proven such effectiveness.***

Or. en

Amendment 236

Geert Bourgeois

Proposal for a regulation
Article 1 – paragraph 3

Text proposed by the Commission

3. The mechanism **will** progressively become an alternative to the mechanisms established under Directive 2003/87/EC to prevent the risk of carbon leakage, notably the allocation of allowances free of charge in accordance with Article 10a of that Directive.

Amendment

3. The mechanism **seeks to** progressively become an alternative to the mechanisms established under Directive 2003/87/EC to prevent the risk of carbon leakage, notably the allocation of allowances free of charge in accordance with Article 10a of that Directive ***if it has proven to be effective to prevent the risk of carbon leakage both for imports into, or exports from the customs territory of the Union and without prejudice to maintaining EU ETS allowances free of charge at benchmark level until a test period has proven such effectiveness.***

Or. en

Amendment 237

Danilo Oscar Lancini, Roman Haider, Herve Juvin, Marco Campomenosi

Proposal for a regulation
Article 1 – paragraph 3

Text proposed by the Commission

3. The mechanism **will** progressively become an alternative to the mechanisms established under Directive 2003/87/EC to prevent the risk of carbon leakage, notably the allocation of allowances free of charge in accordance with Article 10a of that Directive.

Amendment

3. The mechanism ***should, if effective,*** progressively become an alternative to the mechanisms established under Directive 2003/87/EC to prevent the risk of carbon leakage, notably the allocation of allowances free of charge in accordance with Article 10a of that Directive, ***without prejudice to the maintenance of EU ETS allowances allocated free of charge until 2030 and only provided that the CBAM has proven to be effective to prevent the risk of carbon leakage both for imports into or exports from the customs territory of the Union.***

Or. en

Amendment 238
Emmanuel Maurel

Proposal for a regulation
Article premier – paragraph 3

Text proposed by the Commission

3. The mechanism will ***progressively become an alternative to the mechanisms established under Directive 2003/87/EC to prevent the risk of carbon leakage, notably*** the allocation of allowances free of charge ***in accordance with*** Article 10a of ***that Directive***.

Amendment

3. The mechanism will ***replace, before 1 January 2030,*** the allocation of allowances free of charge ***established on the basis of*** Article 10a of ***Directive 2003/87/EC***.

Or. fr

Amendment 239
Sara Matthieu
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 1 – paragraph 3

Text proposed by the Commission

3. The mechanism ***will progressively become*** an alternative to the mechanisms established under Directive 2003/87/EC to prevent the risk of carbon leakage, notably the allocation of allowances free of charge in accordance with ***Article 10a*** of that Directive.

Amendment

3. The mechanism ***shall be*** an alternative to the mechanisms established under Directive 2003/87/EC to prevent the risk of carbon leakage, notably the allocation of allowances free of charge ***and compensation of indirect costs*** in accordance with ***Articles 10a and 10b*** of that Directive.

Or. en

Amendment 240
Angelika Winzig, Massimiliano Salini

Proposal for a regulation
Article 1 – paragraph 3

Text proposed by the Commission

Amendment

3. The mechanism will ***progressively become an alternative to*** the mechanisms established under Directive 2003/87/EC to prevent the risk of carbon leakage, notably the allocation of allowances free of charge in accordance with Article 10a of that Directive.

3. ***The main purpose of*** the mechanism will ***be to complement*** the mechanisms established under Directive 2003/87/EC to prevent the risk of carbon leakage, notably the allocation of allowances free of charge in accordance with Article 10a of that Directive.

Or. en

Amendment 241
Liudas Mažylis

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

Text proposed by the Commission

Amendment

3 a. The Commission holds consultations and will put forward a concrete proposal on how revenues generated by CBAM will be used by the end of the transitional period at the latest. At least part of the possible revenues could be dedicated to supporting decarbonisation process at the less developed third countries.

Or. en

Amendment 242
Angelika Winzig

Proposal for a regulation
Article 2 – paragraph 1

Text proposed by the Commission

Amendment

1. This Regulation applies to goods as listed in Annex I, originating in a third country, when those goods, or processed products from those goods as resulting from the inward processing procedure referred to in Article 256 of Regulation (EU) No 952/2013 of the European Parliament and of the Council⁵³, are

1. This Regulation applies to goods as listed in Annex I, originating in a third country, when those goods, or processed products from those goods as resulting from the inward processing procedure referred to in Article 256 of Regulation (EU) No 952/2013 of the European Parliament and of the Council⁵³, are

imported into the customs territory of the Union.

imported into the customs territory of the Union ***and when those goods, or products processed from those goods are exported to third countries at a later date.***

⁵³ Regulation (EU) No 952/2013 of the European Parliament and of the Council of 9 October 2013 laying down the Union Customs Code (OJ L 269, 10.10.2013, p. 1).

⁵³ Regulation (EU) No 952/2013 of the European Parliament and of the Council of 9 October 2013 laying down the Union Customs Code (OJ L 269, 10.10.2013, p. 1).

Or. en

Amendment 243

Angelika Winzig, Massimiliano Salini

Proposal for a regulation

Article 2 – paragraph 2

Text proposed by the Commission

2. This Regulation applies to the goods referred to in paragraph 1 where those goods are brought to the continental shelf or the exclusive economic zone of a Member State.

Amendment

2. This Regulation applies to the goods referred to in paragraph 1 where those goods, ***or products processed from those good in case of export to third countries,*** are brought to, ***or leave*** the continental shelf or the exclusive economic zone of a Member State.

Or. en

Amendment 244

Sara Matthieu

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 2 – paragraph 3

Text proposed by the Commission

3. By way of derogation from paragraphs 1 and 2, this Regulation does not apply to goods originating in countries and territories listed in Annex II, Section A.

Amendment

3. By way of derogation from paragraphs 1 and 2, this Regulation does not apply to goods originating in countries and territories listed in Annex II, Section A ***and in Least-Developed Countries (LDCs)***

as designated by the United Nations.

Or. en

Amendment 245
Emmanuel Maurel

Proposal for a regulation
Article 2 – paragraph 7 – point a

Text proposed by the Commission

(a) the third country or territory has concluded an agreement with the Union, setting out an obligation to apply the Union law in the field of electricity, including the legislation on the development of renewable energy sources, as well as other rules in the field of energy, ***environment and competition***;

Amendment

(a) the third country or territory has concluded an agreement with the Union, setting out an obligation to apply the Union law in the field of electricity, including the legislation on the development of renewable energy sources, as well as other rules in the field of energy ***and environment***;

Or. fr

Amendment 246
Emmanuel Maurel

Proposal for a regulation
Article 2 – paragraph 7 – point b

Text proposed by the Commission

(b) the national law in that third country or territory implements the ***main*** provisions of the Union ***electricity market*** legislation, ***including*** on the development of renewable energy sources ***and the coupling of electricity markets***;

Amendment

(b) the national law in that third country or territory implements the provisions of the Union legislation on the development of renewable energy sources;

Or. fr

Amendment 247
Emmanuel Maurel

Proposal for a regulation

Article 2 – paragraph 9 – point b

Text proposed by the Commission

(b) if the third country or territory has taken steps contrary to its decarbonisation objectives, such as providing public support for the establishment of new generation capacity that emits more than **550** g of CO₂ of fossil fuel origin per kWh of electricity.

Amendment

(b) if the third country or territory has taken steps contrary to its decarbonisation objectives, such as providing public support for the establishment of new generation capacity that emits more than **340** g of CO₂ of fossil fuel origin per kWh of electricity.

Or. fr

Amendment 248

Carles Puigdemont i Casamajó

Proposal for a regulation

Article 2 – paragraph 10

Text proposed by the Commission

10. The Commission is empowered to adopt delegated acts in accordance with Article 28 to set out requirements and procedures for countries or territories that are deleted from the list in Annex II, Section B, to ensure the application of this Regulation to their territories with regard to electricity. If in such cases market coupling remains incompatible with the application of this Regulation, the Commission may decide to exclude the third countries or territories from Union market coupling and require explicit capacity allocation at the border between the Union and the third country, so that the CBAM can apply.

Amendment

10. The Commission is empowered to adopt delegated acts in accordance with Article 28 to set out requirements and procedures for countries or territories that are deleted from the list in Annex II, Section B, to ensure the application of this Regulation to their territories with regard to electricity. If in such cases market coupling remains incompatible with the application of this Regulation, the Commission may decide to exclude the third countries or territories from Union market coupling and require explicit capacity allocation at the border between the Union and the third country, so that the CBAM can apply. ***The Commission shall monitor the fulfilment of the conditions set out in paragraphs 5, 7 and 8 of this Article for all third countries and territories listed in Annex II, Sections A and B.***

Or. en

Amendment 249

Sara Matthieu

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 2 – paragraph 10 a (new)

Text proposed by the Commission

Amendment

10 a. The Commission shall continuously monitor whether the conditions in paragraphs 5, 7 and 8 are fulfilled for all countries and territories listed in Annex II, Sections A and B, also based on any source of information that the Commission deems appropriate, including submissions from Civil Society Organisations.

Or. en

Amendment 250

Carles Puigdemont i Casamajó

Proposal for a regulation

Article 2 – paragraph 11

Text proposed by the Commission

Amendment

11. The Commission is empowered to adopt delegated acts in accordance with Article 28 to amend the lists in Annex II, Sections A or B, depending on whether the conditions in paragraphs 5, 7 or 9 are satisfied.

11. The Commission is empowered to adopt delegated acts in accordance with Article 28 to amend the lists in Annex II, Sections A or B, depending on whether the conditions in paragraphs 5, 7 or 9 are satisfied, ***after providing the third country or territory with a written warning laying down the reasons for removal.***

Or. en

Amendment 251

Danuta Maria Hübner, Andrius Kubilius, Liudas Mažylis, Andrzej Halicki

Proposal for a regulation

Article 2 – paragraph 11

Text proposed by the Commission

Amendment

11. ***The Commission is empowered to adopt delegated acts in accordance with Article 28 to amend the lists in Annex II, Sections A or B, depending on whether the conditions in paragraphs 5, 7 or 9 are satisfied.***

11. ***If a third country is committed to decarbonisation processes that should result in the adoption of emission trading system similar to the EU ETS, the importation of goods originating in that country shall be exempt from the application of the CBAM, provided all of the following*** conditions are satisfied:

Or. en

Amendment 252

Liudas Mažylis

Proposal for a regulation

Article 2 – paragraph 11

Text proposed by the Commission

Amendment

11. The Commission is empowered to adopt delegated acts in accordance with Article 28 to amend the lists in Annex II, Sections A or B, ***depending on whether*** the conditions in paragraphs 5, 7 or 9 are satisfied.

11. The Commission is empowered to adopt delegated acts in accordance with Article 28 to amend the lists in Annex II, Sections A or B, ***as soon as*** the conditions in paragraphs 5, 7 or 9 are satisfied.

Or. en

Amendment 253

Danuta Maria Hübner, Andrius Kubilius, Andrzej Halicki, Liudas Mažylis

Proposal for a regulation

Article 2 – paragraph 11 – subparagraph 1 (new)

Text proposed by the Commission

Amendment

the third country is a party to the Treaty establishing the Energy Community and/or a party to Association Agreement, including a Deep and Comprehensive Free Trade Area with the Union;

Or. en

Amendment 254

Danuta Maria Hübner, Andrius Kubilius, Andrzej Halicki, Liudas Mažylis

Proposal for a regulation

Article 2 – paragraph 11 – point 1 (new)

Text proposed by the Commission

Amendment

(1) the third country has submitted a roadmap to the Commission, containing a timetable for the adoption of measures to implement the conditions set out in points (d), (e), and (f);

Or. en

Amendment 255

Danuta Maria Hübner, Andrius Kubilius, Andrzej Halicki, Liudas Mažylis

Proposal for a regulation

Article 2 – paragraph 11 – point 2 (new)

Text proposed by the Commission

Amendment

(2) the third country is committed to adopt an emission trading system similar to the EU ETS;

Or. en

Amendment 256

Danuta Maria Hübner, Andrius Kubilius, Andrzej Halicki, Liudas Mažylis

Proposal for a regulation

Article 2 – paragraph 11 – point 3 (new)

Text proposed by the Commission

Amendment

(3) the third country has committed to climate neutrality and has accordingly formally formulated and communicated, where applicable, to the United Nations Framework Convention on Climate Change a long-term low greenhouse gas emissions development strategy aligned

with that objective, and has implemented that obligation in its domestic legislation;

Or. en

Amendment 257

Danuta Maria Hübner, Andrius Kubilius, Andrzej Halicki, Liudas Mažylis

Proposal for a regulation

Article 2 – paragraph 11 – point 4 (new)

Text proposed by the Commission

Amendment

(4) the third country has, when implementing the roadmap pursuant to point (c), demonstrated substantial progress towards the alignment of domestic legislation with Union law in the field of climate action on the basis of that roadmap. The implementation of an emission trading system by 1 January 2030 is conditional upon third country's receipt of the financial, institutional, and expert support from the Union.

Or. en

Amendment 258

Danuta Maria Hübner, Andrius Kubilius, Andrzej Halicki, Liudas Mažylis

Proposal for a regulation

Article 2 – paragraph 11 a (new)

Text proposed by the Commission

Amendment

11 a. the third country has put in place an effective system of monitoring, reporting and verification of greenhouse gas emissions;

Or. en

Amendment 259

Danuta Maria Hübner, Andrius Kubilius, Andrzej Halicki, Liudas Mažylis

Proposal for a regulation
Article 2 – paragraph 12

Text proposed by the Commission

12. *The Union, may conclude agreements with third countries with a view to take account of carbon pricing mechanisms in these countries in the application of Article 9.*

Amendment

12. *A third country satisfying the conditions set out in paragraph 11, points (a) to (f), shall be listed in Annex II, Section C, of this Regulation, and shall submit two reports on the fulfilment of the conditions pursuant to paragraph 7, points (a) to (f), one before 1 July 2025 and another before 1 July 2029. By 31 December 2025 and by 31 December 2029, the Commission shall assess, notably on the basis of the roadmap pursuant to paragraph 11, point (c), and the reports received from the third country, whether that third country continues to respect the conditions set out in paragraph 11.*

Or. en

Amendment 260
Michiel Hoogeveen

Proposal for a regulation
Article 2 – paragraph 12

Text proposed by the Commission

12. The Union, may conclude agreements with third countries with a view to take account of carbon pricing mechanisms in these countries in the application of Article 9.

Amendment

12. The Union, may conclude agreements with third countries with a view to take account of carbon pricing mechanisms in these countries in the application of Article 9. *Such agreements shall not lead to undue preferential treatment of imports from the third countries as regards the CBAM certificates to be surrendered and cannot take into account any carbon pricing mechanisms that are considered to be practices of circumvention within the meaning of Article 27(2).*

Or. en

Amendment 261

Sara Matthieu

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 2 – paragraph 12

Text proposed by the Commission

12. The Union, may conclude agreements with third countries with a view to take account of carbon pricing mechanisms in these countries in the application of Article 9.

Amendment

12. The Union, may conclude agreements with third countries with a view to take account of carbon pricing mechanisms in these countries in the application of Article 9. ***Such agreements shall not lead to undue preferential treatment of imports from the third countries as regards the CBAM certificates to be surrendered and cannot take into account any carbon pricing mechanisms that are considered to be practices of circumvention within the meaning of Article 27(2).***

Or. en

Amendment 262

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Arnaud Danjean, Christophe Hansen, Jörgen Warborn, Seán Kelly, Angelika Winzig

Proposal for a regulation

Article 2 – paragraph 12

Text proposed by the Commission

12. The Union, may conclude agreements with third countries with a view to take account of carbon pricing mechanisms in these countries in the application of Article 9.

Amendment

12. The Union, may conclude agreements with third countries with a view to take account of carbon pricing mechanisms in these countries in the application of Article 9. ***These agreements shall not lead to undue preferential treatment of imports from third countries as regards the CBAM certificates to be surrendered and they must not take into account any carbon pricing mechanisms that are considered to be circumvention***

practices under Article 27.

Or. en

Amendment 263

Danuta Maria Hübner, Andrius Kubilius, Andrzej Halicki, Liudas Mažylis

Proposal for a regulation

Article 2 – paragraph 12 a (new)

Text proposed by the Commission

Amendment

12 a. A third country listed in Annex II, Section C of this Regulation, shall be removed from that list if the Commission has reasons to consider that the country has not shown sufficient progress to comply with one of the requirements listed in paragraph 11, points (a) to (f), or if the country has taken action incompatible with the objectives set out in the Union climate and environmental legislation.

Or. en

Amendment 264

Carles Puigdemont i Casamajó

Proposal for a regulation

Article 2 – paragraph 12 a (new)

Text proposed by the Commission

Amendment

12 a. The agreements referred to in the first paragraph shall not lead to undue preferential treatment of imports from the third countries or territories as regards the CBAM certificates to be surrendered.

Or. en

Amendment 265

Danuta Maria Hübner, Andrius Kubilius, Andrzej Halicki, Liudas Mažylis

Proposal for a regulation
Article 2 – paragraph 12 b (new)

Text proposed by the Commission

Amendment

12 b. The Commission can adopt delegated acts in accordance with Article 28 to amend the lists in Annex II, Sections A, B or C, depending on whether the conditions in paragraphs 5, 7, 9, 11 or 13 are satisfied.

Or. en

Amendment 266
Carles Puigdemont i Casamajó

Proposal for a regulation
Article 2 – paragraph 12 b (new)

Text proposed by the Commission

Amendment

12 b. The Commission shall inform European Parliament immediately of all stages of the procedure leading to the conclusion of these agreements.

Or. en

Amendment 267
Danuta Maria Hübner, Andrius Kubilius, Andrzej Halicki, Liudas Mažylis

Proposal for a regulation
Article 2 – paragraph 12 c (new)

Text proposed by the Commission

Amendment

12 c. The Union, may conclude agreements with third countries with a view to take account of carbon pricing mechanisms in these countries.

Or. en

Amendment 268

Sara Matthieu

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 3 – paragraph 1 – point 3

Text proposed by the Commission

(3) ‘emissions’ mean the release of greenhouse gases into the atmosphere from the production of goods;

Amendment

(3) ‘emissions’ mean the release of greenhouse gases into the atmosphere from the production of goods **and from the generation of the energy consumed for the production of goods;**

Or. en

Amendment 269

Tiziana Beghin

Proposal for a regulation

Article 3 – paragraph 1 – point 11

Text proposed by the Commission

(11) ‘competent authority’ means the authority, designated **by each Member State** in accordance with Article 11 of this Regulation;

Amendment

(11) ‘competent authority’ means the authority, designated **or established by the European Commission** in accordance with Article 11 of this Regulation;

Or. en

Amendment 270

Sven Simon, Daniel Caspary

Proposal for a regulation

Article 3 – paragraph 1 – point 11

Text proposed by the Commission

(11) ‘competent authority’ means the authority, designated by **each Member State** in accordance with Article 11 of this Regulation;

Amendment

(11) ‘competent authority’ means the authority, designated by **the European Commission** in accordance with Article 11 of this Regulation;

Or. en

Amendment 271

**Kathleen Van Brempt, Raphaël Glucksmann, Miroslav Číž, Inma Rodríguez-Piñero,
Paolo De Castro, Margarida Marques, Joachim Schuster**

Proposal for a regulation

Article 3 – paragraph 1 – point 15 a (new)

Text proposed by the Commission

Amendment

***(15 a) ‘indirect emissions’ mean
emissions from the production of
electricity, heating and cooling, which is
consumed during the production
processes of goods.***

Or. en

Justification

*the definition of indirect emissions should be moved up from the last item in the list, to the
item following the definition of direct emissions*

Amendment 272

Sara Matthieu

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 3 – paragraph 1 – point 15 a (new)

Text proposed by the Commission

Amendment

***(15 a) ‘indirect emissions’ mean
emissions from the production of energy
consumed for the production processes of
goods;***

Or. en

Amendment 273

Sara Matthieu

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 3 – paragraph 1 – point 16

Text proposed by the Commission

Amendment

(16) ‘embedded emissions’ mean direct emissions released during the production of goods, calculated pursuant to the methods set out in Annex III;

(16) ‘embedded emissions’ mean direct ***and indirect*** emissions released during the production of goods, calculated pursuant to the methods set out in Annex III, ***and indirect emissions released during the production of energy consumed by the producer of goods to be calculated pursuant to the methods to be set out by the Commission in a delegated act to be adopted in accordance with article 28 of this Regulation;***

Or. en

Amendment 274

Kathleen Van Brempt, Raphaël Glucksmann, Miroslav Číž, Inma Rodríguez-Piñero, Paolo De Castro, Margarida Marques, Joachim Schuster

Proposal for a regulation

Article 3 – paragraph 1 – point 16

Text proposed by the Commission

Amendment

(16) ‘embedded emissions’ mean direct emissions released during the production of goods, calculated pursuant to the methods set out in Annex III;

(16) ‘embedded emissions’ mean direct emissions released ***during the production of goods and inputs of CBAM products into those goods, as well as indirect emissions from the production of electricity, heating and cooling consumed*** during the production of goods, calculated pursuant to the methods set out in Annex III;

Or. en

Amendment 275

Emmanuel Maurel

Proposal for a regulation

Article 3 – paragraph 1 – point 17

Text proposed by the Commission

Amendment

(17) ‘tonne of CO₂e’ means one tonne of

(17) ‘tonne of CO₂e’ means one tonne of

carbon dioxide ('CO₂') or CO₂, nitrous oxide and perfluorocarbons as referred for goods in Annex I;

carbon dioxide ('CO₂') or CO₂, **methane**, nitrous oxide and perfluorocarbons as referred for goods in Annex I;

Or. fr

Amendment 276

Sara Matthieu

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 3 – paragraph 1 – point 22

Text proposed by the Commission

(22) 'actual emissions' mean the emissions calculated based on primary data from the production processes of goods;

Amendment

(22) 'actual emissions' mean the emissions calculated based on primary data from the production processes of goods **and from the production of energy consumed for the production processes of goods;**

Or. en

Amendment 277

Sara Matthieu

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 3 – paragraph 1 – point 23

Text proposed by the Commission

(23) 'carbon price' means the monetary amount paid in a third country in the form of a tax or emission allowances under a greenhouse gas emissions trading system, calculated on greenhouse gases covered by such a measure and released during the production of goods;

Amendment

(23) 'carbon price' means **the sum of** the monetary amount paid in a third country in the form of a tax or emission allowances under a greenhouse gas emissions trading system, calculated on greenhouse gases covered by such a measure and released during the production of goods **and the monetary amount paid in a third country for the greenhouse gases released during the production of energy consumed during the production processes of goods;**

Amendment 278

Kathleen Van Brempt, Raphaël Glucksmann, Miroslav Číž, Inma Rodríguez-Piñero, Paolo De Castro, Margarida Marques, Joachim Schuster

Proposal for a regulation

Article 3 – paragraph 1 – point 28

Text proposed by the Commission

Amendment

(28) ‘indirect emissions’ mean emissions from the production of electricity, heating and cooling, which is consumed during the production processes of goods.

deleted

Or. en

Justification

the definition of indirect emissions should be moved up, following the definition of direct emissions

Amendment 279

Carles Puigdemont i Casamajó

Proposal for a regulation

Article 3 – paragraph 1 – point 28 a (new)

Text proposed by the Commission

Amendment

(28 a) ‘polluter-pays principle’ means the liability of a company causing environmental damage and taking the necessary preventive or remedial actions and bearing all the related costs to remedy it.

Or. en

Amendment 280

Carles Puigdemont i Casamajó

Proposal for a regulation

Article 3 – paragraph 1 – point 28 b (new)

Text proposed by the Commission

Amendment

(28 b) ‘micro, small and medium sized enterprises’ means the definition as set out in Commission Recommendation (2003/361/EC) of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises

Or. en

Amendment 281
Christophe Hansen

Proposal for a regulation
Article 4 – paragraph 1 – subparagraph 1 (new)

Text proposed by the Commission

Amendment

In order to guarantee the non-discrimination of goods produced outside the Union and WTO compatibility, any financial barrier other than the carbon price shall be covered by the revenues generated by the carbon border adjustment mechanism.

Or. en

Amendment 282
Anna-Michelle Asimakopoulou, Massimiliano Salini

Proposal for a regulation
Article 4 a (new)

Text proposed by the Commission

Amendment

Article 4 a

Notification and Registration of Exports
1. Any declarant wishing to obtain adjustments to their emission allowances corresponding to the embedded emissions of the goods produced in the EU and exported outside the territory of the

customs union shall be registered as a declarant according to Article 4 and shall notify the competent authority of its intention at the time of lodging the predeparture declaration. On release of the goods, the customs office of export will transmit the necessary particulars of the export movement to the competent authority which shall issue a certificate establishing the allowance adjustments to be granted to calibrate the regulatory obligation.

2. The Commission is empowered to adopt implementing acts, concerning the standard format of the notification and the delays and procedure to be followed by the competent authority when processing applications for obtaining a CBAM certificate in accordance with paragraph 1 and the rules for identification by the competent authority of the declarants. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 29(2).

Or. en

Amendment 283
Angelika Winzig, Massimiliano Salini

Proposal for a regulation
Article 6 – paragraph 2 – point a a (new)

Text proposed by the Commission

Amendment

(a a) the total quantity of each type of goods or the share of these goods in products processed from those goods, as referred to in point a of this paragraph, exported during the calendar year preceding the declaration, expressed in megawatt hours for electricity and in tonnes for other goods;

Or. en

Amendment 284

Angelika Winzig

Proposal for a regulation

Article 6 – paragraph 2 – point c

Text proposed by the Commission

(c) the total number of CBAM certificates corresponding to the total embedded emissions, to be surrendered, after the reduction due on the account of the carbon price paid in a country of origin in accordance with Article 9 **and** the adjustment necessary of the extent to which EU ETS allowances are allocated free of charge in accordance with Article 31.

Amendment

(c) the total number of CBAM certificates corresponding to the total embedded emissions, to be surrendered, after the reduction due on the account of the carbon price paid in a country of origin in accordance with Article 9, the adjustment necessary of the extent to which EU ETS allowances are allocated free of charge in accordance with Article 31 **and an adjustment corresponding to the share of the total embedded emissions of imported goods, or products processed from those goods, that were exported to third countries in accordance with [Article 9a].**

Or. en

Amendment 285

Sara Matthieu

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 6 – paragraph 2 – point c

Text proposed by the Commission

(c) the total number of CBAM certificates corresponding to the total embedded emissions, to be surrendered, after the reduction due on the account of the carbon price paid in a country of origin in accordance with Article 9 **and the adjustment necessary of the extent to which EU ETS allowances are allocated free of charge in accordance with Article 31.**

Amendment

(c) the total number of CBAM certificates corresponding to the total embedded emissions, to be surrendered, after the reduction due on the account of the carbon price paid in a country of origin in accordance with Article 9.

Or. en

Amendment 286

Sara Matthieu

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 7 – paragraph 1

Text proposed by the Commission

1. Embedded emissions in goods shall be calculated pursuant to the methods set out in Annex III.

Amendment

1. Embedded **direct** emissions in goods shall be calculated pursuant to the methods set out in Annex III.

Or. en

Amendment 287

Kathleen Van Brempt, Raphaël Glucksmann, Miroslav Číž, Inma Rodríguez-Piñero, Paolo De Castro, Joachim Schuster

Proposal for a regulation

Article 7 – paragraph 2

Text proposed by the Commission

2. Embedded emissions in goods other than electricity shall be determined based on the actual emissions in accordance with the methods set out in Annex III, points 2 and 3. When actual emissions cannot be adequately determined, the embedded emissions shall be determined by reference to default values in accordance with the methods set out in Annex III, point 4.1.

Amendment

2. Embedded emissions in goods other than electricity shall be determined based on the actual emissions in accordance with the methods set out in Annex III, points 2 and 3. When actual emissions cannot be adequately determined, the embedded emissions shall be determined by reference to default values in accordance with the methods set out in Annex III, point 4.1. ***In determining indirect emissions from the consumption of electricity, heating and cooling embedded in goods other than electricity, the annual average emissions intensity of the marginal or other price-setting generator in the relevant electricity market shall be used. Where such data are not available, the average emissions intensity of fossil fuel-based generation plants in the relevant power market supplying the producing installation shall be used instead;***

Amendment 288**Sara Matthieu**

on behalf of the Verts/ALE Group

Proposal for a regulation**Article 7 – paragraph 2***Text proposed by the Commission*

2. Embedded emissions in goods other than electricity shall be determined based on the actual emissions in accordance with the methods set out in Annex III, points 2 and 3. When actual emissions cannot be adequately determined, the embedded emissions shall be determined by reference to default values in accordance with the methods set out in Annex III, point 4.1.

Amendment

2. Embedded **direct** emissions in goods other than electricity shall be determined based on the actual emissions in accordance with the methods set out in Annex III, points 2 and 3. When actual emissions cannot be adequately determined, the embedded emissions shall be determined by reference to default values in accordance with the methods set out in Annex III, point 4.1.

Or. en

Amendment 289**Danilo Oscar Lancini, Herve Juvin, Marco Campomenosi****Proposal for a regulation****Article 7 – paragraph 6***Text proposed by the Commission*

6. The Commission is empowered to adopt implementing acts concerning detailed rules regarding the elements of the calculation methods set out in Annex III, including determining system boundaries of production processes, emission factors, installation-specific values of actual emissions and default values and their respective application to individual goods as well as laying down methods to ensure the reliability of data on the basis of which the default values shall be determined, including the level of detail and the verification of the data. **Where necessary,**

Amendment

6. The Commission is empowered to adopt implementing acts concerning detailed rules regarding the elements of the calculation methods set out in Annex III, including determining system boundaries of production processes, emission factors, installation-specific values of actual emissions and default values and their respective application to individual goods as well as laying down methods to ensure the reliability of data on the basis of which the default values shall be determined, including the level of detail and the verification of the data. The implementing

those acts shall provide that the default values can be adapted to particular areas, regions or countries to take into account specific objective factors such as geography, natural resources, market conditions, prevailing energy sources, or industrial processes. The implementing acts shall build upon existing legislation for the verification of emissions and activity data for installations covered by Directive 2003/87/EC, in particular Implementing Regulation (EU) No 2018/2067.

acts shall build upon existing legislation for the verification of emissions and activity data for installations covered by Directive 2003/87/EC, in particular Implementing Regulation (EU) No 2018/2067.

Or. en

Amendment 290

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Angelika Winzig

Proposal for a regulation Article 7 – paragraph 6

Text proposed by the Commission

6. The Commission is empowered to adopt implementing acts concerning detailed rules regarding the elements of the calculation methods set out in Annex III, including determining system boundaries of production processes, emission factors, installation-specific values of actual emissions and default values and their respective application to individual goods as well as laying down methods to ensure the reliability of data on the basis of which the default values shall be determined, including the level of detail and the verification of the data. *Where necessary, those acts shall provide that the default values can be adapted to particular areas, regions or countries to take into account specific objective factors such as geography, natural resources, market conditions, prevailing energy sources, or industrial processes.* The implementing acts shall build upon existing legislation

Amendment

6. The Commission is empowered to adopt implementing acts concerning detailed rules regarding the elements of the calculation methods set out in Annex III, including determining system boundaries of production processes, emission factors, installation-specific values of actual emissions and default values and their respective application to individual goods as well as laying down methods to ensure the reliability of data on the basis of which the default values shall be determined, including the level of detail and the verification of the data. The implementing acts shall build upon existing legislation for the verification of emissions and activity data for installations covered by Directive 2003/87/EC, in particular Implementing Regulation (EU) No 2018/2067.

for the verification of emissions and activity data for installations covered by Directive 2003/87/EC, in particular Implementing Regulation (EU) No 2018/2067.

Or. en

Amendment 291

Kathleen Van Brempt, Raphaël Glucksmann, Miroslav Číž, Inma Rodríguez-Piñero, Paolo De Castro, Joachim Schuster

Proposal for a regulation

Article 7 – paragraph 6

Text proposed by the Commission

6. The Commission is empowered to adopt **implementing acts** concerning detailed rules regarding the elements of the calculation methods set out in Annex III, including determining system boundaries of production processes, emission factors, installation-specific values of actual emissions and default values and their respective application to individual goods as well as laying down methods to ensure the reliability of data on the basis of which the default values shall be determined, including the level of detail and the verification of the data. Where necessary, those acts shall provide that the default values can be adapted to particular areas, regions or countries to take into account specific objective factors such as geography, natural resources, market conditions, prevailing energy sources, or industrial processes. The implementing acts shall build upon existing legislation for the verification of emissions and activity data for installations covered by Directive 2003/87/EC, in particular Implementing Regulation (EU) No 2018/2067.

Amendment

6. The Commission is empowered to adopt **delegated acts, in accordance with Article 28**, concerning detailed rules regarding the elements of the calculation methods set out in Annex III, including determining system boundaries of production processes, emission factors, **installation-specific indirect emissions related to electricity, heating and cooling consumption**, installation-specific values of actual emissions and default values and their respective application to individual goods as well as laying down methods to ensure the reliability of data on the basis of which the default values shall be determined, including the level of detail and the verification of the data. Where necessary, those acts shall provide that the default values can be adapted to particular areas, regions or countries to take into account specific objective factors such as geography, natural resources, market conditions, prevailing energy sources, or industrial processes. The implementing acts shall build upon existing legislation for the verification of emissions and activity data for installations covered by Directive 2003/87/EC, in particular Implementing Regulation (EU) No 2018/2067.

Amendment 292

**Kathleen Van Brempt, Raphaël Glucksmann, Miroslav Číž, Inma Rodríguez-Piñero,
Paolo De Castro, Joachim Schuster**

Proposal for a regulation

Article 7 – paragraph 7

Text proposed by the Commission

Amendment

**7. *The implementing acts referred to
in paragraph 6 shall be adopted in
accordance with the examination
procedure referred to in Article 29(2).*** ***deleted***

Amendment 293

Sara Matthieu

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 7 – paragraph 7 a (new)

Text proposed by the Commission

Amendment

**7 a. *The Commission is empowered to
adopt delegated acts providing a
methodology for the calculation of the
actual embedded indirect emissions for
simple and complex goods and of relevant
default values as well as a methodology
for the determination of the CBAM price
of embedded indirect emissions. Those
delegated acts shall be adopted in
accordance with Article 28.***

Amendment 294

Sara Matthieu

on behalf of the Verts/ALE Group

Proposal for a regulation
Article 7 – paragraph 7 b (new)

Text proposed by the Commission

Amendment

7 b. The Commission shall adopt the implementing and delegated acts referred to in paragraphs 6 and 7a by 31 December 2023, with a view to ensuring their application from 1 January 2024.

Or. en

Amendment 295
Geert Bourgeois

Proposal for a regulation
Article 8 – paragraph 1

Text proposed by the Commission

Amendment

1. The authorised declarant shall ensure that the total embedded emissions declared in the CBAM declaration submitted pursuant to Article 6 are verified by a verifier accredited pursuant to Article 18, based on the verification principles set out in Annex V.

1. The authorised declarant shall ensure that the total embedded emissions declared in the CBAM declaration submitted pursuant to Article 6 are verified by a verifier accredited pursuant to Article 18, based on the verification principles set out in Annex V. ***The competent authority is authorised to verify the accuracy of the information in the CBAM declaration.***

Or. en

Amendment 296
Sara Matthieu
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 8 – paragraph 2

Text proposed by the Commission

Amendment

2. For embedded emissions in goods produced in registered installations in a third country in accordance with Article 10, the authorised declarant ***may choose to***

2. For embedded emissions in goods produced in registered installations in a third country in accordance with Article 10, the authorised declarant ***shall, if***

use verified information disclosed to it in accordance with Article 10(7) to fulfil the obligation referred to in paragraph 1.

available, use verified information disclosed to it in accordance with Article 10(7) to fulfil the obligation referred to in paragraph 1.

Or. en

Amendment 297

Sara Matthieu

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 8 – paragraph 3 – introductory part

Text proposed by the Commission

3. The Commission is empowered to adopt **implementing** acts concerning the principles of verification referred to in **paragraph 1 as regards the possibility to waive the obligation for the verifier to visit the installation where relevant goods are produced** and the obligation to set thresholds for deciding whether misstatements or non-conformities are material and concerning the supporting documentation needed for the verification report.

Amendment

3. The Commission is empowered to adopt **delegated** acts concerning the principles of verification referred to in **Annex V** and the obligation to set thresholds for deciding whether misstatements or non-conformities are material and concerning the supporting documentation needed for the verification report. **Regarding the possibility to waive the obligation for the verifier to visit the installation where relevant goods are produced, this may be possible only in duly justified circumstances and in such cases where the installation has a well-known standard profile regarding production and technology, allowing for a reliable estimation of embedded emissions.**

Or. en

Amendment 298

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Arnaud Danjean, Christophe Hansen, Seán Kelly, Angelika Winzig

Proposal for a regulation

Article 8 – paragraph 3 – introductory part

Text proposed by the Commission

3. The Commission is empowered to adopt implementing acts concerning the principles of verification referred to in paragraph 1 as regards the possibility to waive the obligation for the verifier to visit the installation where relevant goods are produced and the obligation to set thresholds for deciding whether misstatements or non-conformities are material and concerning the supporting documentation needed for the verification report.

Amendment

3. The Commission is empowered to adopt implementing acts concerning the principles of verification referred to in paragraph 1 as regards the possibility to waive the obligation for the verifier to visit the installation where relevant goods are produced and the obligation to set thresholds for deciding whether misstatements or non-conformities are material and concerning the supporting documentation needed for the verification report. ***Provisions laid down in such implementing acts shall be equivalent to the provisions set in Regulation 2018/2067.***

Or. en

Amendment 299

Danilo Oscar Lancini, Herve Juvin, Marco Campomenosi

Proposal for a regulation

Article 8 – paragraph 3 – introductory part

Text proposed by the Commission

3. The Commission is empowered to adopt implementing acts concerning the principles of verification referred to in paragraph 1 as regards the possibility to waive the obligation for the verifier to visit the installation where relevant goods are produced and the obligation to set thresholds for deciding whether misstatements or non-conformities are material and concerning the supporting documentation needed for the verification report.

Amendment

3. The Commission is empowered to adopt implementing acts concerning the principles of verification referred to in paragraph 1 as regards the possibility to waive the obligation for the verifier to visit the installation where relevant goods are produced and the obligation to set thresholds for deciding whether misstatements or non-conformities are material and concerning the supporting documentation needed for the verification report. ***Provisions laid down in such implementing acts shall be equivalent to the provisions set in Regulation 2018/2067.***

Or. en

Amendment 300

Sara Matthieu

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 8 – paragraph 3 – subparagraph 1

Text proposed by the Commission

The **implementing** acts referred to in the first subparagraph shall be adopted in accordance with **the examination procedure referred to in** Article 29(2).

Amendment

The **delegated** acts referred to in the first subparagraph shall be adopted in accordance with Article 28.

Or. en

Amendment 301

Sara Matthieu

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 9 – paragraph 1

Text proposed by the Commission

1. An authorised declarant may claim in its CBAM declaration a reduction in the number of CBAM certificates to be surrendered in order for the carbon price paid in the country of origin for the declared embedded emissions to be taken into account.

Amendment

1. An authorised declarant may claim in its CBAM declaration a reduction in the number of CBAM certificates to be surrendered in order for the carbon price paid in the country of origin for the declared embedded emissions to be taken into account, ***unless that paid price falls into the practices of circumvention within the meaning of Article 27(2).***

Or. en

Amendment 302

Sara Matthieu

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 9 – paragraph 2

Text proposed by the Commission

Amendment

2. The authorised declarant shall keep records of the documentation, ***certified by an independent person***, required to demonstrate that the declared embedded emissions were subject to a carbon price in the country of origin of the goods and keep evidence of the proof of the actual payment for that carbon price which should not have been subject to an export rebate or any other form of compensation on exportation.

2. The authorised declarant shall keep records of the documentation required to demonstrate that the declared embedded emissions were subject to a carbon price in the country of origin of the goods and keep evidence of the proof of the actual payment for that carbon price which should not have been subject to an export rebate or any other form of compensation on exportation. ***The documentation shall be certified by a qualified independent person, whose name and contact details appear on the documentation. Upon request, the authorised declarant shall transmit such documentation to the relevant competent authority.***

Or. en

Amendment 303

Danilo Oscar Lancini, Herve Juvin

Proposal for a regulation

Article 9 – paragraph 2

Text proposed by the Commission

2. The authorised declarant shall keep records of the documentation, certified by ***an independent person***, required to demonstrate that the declared embedded emissions were subject to a carbon price in the country of origin of the goods and keep evidence of the proof of the actual payment for that carbon price which should not have been subject to an export rebate or any other form of compensation on exportation.

Amendment

2. The authorised declarant shall keep records of the documentation, certified by ***a verifier accredited pursuant to Art. 18 and in line with the competences established in Article.8(1) concerning the verification of embedded emissions. The accredited verifier is*** required to demonstrate that the declared embedded emissions were subject to a carbon price in the country of origin of the goods and keep evidence of the proof of the actual payment for that carbon price which should not have been subject to an export rebate or any other form of compensation on exportation.

Or. en

Amendment 304

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey

Proposal for a regulation
Article 9 – paragraph 2

Text proposed by the Commission

2. The authorised declarant shall keep records of the documentation, certified by ***an independent person***, required to demonstrate that the declared embedded emissions were subject to a carbon price in the country of origin of the goods and keep evidence of the proof of the actual payment for that carbon price which should not have been subject to an export rebate or any other form of compensation on exportation.

Amendment

2. The authorised declarant shall keep records of the documentation, certified by ***a verifier accredited pursuant to art. 18 and in line with the competences established in art. 8(1) concerning the verification of embedded emissions. The accredited verifier is*** required to demonstrate that the declared embedded emissions were subject to a carbon price in the country of origin of the goods and keep evidence of the proof of the actual payment for that carbon price which should not have been subject to an export rebate or any other form of compensation on exportation.

Or. en

Amendment 305
Geert Bourgeois

Proposal for a regulation
Article 9 – paragraph 2

Text proposed by the Commission

2. The authorised declarant shall keep records of the documentation, certified by an independent ***person***, required to demonstrate that the declared embedded emissions were subject to a carbon price in the country of origin of the goods and keep evidence of the proof of the actual payment for that carbon price which should not have been subject to an export rebate or any other form of compensation on exportation.

Amendment

2. The authorised declarant shall keep records of the documentation, certified by an independent ***accredited verifier. The accredited verifier is*** required to demonstrate that the declared embedded emissions were subject to a carbon price in the country of origin of the goods and keep evidence of the proof of the actual payment for that carbon price which should not have been subject to an export rebate or any other form of compensation on exportation.

Or. en

Amendment 306

Danilo Oscar Lancini, Herve Juvin, Marco Campomenosi

Proposal for a regulation

Article 9 – paragraph 2

Text proposed by the Commission

2. The authorised declarant shall keep records of the documentation, certified by an independent person, required to demonstrate that the declared embedded emissions were subject to a carbon price in the country of origin of the goods and keep evidence of the proof of the actual payment for that carbon price which should not have been subject to an export rebate or any other form of compensation ***on exportation.***

Amendment

2. The authorised declarant shall keep records of the documentation, certified by an independent person, required to demonstrate that the declared embedded emissions were subject to a carbon price in the country of origin of the goods and keep evidence of the proof of the actual payment for that carbon price which should not have been subject to an export rebate or any other form of compensation.

Or. en

Amendment 307

Anna-Michelle Asimakopoulou, Massimiliano Salini

Proposal for a regulation

Article 9 – paragraph 2

Text proposed by the Commission

2. The authorised declarant shall keep records of the documentation, certified by an independent person, required to demonstrate that the declared embedded emissions were subject to a carbon price in the country of origin of the goods and keep evidence of the proof of the actual payment for that carbon price which should not have been subject to an export rebate or any other form of compensation ***on exportation.***

Amendment

2. The authorised declarant shall keep records of the documentation, certified by an independent person, required to demonstrate that the declared embedded emissions were subject to a carbon price in the country of origin of the goods and keep evidence of the proof of the actual payment for that carbon price which should not have been subject to an export rebate or any other form of compensation.

Or. en

Amendment 308

Geert Bourgeois

Proposal for a regulation
Article 9 – paragraph 4

Text proposed by the Commission

4. The Commission is empowered to adopt implementing acts establishing the methodology for calculating the reduction in the number of CBAM certificates to be surrendered, regarding the conversion of the carbon price paid in foreign currency into euro at yearly average exchange rate in accordance with paragraph 1, and regarding the qualifications of the independent **person** certifying the information as well as elements of proof of the carbon price paid and the absence of export rebates or other forms of compensation on exportation being applied as referred to in paragraph 2. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 29(2).

Amendment

4. The Commission is empowered to adopt implementing acts establishing the methodology for calculating the reduction in the number of CBAM certificates to be surrendered, regarding the conversion of the carbon price paid in foreign currency into euro at yearly average exchange rate in accordance with paragraph 1, and regarding the qualifications of the independent **accredited verifier** certifying the information as well as elements of proof of the carbon price paid **and energy tax rebates** and the absence of export rebates or other forms of compensation on exportation being applied as referred to in paragraph 2. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 29(2).

Or. en

Amendment 309
Sara Matthieu
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 9 – paragraph 4

Text proposed by the Commission

4. The Commission is empowered to adopt implementing acts establishing the methodology for calculating the reduction in the number of CBAM certificates to be surrendered, regarding the conversion of the carbon price paid in foreign currency into euro at yearly average exchange rate in accordance with paragraph 1, and regarding the qualifications **of** the independent person certifying the information as well as elements of proof of

Amendment

4. The Commission is empowered to adopt implementing acts establishing the methodology for calculating the reduction in the number of CBAM certificates to be surrendered, regarding the conversion of the carbon price paid in foreign currency into euro at yearly average exchange rate in accordance with paragraph 1, and regarding the qualifications **and the requirements** the independent person certifying the information **shall satisfy** as

the carbon price paid and the absence of export rebates or other forms of compensation on exportation being applied as referred to in paragraph 2. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 29(2).

well as elements of proof of the carbon price paid and the absence of export rebates or other forms of compensation on exportation being applied as referred to in paragraph 2. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 29(2).

Or. en

Amendment 310

Anna-Michelle Asimakopoulou, Massimiliano Salini

Proposal for a regulation

Article 9 – paragraph 4

Text proposed by the Commission

4. The Commission is empowered to adopt implementing acts establishing the methodology for calculating the reduction in the number of CBAM certificates to be surrendered, regarding the conversion of the carbon price paid in foreign currency into euro at yearly average exchange rate in accordance with paragraph 1, and regarding the qualifications of the independent person certifying the information as well as elements of proof of the carbon price paid and the absence of export rebates or other forms of compensation *on exportation* being applied as referred to in paragraph 2. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 29(2).

Amendment

4. The Commission is empowered to adopt implementing acts establishing the methodology for calculating the reduction in the number of CBAM certificates to be surrendered, regarding the conversion of the carbon price paid in foreign currency into euro at yearly average exchange rate in accordance with paragraph 1, and regarding the qualifications of the independent person certifying the information as well as elements of proof of the carbon price paid and the absence of export rebates or other forms of compensation being applied as referred to in paragraph 2. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 29(2).

Or. en

Amendment 311

Angelika Winzig

Proposal for a regulation

Article 9 a (new)

Article 9 a

Export Adjustment

1. An authorised declarant may claim in its CBAM declaration a reduction in the number of CBAM certificates to be surrendered equivalent to the share of the total embedded emissions of imported goods, or products processed from those goods, that were exported outside of the Union at a later date.

2. The authorised declarant shall keep records of the documentation required to demonstrate that the goods, or products processed from those goods were exported outside the Union.

3. The authorised declarant shall keep those records referred to in paragraph 2 until the end of the fourth year after the year during which the CBAM declaration has been or should have been submitted.

Or. en

Amendment 312

Geert Bourgeois

Proposal for a regulation

Article 10 – paragraph 1

Text proposed by the Commission

Amendment

1. The Commission shall, ***upon request by an operator of an installation located in a third country***, register the information on ***that operator*** and on ***its*** installation in a central database referred to in Article 14(4).

1. The Commission shall register the information on ***operators of installations located in third countries*** and on ***those*** installation in a central database referred to in Article 14(4).

Or. en

Amendment 313

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey

Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Arnaud Danjean, Christophe Hansen, Seán Kelly, Angelika Winzig

Proposal for a regulation
Article 10 – paragraph 1

Text proposed by the Commission

1. The Commission shall, ***upon request by an operator of an installation located in a third country***, register the information on ***that operator*** and on ***its installation*** in a central database referred to in Article 14(4).

Amendment

1. The Commission shall register the information on ***operators of installations located in third countries*** and on ***those installations*** in a central database referred to in Article 14(4).

Or. en

Amendment 314
Danilo Oscar Lancini, Herve Juvin, Marco Campomenosi

Proposal for a regulation
Article 10 – paragraph 1

Text proposed by the Commission

1. The Commission shall, ***upon request by an operator of an installation located in a third country***, register the information on ***that operator*** and on ***its installation*** in a central database referred to in Article 14(4).

Amendment

1. ***(1)*** The Commission shall register the information on ***operators of installations located in third countries*** and on ***those*** installation in a central database referred to in Article 14(4).

Or. en

Amendment 315
Sara Matthieu
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 10 – paragraph 5 – point b

Text proposed by the Commission

(b) ensure that the embedded emissions referred to in point (a) are verified in accordance with the verification principles

Amendment

(b) ensure that the embedded emissions referred to in point (a) are verified in accordance with the verification principles

set out in Annex V by a verifier accredited pursuant to Article 18;

set out in Annex V by a verifier accredited pursuant to Article 18, ***including through installation visits by the verifier***;

Or. en

Amendment 316

Sara Matthieu

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 10 – paragraph 5 a (new)

Text proposed by the Commission

Amendment

5 a. The operator shall without delay inform the Commission of any changes in the information referred to in paragraph 5 following the registration and the Commission shall update the relevant information.

Or. en

Amendment 317

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Arnaud Danjean, Christophe Hansen, Jörgen Warborn, Seán Kelly, Angelika Winzig

Proposal for a regulation

Article 10 – paragraph 6

Text proposed by the Commission

Amendment

6. The records referred to in paragraph 5, point (c), shall be sufficiently detailed to enable the verification in accordance with paragraph 5, point (b), and to enable any competent authority to review, in accordance with Article 19(1), the CBAM declaration made by an authorised declarant to whom the relevant information was disclosed in accordance with paragraph 8.

6. The records referred to in paragraph 5, point (c), shall be sufficiently detailed to enable the verification in accordance with paragraph 5, point (b), and to enable any competent authority to ***verify and to*** review, in accordance with Article 19(1), the CBAM declaration made by an authorised declarant to whom the relevant information was disclosed in accordance with paragraph 8.

Or. en

Amendment 318

Danilo Oscar Lancini, Herve Juvin, Marco Campomenosi

Proposal for a regulation

Article 10 – paragraph 6

Text proposed by the Commission

6. The records referred to in paragraph 5, point (c), shall be sufficiently detailed to enable the verification in accordance with paragraph 5, point (b), and to enable any competent authority to review, in accordance with Article 19(1), the CBAM declaration made by an authorised declarant to whom the relevant information was disclosed in accordance with paragraph 8.

Amendment

6. The records referred to in paragraph 5, point (c), shall be sufficiently detailed to enable the verification in accordance with paragraph 5, point (b), and to enable any competent authority to **verify and to** review, in accordance with Article 19(1), the CBAM declaration made by an authorised declarant to whom the relevant information was disclosed in accordance with paragraph 8.

Or. en

Amendment 319

Geert Bourgeois

Proposal for a regulation

Article 10 – paragraph 6

Text proposed by the Commission

6. The records referred to in paragraph 5, point (c), shall be sufficiently detailed to enable the verification in accordance with paragraph 5, point (b), and to enable any competent authority to review, in accordance with Article 19(1), the CBAM declaration made by an authorised declarant to whom the relevant information was disclosed in accordance with paragraph 8.

Amendment

6. The records referred to in paragraph 5, point (c), shall be sufficiently detailed to enable the verification in accordance with paragraph 5, point (b), and to enable any competent authority to **verify and** **to** review, in accordance with Article 19(1), the CBAM declaration made by an authorised declarant to whom the relevant information was disclosed in accordance with paragraph 8.

Or. en

Amendment 320

Sven Simon, Daniel Caspary

Proposal for a regulation
Article 10 – paragraph 6

Text proposed by the Commission

6. The records referred to in paragraph 5, point (c), shall be sufficiently detailed to enable the verification in accordance with paragraph 5, point (b), and to enable **any** competent authority to review, in accordance with Article 19(1), the CBAM declaration made by an authorised declarant to whom the relevant information was disclosed in accordance with paragraph 8.

Amendment

6. The records referred to in paragraph 5, point (c), shall be sufficiently detailed to enable the verification in accordance with paragraph 5, point (b), and to enable **the** competent authority to review, in accordance with Article 19(1), the CBAM declaration made by an authorised declarant to whom the relevant information was disclosed in accordance with paragraph 8.

Or. en

Amendment 321
Sara Matthieu
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 10 – paragraph 8

Text proposed by the Commission

8. The operator may, at any time, ask to be deregistered from the database.

Amendment

8. The operator may, at any time, ask to be deregistered from the database **and shall be removed from the database four years after the year in which an authorised declarant used the information in the database relating to that operator to fulfil the obligation referred to in Article 8.**

Or. en

Amendment 322
Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Christophe Hansen, Seán Kelly

Proposal for a regulation
Article 10 – paragraph 8

Text proposed by the Commission

Amendment

8. The operator may, ***at any time***, ask to be deregistered from the database.

8. The operator may ***after 5 years and with previous notification***, ask to be deregistered from the database.

Or. en

Amendment 323

Danilo Oscar Lancini, Herve Juvin, Marco Campomenosi

Proposal for a regulation

Article 10 – paragraph 8

Text proposed by the Commission

Amendment

8. The operator may, ***at any time***, ask to be deregistered from the database.

8. The operator may, ***after 10 years***, ask to be deregistered from the database.

Or. en

Amendment 324

Sven Simon, Daniel Caspary

Proposal for a regulation

Chapter III – title

Text proposed by the Commission

Amendment

III Competent ***authorities***

III Competent ***authority***

Or. en

Amendment 325

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Christophe Hansen, Seán Kelly, Angelika Winzig

Proposal for a regulation

Article 11 – title

Text proposed by the Commission

Amendment

Amendment 326**Sven Simon, Daniel Caspary****Proposal for a regulation****Article 11 – title***Text proposed by the Commission**Amendment*Competent *authorities*Competent *authority***Amendment 327****Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Arnaud Danjean, Christophe Hansen, Seán Kelly, Angelika Winzig****Proposal for a regulation****Article 11 – paragraph 1 – introductory part***Text proposed by the Commission**Amendment*

1. Each Member State shall designate the competent authority to carry out the obligations under this Regulation and inform the *Commission* thereof.

1. ***A central CBAM authority at the EU level is established for the purpose of implementing and managing this Regulation. Its composition and tasks shall be established by way of separate Regulation.***

Each Member State shall designate the ***national*** competent authority to carry out the obligations ***and cooperate with the EU CBAM authority*** under this Regulation and inform the ***EU CBAM authority*** thereof.

Amendment 328**Tiziana Beghin****Proposal for a regulation**

Article 11 – paragraph 1 – introductory part

Text proposed by the Commission

1. ***Each Member State*** shall designate the competent authority to carry out the obligations under this Regulation ***and inform the Commission thereof.***

Amendment

1. ***The European Commission*** shall designate the competent authority to carry out the obligations under this Regulation ***in consultation with the Parliament and the Council.***

Or. en

Amendment 329

Sven Simon, Daniel Caspary

Proposal for a regulation

Article 11 – paragraph 1 – introductory part

Text proposed by the Commission

1. ***Each Member State*** shall designate ***the*** competent authority to carry out the obligations under this Regulation ***and inform the Commission thereof.***

Amendment

1. ***The European Commission*** shall designate ***a single*** competent authority to carry out the obligations under this Regulation.

Or. en

Amendment 330

Tiziana Beghin

Proposal for a regulation

Article 11 – paragraph 1 – subparagraph 1

Text proposed by the Commission

The Commission shall make available to the Member States a list of all competent authorities and publish this information in the Official Journal of the European Union.

Amendment

deleted

Or. en

Amendment 331

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Seán Kelly, Angelika Winzig

Proposal for a regulation

Article 11 – paragraph 1 – subparagraph 1

Text proposed by the Commission

The Commission shall make available to the Member States a list of all competent authorities and publish this information in the Official Journal of the European Union.

Amendment

The Commission shall make available to the Member States a list of all competent ***national*** authorities and publish this information in the Official Journal of the European Union.

Or. en

Amendment 332

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Arnaud Danjean, Seán Kelly, Angelika Winzig

Proposal for a regulation

Article 11 – paragraph 2

Text proposed by the Commission

2. Member States shall require that competent authorities exchange any information that is essential or relevant to the exercise of their functions and duties.

Amendment

2. Member States shall require that ***national*** competent authorities exchange any information that is essential or relevant to the exercise of their functions and duties ***through a network established under the responsibility of the EU CBAM authority.***

Or. en

Amendment 333

Sara Matthieu

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 11 – paragraph 2

Text proposed by the Commission

2. ***Member States shall require that***

Amendment

2. ***Upon request,*** competent

competent authorities ***exchange any information that*** is essential or relevant to the exercise of their functions and duties.

authorities ***shall, without undue delay, provide each other with any document submitted by an authorised declarant, when this*** is essential or relevant to the exercise of their functions and duties.

Or. en

Amendment 334
Sven Simon, Daniel Caspary

Proposal for a regulation
Article 11 – paragraph 2

Text proposed by the Commission

2. Member States shall require that ***competent*** authorities exchange any information that is essential or relevant to the exercise of ***their*** functions and duties.

Amendment

2. Member States shall require that ***customs*** authorities ***shall*** exchange any information ***with the competent authority*** that is essential or relevant to the exercise of ***its*** functions and duties.

Or. en

Amendment 335
Tiziana Beghin

Proposal for a regulation
Article 11 – paragraph 2

Text proposed by the Commission

2. Member States shall require that competent ***authorities exchange*** any information that is essential or relevant to the exercise of their functions and duties.

Amendment

2. Member States shall require that competent ***authority exchanges*** any information that is essential or relevant to the exercise of their functions and duties.

Or. en

Amendment 336
Tiziana Beghin

Proposal for a regulation
Article 12 – title

Text proposed by the Commission

Amendment

Commission

Member States

Or. en

Amendment 337

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Arnaud Danjean, Christophe Hansen, Seán Kelly, Angelika Winzig

**Proposal for a regulation
Article 12 – title**

Text proposed by the Commission

Amendment

Commission

Competent authorities

Or. en

Amendment 338

Sara Matthieu
on behalf of the Verts/ALE Group

**Proposal for a regulation
Article 12 – paragraph 1**

Text proposed by the Commission

Amendment

The Commission shall assist the competent authorities in carrying out their obligations under this Regulation and coordinate their activities.

The Commission shall assist the competent authorities in carrying out their obligations under this Regulation and coordinate their activities.

The Commission shall set up an expert group of representatives from Member States' competent authorities in order to exchange information and best practices on the application of this regulation. Such expert group shall meet at least twice a year.

Or. en

Amendment 339

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Arnaud Danjean, Christophe Hansen, Seán Kelly, Angelika Winzig

Proposal for a regulation

Article 12 – paragraph 1

Text proposed by the Commission

The **Commission** shall *assist* the competent authorities in carrying out their obligations under this Regulation and coordinate their activities.

Amendment

The **EU CBAM authority** shall *be assisted by* the competent **national** authorities in carrying out their obligations under this Regulation and coordinate their activities.

Or. en

Amendment 340

Sven Simon, Daniel Caspary

Proposal for a regulation

Article 12 – paragraph 1

Text proposed by the Commission

The Commission shall assist the competent authorities in carrying out their obligations under this Regulation and coordinate their activities.

Amendment

The Commission shall assist the competent **authority and customs** authorities in carrying out their obligations under this Regulation and coordinate their activities.

Or. en

Amendment 341

Tiziana Beghin

Proposal for a regulation

Article 12 – paragraph 1

Text proposed by the Commission

The Commission shall assist the competent **authorities** in carrying out **their** obligations under this Regulation **and coordinate their activities**.

Amendment

Member States shall assist the competent **authority** in carrying out **its** obligations under this Regulation.

Or. en

Amendment 342

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Arnaud Danjean, Christophe Hansen, Seán Kelly, Angelika Winzig

Proposal for a regulation

Article 13 – paragraph 1

Text proposed by the Commission

All information acquired by the competent **authority** in the course of performing **its duty** which is by its nature confidential or which is provided on a confidential basis shall be covered by an obligation of professional secrecy. Such information shall not be disclosed by the competent authority without the express permission of the person or authority that provided it. It may be shared with customs authorities, the Commission and the European Public Prosecutors Office and shall be treated in accordance with Council Regulation (EC) No 515/97.

Amendment

All information acquired by the **central and national** competent **authorities** in the course of performing **their duties** which is by its nature confidential or which is provided on a confidential basis shall be covered by an obligation of professional secrecy. Such information shall not be disclosed by the competent authority without the express permission of the person or authority that provided it. It may be shared with customs authorities, the Commission and the European Public Prosecutors Office and shall be treated in accordance with Council Regulation (EC) No 515/97.

Or. en

Amendment 343

Sara Matthieu

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 14 – paragraph 1

Text proposed by the Commission

1. The competent authority of each Member State shall establish a national registry of declarants authorised in that Member State in the form of a standardised electronic database containing the data regarding the CBAM certificates of those declarants, and to provide for confidentiality in accordance with the conditions set out in Article 13.

Amendment

1. The competent authority of each Member State shall establish a national registry of declarants authorised in that Member State in the form of a standardised electronic database containing the data regarding the CBAM certificates of those declarants, and to provide for confidentiality in accordance with the conditions set out in Article 13. **Access to**

databases shall be granted to the competent authorities of the other Member States.

Or. en

Amendment 344
Sven Simon, Daniel Caspary

Proposal for a regulation
Article 14 – paragraph 1

Text proposed by the Commission

1. The competent authority ***of each Member State*** shall establish a national registry of declarants authorised in ***that Member State*** in the form of a standardised electronic database containing the data regarding the CBAM certificates of those declarants, and to provide for confidentiality in accordance with the conditions set out in Article 13.

Amendment

1. The competent authority ***designated by the European Commission*** shall establish a national registry of declarants authorised in Member ***States*** in the form of a standardised electronic database containing the data regarding the CBAM certificates of those declarants, and to provide for confidentiality in accordance with the conditions set out in Article 13.

Or. en

Amendment 345
Tiziana Beghin

Proposal for a regulation
Article 14 – paragraph 1

Text proposed by the Commission

1. The competent authority of ***each Member State*** shall establish a national registry of declarants authorised ***in that Member State*** in the form of a standardised electronic database containing the data regarding the CBAM certificates of those declarants, and to provide for confidentiality in accordance with the conditions set out in Article 13.

Amendment

1. The competent authority of shall establish a national registry of declarants authorised in the form of a standardised electronic database containing the data regarding the CBAM certificates of those declarants, and to provide for confidentiality in accordance with the conditions set out in Article 13.

Or. en

Amendment 346
Sven Simon, Daniel Caspary

Proposal for a regulation
Article 14 – paragraph 1

Text proposed by the Commission

1. The competent authority of each Member State shall establish a national registry of declarants authorised in *that* Member **State** in the form of a standardised electronic database containing the data regarding the CBAM certificates of those declarants, and to provide for confidentiality in accordance with the conditions set out in Article 13.

Amendment

1. The competent authority of each Member State shall establish a national registry of declarants authorised in *the* Member **States** in the form of a standardised electronic database containing the data regarding the CBAM certificates of those declarants, and to provide for confidentiality in accordance with the conditions set out in Article 13.

Or. en

Amendment 347
Sven Simon, Daniel Caspary

Proposal for a regulation
Article 14 – paragraph 1

Text proposed by the Commission

1. The competent authority *of each Member State* shall establish a national **registry** of declarants authorised in *that* Member **State** in the form of a standardised electronic database containing the data regarding the CBAM certificates of those declarants, and to provide for confidentiality in accordance with the conditions set out in Article 13.

Amendment

1. The competent authority shall establish a national **registries** of declarants authorised in *the* Member **States** in the form of a standardised electronic database containing the data regarding the CBAM certificates of those declarants, and to provide for confidentiality in accordance with the conditions set out in Article 13.

Or. en

Amendment 348
Danilo Oscar Lancini, Marco Campomenosi

Proposal for a regulation

Article 14 – paragraph 3

Text proposed by the Commission

3. The information in the database referred to in paragraph 2 shall be confidential.

Amendment

3. The information in the database referred to in paragraph 2 shall be ***made available to the public, unless it is proven that it is business confidential according to the relevant EU legislation.*** ***Confidential information shall include meaningful non-confidential summaries. Information equivalent to the one made publicly available for EU producers under the EU ETS central database shall be made public.***

Or. en

Amendment 349

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Arnaud Danjean, Christophe Hansen, Seán Kelly

Proposal for a regulation

Article 14 – paragraph 3

Text proposed by the Commission

3. The information in the database referred to in paragraph 2 shall be confidential.

Amendment

3. The information in the database referred to in paragraph 2 shall be ***made available to the public, unless it is proven that it is business confidential according to the relevant EU legislation. Non-confidential summaries must be included with confidential information.*** ***Information equivalent to the one made publicly available for EU producers under the EU ETS central database shall be made public.***

Or. en

Amendment 350

Danilo Oscar Lancini, Herve Juvin, Marco Campomenosi

Proposal for a regulation

Article 14 – paragraph 4

Text proposed by the Commission

4. The Commission shall establish a central database accessible to the public containing the names, addresses and contact details of the operators and the location of installations in third countries in accordance with Article 10(2). ***An operator may choose not to have its name, address and contact details accessible to the public.***

Amendment

4. The Commission shall establish a central database accessible to the public containing the names, addresses and contact details of the operators and the location of installations in third countries in accordance with Article 10(2).

Or. en

Amendment 351

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Arnaud Danjean, Christophe Hansen, Seán Kelly, Angelika Winzig

Proposal for a regulation Article 14 – paragraph 4

Text proposed by the Commission

4. The ***Commission*** shall establish a central database accessible to the public containing the names, addresses and contact details of the operators and the location of installations in third countries in accordance with Article 10(2). ***An operator may choose not to have its name, address and contact details accessible to the public.***

Amendment

4. The ***EU CBAM authority*** shall establish a central database accessible to the public containing the names, addresses and contact details of the operators and the location of installations in third countries in accordance with Article 10(2). ***The central database should insofar as possible, mirror the ETS database***

Or. en

Amendment 352

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Arnaud Danjean, Christophe Hansen, Seán Kelly, Angelika Winzig

Proposal for a regulation Article 15 – paragraph 1

Text proposed by the Commission

1. The **Commission** shall act as central administrator to maintain an independent transaction log recording the purchase of CBAM certificates, their holding, surrender, re-purchase and cancellation and ensure coordination of national registries.

Amendment

1. The **EU CBAM authority** shall act as central administrator to maintain an independent transaction log recording the purchase of CBAM certificates, their holding, surrender, re-purchase and cancellation and ensure coordination of national registries.

Or. en

Amendment 353

Sara Matthieu

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 15 – paragraph 2

Text proposed by the Commission

2. The central administrator shall carry out risk-based controls on transactions recorded in national registries through an independent transaction log to ensure that there are no irregularities in the purchase, holding, surrender, re-purchase and cancellation of CBAM certificates.

Amendment

2. The central administrator shall carry out risk-based controls on transactions recorded in national registries through an independent transaction log to ensure that there are no irregularities in the **calculation**, purchase, holding, surrender, re-purchase and cancellation of CBAM certificates.

Or. en

Amendment 354

Danilo Oscar Lancini, Herve Juvin, Marco Campomenosi

Proposal for a regulation

Article 15 – paragraph 3

Text proposed by the Commission

3. If irregularities are identified as a result of the controls carried out under paragraph 2, the Commission shall inform the Member State or Member States concerned for further investigation in order to correct the identified irregularities.

Amendment

3. If irregularities are identified as a result of the controls carried out under paragraph 2, the Commission shall inform the Member State or Member States concerned for further investigation in order to correct the identified irregularities. .

Identified irregularities shall be corrected at the latest within one month from the day where they were identified, and, where appropriate, penalties pursuant to Article 27 shall apply.

Or. en

Amendment 355

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Arnaud Danjean, Christophe Hansen, Jörgen Warborn, Seán Kelly, Angelika Winzig

Proposal for a regulation Article 15 – paragraph 3

Text proposed by the Commission

3. If irregularities are identified as a result of the controls carried out under paragraph 2, the Commission shall inform the Member State or Member States concerned for further investigation in order to correct the identified irregularities.

Amendment

3. If irregularities are identified as a result of the controls carried out under paragraph 2, the Commission shall inform the Member State or Member States concerned for further investigation in order to correct the identified irregularities.
Identified irregularities shall be corrected as soon as possible from their identification and, where appropriate, penalties pursuant to article 27 shall apply.

Or. en

Amendment 356 Geert Bourgeois

Proposal for a regulation Article 15 – paragraph 3

Text proposed by the Commission

3. If irregularities are identified as a result of the controls carried out under paragraph 2, the Commission shall inform the Member State or Member States concerned for further investigation in order to correct the identified irregularities.

Amendment

3. If irregularities are identified as a result of the controls carried out under paragraph 2, the Commission shall inform the Member State or Member States concerned for further investigation in order to correct the identified irregularities.

Identified irregularities shall be corrected in due time and where they were identified, and where appropriate, penalties pursuant to article 27 shall apply.

Or. en

Amendment 357

Tiziana Beghin

Proposal for a regulation

Article 15 – paragraph 3

Text proposed by the Commission

3. If irregularities are identified as a result of the controls carried out under paragraph 2, the Commission shall inform the Member State or Member States concerned for further investigation ***in order to*** correct the identified irregularities.

Amendment

3. If irregularities are identified as a result of the controls carried out under paragraph 2, the Commission shall inform the Member State or Member States concerned for further investigation ***and*** correct the identified irregularities.

Or. en

Amendment 358

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Arnaud Danjean, Christophe Hansen, Seán Kelly, Angelika Winzig

Proposal for a regulation

Article 16 – paragraph 1

Text proposed by the Commission

1. The competent authority shall assign to each authorised declarant a unique CBAM account number.

Amendment

1. The ***national*** competent authority shall assign to each authorised declarant a unique CBAM account number ***which will be registered with the EU CBAM Authority.***

Or. en

Amendment 359

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Seán Kelly, Angelika Winzig

Proposal for a regulation

Article 17 – paragraph 1 – introductory part

Text proposed by the Commission

1. The competent authority shall authorise a declarant who submits an application for authorisation in accordance with Article 5(1), if the following conditions are fulfilled:

Amendment

1. The **national** competent authority shall authorise a declarant who submits an application for authorisation in accordance with Article 5(1), if the following conditions are fulfilled:

Or. en

Amendment 360

Danilo Oscar Lancini, Herve Juvin, Marco Campomenosi

Proposal for a regulation

Article 17 – paragraph 1 – point a

Text proposed by the Commission

(a) the declarant **has** not been involved in a serious infringement or repeated infringements of customs legislation, taxation rules and market abuse rules and **has** no record of serious criminal offences relating to its economic activity during the five years preceding the application;

Amendment

(a) the declarant **and the operators of installations located in third countries from whom the declarants sources goods have respectively** not been involved in a serious infringement or repeated infringements of customs legislation, **circumvention of antidumping or antisubsidy duties**, taxation rules and market abuse rules and **have** no record of serious criminal offences relating to its economic activity during the five years preceding the application;

Or. en

Amendment 361

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Arnaud Danjean, Christophe Hansen, Jörgen Warborn, Seán Kelly

Proposal for a regulation

Article 17 – paragraph 1 – point a

Text proposed by the Commission

(a) the declarant **has** not been involved in a serious infringement or repeated infringements of customs legislation, taxation rules and market abuse rules and has no record of serious criminal offences relating to its economic activity during the five years preceding the application;

Amendment

(a) the declarant **and the operators of installations located in third countries from whom the declarants sources goods have respectively** not been involved in a serious infringement or repeated infringements of customs legislation, **circumvention of antidumping or antisubsidy duties**, taxation rules and market abuse rules and has no record of serious criminal offences relating to its economic activity during the five years preceding the application;

Or. en

Amendment 362

Geert Bourgeois

Proposal for a regulation

Article 17 – paragraph 1 – point a

Text proposed by the Commission

(a) the declarant has not been involved in a serious infringement or repeated infringements of customs legislation, taxation rules and market abuse rules and has no record of serious criminal offences relating to its economic activity during the five years preceding the application;

Amendment

(a) the declarant has not been involved in a serious infringement or repeated infringements of customs legislation, **circumvention of antidumping or antisubsidy duties**, taxation rules and market abuse rules and has no record of serious criminal offences relating to its economic activity during the five years preceding the application;

Or. en

Amendment 363

Sara Matthieu

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 17 – paragraph 1 – point a a (new)

Text proposed by the Commission

Amendment

(a a) the declarant has not been involved in repeated infringements of the Regulation which led to the revocation of an authorisation by the competent authorities of other Member States;

Or. en

Amendment 364

Carles Puigdemont i Casamajó

Proposal for a regulation

Article 17 – paragraph 1 – point b

Text proposed by the Commission

Amendment

(b) the declarant demonstrates its financial and operational capacity to fulfil its obligations under this Regulation.

(b) the declarant demonstrates its financial and operational capacity to fulfil its obligations under this Regulation.
Competent authorities shall not impose excessive burdens on declarants that fall onto the definition of a small or medium-sized enterprise following the Commission Recommendation 2003/361.

Or. en

Amendment 365

Sara Matthieu

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 17 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1 a. An authorisation is valid for a period of five years.

Or. en

Amendment 366

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Seán Kelly, Angelika Winzig

**Proposal for a regulation
Article 17 – paragraph 2**

Text proposed by the Commission

2. Where the competent authority finds that the conditions listed in paragraph 1 are not fulfilled, or where the applicant has failed to provide the information listed in Article 5(3), the authorisation of the declarant shall be refused.

Amendment

2. Where the ***national*** competent authority finds that the conditions listed in paragraph 1 are not fulfilled, or where the applicant has failed to provide the information listed in Article 5(3), the authorisation of the declarant shall be refused.

Or. en

Amendment 367

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Seán Kelly, Angelika Winzig

**Proposal for a regulation
Article 17 – paragraph 3**

Text proposed by the Commission

3. If the competent authority refuses to authorise a declarant, the declarant requesting the authorisation may, prior to an appeal, object to the relevant authority under national law, who shall either instruct the national administrator to open the account or uphold the refusal in a reasoned decision, subject to requirements of national law that pursue a legitimate objective compatible with this Regulation and are proportionate.

Amendment

3. If the ***national*** competent authority refuses to authorise a declarant, the declarant requesting the authorisation may, prior to an appeal, object to the relevant authority under national law, who shall either instruct the national administrator to open the account or uphold the refusal in a reasoned decision, subject to requirements of national law that pursue a legitimate objective compatible with this Regulation and are proportionate.

Or. en

Amendment 368

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Seán Kelly,

Angelika Winzig

Proposal for a regulation

Article 17 – paragraph 4 – introductory part

Text proposed by the Commission

4. A decision of the competent authority authorising a declarant shall contain the following information

Amendment

4. A decision of the competent ***national*** authority authorising a declarant shall contain the following information

Or. en

Amendment 369

Carles Puigdemont i Casamajó

Proposal for a regulation

Article 17 – paragraph 6 – introductory part

Text proposed by the Commission

6. The competent authority shall require the provision of a guarantee in order to authorise a declarant in accordance with paragraph 1, if the declarant was not established throughout the two financial years that precede the year when the application in accordance with Article 5(1) was submitted.

Amendment

6. The competent authority shall require the provision of a guarantee in order to authorise a declarant in accordance with paragraph 1, if the declarant was not established throughout the two financial years that precede the year when the application in accordance with Article 5(1) was submitted. ***Declarants complying with the definition of a small or medium-sized enterprise following the Commission's Recommendation 2003/361 may be waived from the guarantee by the Commission.***

Or. en

Amendment 370

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Seán Kelly, Angelika Winzig

Proposal for a regulation

Article 17 – paragraph 6 – introductory part

Text proposed by the Commission

Amendment

6. The competent authority shall require the provision of a guarantee in order to authorise a declarant in accordance with paragraph 1, if the declarant was not established throughout the two financial years that precede the year when the application in accordance with Article 5(1) was submitted.

6. The competent ***national*** authority shall require the provision of a guarantee in order to authorise a declarant in accordance with paragraph 1, if the declarant was not established throughout the two financial years that precede the year when the application in accordance with Article 5(1) was submitted.

Or. en

Amendment 371

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Seán Kelly, Angelika Winzig

Proposal for a regulation

Article 17 – paragraph 6 – subparagraph 1

Text proposed by the Commission

Amendment

The competent authority shall fix the amount of such guarantee at the maximum amount, as estimated by the competent authority, of the value of the CBAM certificates that the authorised declarant have to surrender, in accordance with Article 22.

The competent ***national*** authority shall fix the amount of such guarantee at the maximum amount, as estimated by the competent authority, of the value of the CBAM certificates that the authorised declarant have to surrender, in accordance with Article 22.

Or. en

Amendment 372

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Seán Kelly, Angelika Winzig

Proposal for a regulation

Article 17 – paragraph 7

Text proposed by the Commission

Amendment

7. The guarantee shall be provided as a bank guarantee, payable at first demand, by a financial institution operating in the

7. The guarantee shall be provided as a bank guarantee, payable at first demand, by a financial institution operating in the

Union or by another form of guarantee which provides equivalent assurance. Where the competent authority establishes that the guarantee provided does not ensure, or is no longer certain or sufficient to ensure the amount of CBAM obligations, it shall require the authorised declarant either to provide an additional guarantee or to replace the initial guarantee with a new guarantee, according to its choice.

Union or by another form of guarantee which provides equivalent assurance. Where the competent ***national*** authority establishes that the guarantee provided does not ensure, or is no longer certain or sufficient to ensure the amount of CBAM obligations, it shall require the authorised declarant either to provide an additional guarantee or to replace the initial guarantee with a new guarantee, according to its choice.

Or. en

Amendment 373

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Seán Kelly, Angelika Winzig

Proposal for a regulation Article 17 – paragraph 8

Text proposed by the Commission

8. The competent authority shall release the guarantee immediately after 31 May of the second year in which the authorised declarant has surrendered CBAM certificates in accordance with Article 22.

Amendment

8. The competent ***national*** authority shall release the guarantee immediately after 31 May of the second year in which the authorised declarant has surrendered CBAM certificates in accordance with Article 22.

Or. en

Amendment 374

Sara Matthieu
on behalf of the Verts/ALE Group

Proposal for a regulation Article 17 – paragraph 9

Text proposed by the Commission

9. The competent authority shall revoke the authorisation for a declarant who no longer meets the conditions laid down in paragraph 1, or who fails to

Amendment

9. The competent authority shall revoke the authorisation for a declarant who no longer meets the conditions laid down in paragraph 1, or who fails to

cooperate with that authority.

cooperate with that authority. ***The competent authority shall inform the Commission and the competent authorities of the other Member States of the revocation.***

Or. en

Amendment 375

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Seán Kelly, Angelika Winzig

Proposal for a regulation Article 17 – paragraph 9

Text proposed by the Commission

9. The competent authority shall revoke the authorisation for a declarant who no longer meets the conditions laid down in paragraph 1, or who fails to cooperate with that authority.

Amendment

9. The competent ***national*** authority shall revoke the authorisation for a declarant who no longer meets the conditions laid down in paragraph 1, or who fails to cooperate with that authority.

Or. en

Amendment 376

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Arnaud Danjean, Christophe Hansen, Seán Kelly, Angelika Winzig

Proposal for a regulation Article 18 – paragraph 2

Text proposed by the Commission

2. ***In addition to paragraph 1, a national accreditation body may on request accredit a person as a verifier under this Regulation after checking the documentation attesting its capacity to apply the verification principles referred to Annex V to perform the obligations of control of the embedded emissions established in Articles 8, 10 and 38.***

Amendment

deleted

Amendment 377

Danilo Oscar Lancini, Roman Haider, Herve Juvin

Proposal for a regulation

Article 18 – paragraph 3

Text proposed by the Commission

Amendment

3. *The Commission is empowered to adopt delegated acts in accordance with Article 28 for the accreditation referred to in paragraph 2, specifying conditions for the control and oversight of accredited verifiers, for the withdrawal of accreditation and for mutual recognition and peer evaluation of the accreditation bodies.* ***deleted***

Or. en

Amendment 378

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Arnaud Danjean, Christophe Hansen, Seán Kelly, Angelika Winzig

Proposal for a regulation

Article 18 – paragraph 3

Text proposed by the Commission

Amendment

3. *The Commission is empowered to adopt delegated acts in accordance with Article 28 for the accreditation referred to in paragraph 2, specifying conditions for the control and oversight of accredited verifiers, for the withdrawal of accreditation and for mutual recognition and peer evaluation of the accreditation bodies.* ***deleted***

Or. en

Amendment 379

Sara Matthieu

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 19 – paragraph 1

Text proposed by the Commission

1. The competent authority may review the CBAM declaration within the period ending with the fourth year after the year in which the declaration should have been submitted. The review may consist in verifying the information provided in the CBAM declaration on the basis of the information communicated by the customs authorities in accordance with Article 25(2) and any other relevant evidence, and on the basis of any audit deemed necessary, including at the premises of the authorised declarant.

Amendment

1. The competent authority may review the CBAM declaration within the period ending with the fourth year after the year in which the declaration should have been submitted. The review may consist in verifying the information provided in the CBAM declaration on the basis of the information communicated by the customs authorities in accordance with Article 25(2) and any other relevant evidence, and on the basis of any audit deemed necessary, including at the premises of the authorised declarant. ***The competent authority shall conduct reviews wherever there are indications of inaccuracies, as well as randomised reviews of CBAM declarations, to the extent necessary in order to deliver statistically significant reports to the Commission on incorrect CBAM declarations.***

Or. en

Amendment 380

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Arnaud Danjean, Christophe Hansen, Seán Kelly, Angelika Winzig

Proposal for a regulation

Article 19 – paragraph 1

Text proposed by the Commission

1. The ***competent authority*** may review the CBAM declaration within the period ending with the ***fourth*** year after the year in which the declaration should have been submitted. The review may consist in verifying the information provided in the

Amendment

1. The ***central and national authorities*** may review the CBAM declaration within the period ending with the year after the year in which the declaration should have been submitted. The review may consist in verifying the

CBAM declaration on the basis of the information communicated by the customs authorities in accordance with Article 25(2) and any other relevant evidence, and on the basis of any audit deemed necessary, including at the premises of the authorised declarant.

information provided in the CBAM declaration on the basis of the information communicated by the customs authorities in accordance with Article 25(2) and any other relevant evidence, and on the basis of any audit deemed necessary, including at the premises of the authorised declarant.

Or. en

Amendment 381

Danilo Oscar Lancini, Herve Juvin, Marco Campomenosi

Proposal for a regulation Article 19 – paragraph 1

Text proposed by the Commission

1. The competent authority *may* review the CBAM declaration within the period ending with the *fourth* year after the year in which the declaration should have been submitted. The review may consist in verifying the information provided in the CBAM declaration on the basis of the information communicated by the customs authorities in accordance with Article 25(2) and any other relevant evidence, and on the basis of any audit deemed necessary, including at the premises of the authorised declarant.

Amendment

1. The competent authority *shall* review the CBAM declaration within the period ending with the year after the year in which the declaration should have been submitted. The review may consist in verifying the information provided in the CBAM declaration on the basis of the information communicated by the customs authorities in accordance with Article 25(2) and any other relevant evidence, and on the basis of any audit deemed necessary, including at the premises of the authorised declarant.

Or. en

Amendment 382

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Arnaud Danjean, Seán Kelly, Angelika Winzig

Proposal for a regulation Article 19 – paragraph 1 – point 1 (new)

Text proposed by the Commission

Amendment

(1) The national competent authority shall inform the EU CBAM authority of

the quantity and installation source of the exports. The EU CBAM authority shall inform the Commission of the data received so as to allow the Commission to make adjustments to the allowances to be surrendered for the installation source of the exports.

Or. en

Amendment 383
Carles Puigdemont i Casamajó

Proposal for a regulation
Article 19 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1 a. The competent authority shall review any indication of inaccuracies and shall conduct randomised reviews of CBAM declarations, to the extent necessary in order to deliver statistically significant reports to the Commission on incorrect CBAM declarations.

Or. en

Amendment 384
Sara Matthieu
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 19 – paragraph 2

Text proposed by the Commission

Amendment

2. Where a CBAM declaration in accordance with Article 6 has not been submitted, the competent authority of the Member State of establishment of the authorised declarant shall assess the CBAM obligations of that declarant on the basis of the information at its disposal and calculate the total number of CBAM certificates due at the latest by the 31

2. Where a CBAM declaration in accordance with Article 6 has not been submitted, the competent authority of the Member State of establishment of the authorised declarant shall assess the CBAM obligations of that declarant on the basis of the information at its disposal and calculate the total number of CBAM certificates due at the latest by the 31

December of the fourth year following that when the CBAM declaration should have been submitted.

December of the fourth year following that when the CBAM declaration should have been submitted. ***The calculations shall use adequate values to assess the CBAM obligations with a view to preventing any incentive for authorised declarants to avoid submitting the required CBAM declaration.***

Or. en

Amendment 385

Sven Simon, Daniel Caspary

Proposal for a regulation

Article 19 – paragraph 2

Text proposed by the Commission

2. Where a CBAM declaration in accordance with Article 6 has not been submitted, the competent authority ***of the Member State of establishment of the authorised declarant shall*** assess the CBAM obligations of that declarant on the basis of the information at its disposal and calculate the total number of CBAM certificates due at the latest by the 31 December of the fourth year following that when the CBAM declaration should have been submitted.

Amendment

2. Where a CBAM declaration in accordance with Article 6 has not been submitted, the competent authority assess the CBAM obligations of that declarant on the basis of the information at its disposal and calculate the total number of CBAM certificates due at the latest by the 31 December of the fourth year following that when the CBAM declaration should have been submitted.

Or. en

Amendment 386

Danilo Oscar Lancini, Herve Juvin, Marco Campomenosi

Proposal for a regulation

Article 19 – paragraph 2

Text proposed by the Commission

2. Where a CBAM declaration in accordance with Article 6 has not been submitted, the competent authority of the Member State of establishment of the

Amendment

2. Where a CBAM declaration in accordance with Article 6 has not been submitted, the competent authority of the Member State of establishment of the

authorised declarant shall assess the CBAM obligations of that declarant on the basis of the information at its disposal and calculate the total number of CBAM certificates due at the latest by the 31 December of the *fourth* year following that when the CBAM declaration should have been submitted.

authorised declarant shall assess the CBAM obligations of that declarant on the basis of the information at its disposal and calculate the total number of CBAM certificates due at the latest by the 31 December of the year following that when the CBAM declaration should have been submitted.

Or. en

Amendment 387

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Arnaud Danjean, Christophe Hansen, Seán Kelly, Angelika Winzig

Proposal for a regulation Article 19 – paragraph 2

Text proposed by the Commission

2. Where a CBAM declaration in accordance with Article 6 has not been submitted, the competent authority of the Member State of establishment of the authorised declarant shall assess the CBAM obligations of that declarant on the basis of the information at its disposal and calculate the total number of CBAM certificates due at the latest by the 31 December of the *fourth* year following that when the CBAM declaration should have been submitted.

Amendment

2. Where a CBAM declaration in accordance with Article 6 has not been submitted, the competent authority of the Member State of establishment of the authorised declarant shall assess the CBAM obligations of that declarant on the basis of the information at its disposal and calculate the total number of CBAM certificates due at the latest by the 31 December of the year following that when the CBAM declaration should have been submitted.

Or. en

Amendment 388

Sara Matthieu
on behalf of the Verts/ALE Group

Proposal for a regulation Article 21 – paragraph 1 – introductory part

Text proposed by the Commission

1. The Commission shall calculate the

Amendment

1. The Commission shall calculate the

price of CBAM certificates as the average price of the closing prices of EU ETS allowances on the common auction platform in accordance with the procedures laid down in Commission Regulation (EU) **No 1031/2010**⁵⁴ for each calendar week.

price of CBAM certificates as ***the sum of the prices of direct and indirect emissions. The price of direct emissions shall correspond to*** the average price of the closing prices of EU ETS allowances on the common auction platform in accordance with the procedures laid down in Commission Regulation (EU) **No 1031/2010** for each calendar week.

⁵⁴ Commission Regulation (EU) No 1031/2010 of 12 November 2010 on the timing, administration and other aspects of auctioning of greenhouse gas emission allowances pursuant to Directive 2003/87/EC (OJ L 302, 18.11.2010, p. 1).

Or. en

Amendment 389

Emmanuel Maurel

Proposal for a regulation

Article 21 – paragraph 1 – subparagraph 1

Text proposed by the Commission

For those calendar weeks in which there are no auctions scheduled on the common auction platform, the price of CBAM certificates shall be the average price of the closing prices of EU ETS allowances of the last week in which auctions on the common auction platform took place.

Amendment

For those calendar weeks in which there are no auctions scheduled on the common auction platform, the price of CBAM certificates shall be the average price of the closing prices of EU ETS allowances of the last week in which auctions on the common auction platform took place.

With effect from 1 January 2025, CBAM certificates shall be priced at a minimum of EUR 70 per tonne of CO₂equivalent. With effect from 1 January 2030, CBAM certificates shall be priced at a minimum of EUR 90 per tonne of CO₂equivalent.

In view of these deadlines, the Commission shall propose an amendment to Regulation (EC) 1031/2010 for the purpose of setting a minimum price for EU ETS allowances identical to that for

Amendment 390

Sara Matthieu

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 21 – paragraph 1 – subparagraph 1

Text proposed by the Commission

For those calendar weeks in which there are no auctions scheduled on the common auction platform, the price of **CBAM certificates** shall be the average price of the closing prices of EU ETS allowances of the last week in which auctions on the common auction platform took place.

Amendment

For those calendar weeks in which there are no auctions scheduled on the common auction platform, the price of **direct emissions** shall be the average price of the closing prices of EU ETS allowances of the last week in which auctions on the common auction platform took place.

Amendment 391

Sara Matthieu

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 21 – paragraph 3

Text proposed by the Commission

3. The Commission is empowered to adopt implementing acts to further define the methodology to calculate the average price of CBAM certificates and practical arrangements for the publication of the price. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 29(2).

Amendment

3. ***The price of indirect emissions shall be determined based on the methodology to be provided in the delegated acts referred to in paragraph 7a of Article 7.*** The Commission is empowered to adopt implementing acts to further define the methodology to calculate the average price of CBAM certificates and practical arrangements for the publication of the price. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 29(2).

Amendment 392
Emmanuel Maurel

Proposal for a regulation
Article 21 – paragraph 3

Text proposed by the Commission

3. The Commission is empowered to adopt implementing acts to further define the methodology to calculate the average price of CBAM certificates and practical arrangements for the publication of the price. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 29(2).

Amendment

3. The Commission is empowered to adopt implementing acts to further define the methodology to calculate the average price of CBAM certificates and practical arrangements for the publication of the price ***in accordance with paragraph 1.*** Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 29(2).

Or. fr

Amendment 393
Sven Simon, Daniel Caspary

Proposal for a regulation
Article 23 – paragraph 1

Text proposed by the Commission

1. The competent authority ***of each Member State*** shall, on request by a ***declarant*** authorised ***in that Member State***, re-purchase the excess of CBAM certificates remaining on the account of the declarant in the national registry after the certificates have been surrendered in accordance with Article 22. The request to re-purchase shall be submitted by 30 June of each year when CBAM certificates were surrendered.

Amendment

1. The competent authority shall, on request by a authorised ***declarant***, re-purchase the excess of CBAM certificates remaining on the account of the declarant in the national registry after the certificates have been surrendered in accordance with Article 22. The request to re-purchase shall be submitted by 30 June of each year when CBAM certificates were surrendered.

Or. en

Amendment 394
Carles Puigdemont i Casamajó

Proposal for a regulation
Article 24 – paragraph 1

Text proposed by the Commission

By 30 June of each year, the competent authority of each Member State shall cancel any CBAM certificates that were purchased during the year before the previous calendar year and that remained in the accounts in the national registry of the declarants authorised in that Member State.

Amendment

By 30 June of each year, the competent authority of each Member State shall cancel any CBAM certificates that were purchased during the year before the previous calendar year and that remained in the accounts in the national registry of the declarants authorised in that Member State. ***Competent authorities may cancel the CBAM certificates held by declarants that comply with the definition of a small or medium-sized enterprise following the EC Recommendation 2003/361.***

Or. en

Amendment 395
Sven Simon, Daniel Caspary

Proposal for a regulation
Article 24 – paragraph 1

Text proposed by the Commission

By 30 June of each year, the competent authority ***of each Member State*** shall cancel any CBAM certificates that were purchased during the year before the previous calendar year and that remained in the accounts in the national registry of the ***declarants*** authorised ***in that Member State***.

Amendment

By 30 June of each year, the competent authority shall cancel any CBAM certificates that were purchased during the year before the previous calendar year and that remained in the accounts in the national registry of the authorised ***declarants***.

Or. en

Amendment 396
Sara Matthieu
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 24 a (new)

Text proposed by the Commission

Amendment

Article 24 a

***Use of revenues from the sale of CBAM
certificates and establishment of the
European Fund for International Climate
Action***

- 1. Revenues generated from the sales of CBAM certificates shall allow for greater support for climate action and the objectives of the Green Deal through an EU contribution to international climate finance in favour of LDCs, to reduce greenhouse gas emissions, in these countries, to adapt to the impacts of climate change in these countries, and to fund research and development for mitigation and adaptation in these countries.***
- 2. For the purpose of paragraph 1, the European Fund for International Climate Action is hereby established.***
- 3. The European Fund for International Climate Action shall be endowed with resources generated by the CBAM certificates, which will predominantly contribute to international climate finance in favour of LDCs.***
- 4. Resources provided for in paragraph 2 shall constitute internal assigned revenue in accordance with Article 21(3) of the Financial Regulation.***
- 5. The resources of the European Fund of International Climate Action shall be used for the purpose of mitigation and adaptation the effects of climate change in least developed countries as well as covering the cost of administering the CBAM.***
- 6. To ensure transparency of the use of revenues generated from the sale of CBAM certificates the Commission shall, on a yearly basis, report to the European Parliament and the Council on how the***

revenues from the sale of CBAM certificates, from the previous year has been used and how this has contributed to tackling climate change.

Or. en

Amendment 397

Kathleen Van Brempt, Raphaël Glucksmann, Miroslav Číž, Inma Rodríguez-Piñero, Paolo De Castro, Joachim Schuster, Marek Belka

**Proposal for a regulation
Article 24 a (new)**

Text proposed by the Commission

Amendment

Article 24 a

Revenues from the sale of CBAM certificates

In line with the Union objectives and international commitments, such as those under WTO agreements, the Paris agreement and the CBDR principle, the Commission should come forward with a proposal and sufficient funding to support LDCs.

This should entail, amongst others, the necessary administrative and technical assistance and financial support to facilitate LDC's adaptation to the new obligations established by this regulation and the accomplishment of a sustainable transition.

In the transitional phase, producers of LDCs in the sectors covered by the CBAM should be supported in complying with the administrative requirements of the CBAM and assisted in mapping the real emissions of their production processes. At the same time, possible environmental and energy improvements in the production process (such as regarding raw material use, circular economy aspects, energy efficiency and use of renewable energy) should be proposed, technical and knowledge transfers should

take place and best practices should be shared.

During the implementation phase, when revenues will be generated from the sale of CBAM certificates and the financial consequences of the CBAM will be sensed in third countries, sufficient support and funding should be attributed to helping LDCs in implementing the environment, climate, energy and resource related improvements to lower emissions, cut CBAM costs and accomplish the green transition.

Or. en

Amendment 398
Tiziana Beghin

Proposal for a regulation
Article 24 a (new)

Text proposed by the Commission

Amendment

Article 24 a

Usage of revenue from the sales of CBAM certificates

1. To meet the Union objectives and international commitments, such as those under WTO agreements and the Paris Agreement, revenues generated from the sale of CBAM certificates, or the equivalent in financial value of these revenues, shall be used to:

- cover the cost of administration of the CBAM competent authority;*
- tackle climate change in least developed countries (LDCs), inter alia, to reduce greenhouse gas emissions, to adapt to the impacts of climate change, to fund research and development for mitigation and adaptation in these countries;*
- finance EU producers projects or investments in cleaner technologies;*

- foresee tax reductions or lump sum transfers for those sectors highly exposed to price volatility such as agriculture;

2. To ensure transparency of the use of revenues generated from the sale of CBAM certificates the Commission shall, on a yearly basis, report to the European Parliament and the Council on how the revenues from the sale of CBAM certificates, or the equivalent in financial value of these revenues, from the previous year has been used and how this has contributed to tackling climate change in LDCs.

Or. en

Amendment 399

Danilo Oscar Lancini, Herve Juvin, Marco Campomenosi

Proposal for a regulation

Article 24 a (new)

Text proposed by the Commission

Amendment

Article 24 a

Usage of revenues from the sale of CBAM certificates

1. The revenues generated from the sale of CBAM certificates, or the equivalent in financial value of these revenues, shall be used to help European industries in decarbonising their production and in deploying low-carbon technologies, since they are facing higher production costs due to the ambitious objectives set by the European Green Deal, as well as to cover the cost of administration of the CBAM.

2. To ensure transparency of the use of revenues generated from the sale of CBAM certificates the Commission shall, on a yearly basis, report to the European Parliament and the Council on how the revenues from the sale of CBAM certificates, or the equivalent in financial

value of these revenues, from the previous year has been used.

Or. en

Amendment 400

Herve Juvin, Danilo Oscar Lancini, Jean-Lin Lacapelle

Proposal for a regulation

Article 24 a (new)

Text proposed by the Commission

Amendment

Article 24a

Usage of revenues from the sale of CBAM certificates

The revenues generated from the sale of CBAM certificates shall be allocated to Member States to be used for the decarbonisation of European industries and the deployment of low-carbon technologies, as they face higher production costs as a result of the ambitious targets set under the European Green Deal, as well as to cover the administrative costs of the CBAM.

Or. fr

Amendment 401

Kathleen Van Brempt, Raphaël Glucksmann, Miroslav Číž, Inma Rodríguez-Piñero, Paolo De Castro

Proposal for a regulation

Article 24 b (new)

Text proposed by the Commission

Amendment

Article 24 b

To ensure that the sole aim of the CBAM is to reduce global carbon emissions, the revenues generated from the sale of CBAM certificates, or the equivalent in financial value of these revenues, shall be channeled towards global climate

funding. Sufficient funding shall be made available to accomplish the goals set out in the previous paragraph.

Or. en

Amendment 402
Sven Simon, Daniel Caspary

Proposal for a regulation
Article 25 – paragraph 2

Text proposed by the Commission

2. The customs authorities shall periodically communicate information on the goods declared for importation, which shall include the EORI number and the CBAM account number of the declarant, the 8-digit CN code of the goods, the quantity, the country of origin, the date of declaration and the customs procedure, to the competent authority *of the Member State where the declarant has been authorised*.

Amendment

2. The customs authorities shall periodically communicate information on the goods declared for importation, which shall include the EORI number and the CBAM account number of the declarant, the 8-digit CN code of the goods, the quantity, the country of origin, the date of declaration and the customs procedure, to the competent authority.

Or. en

Amendment 403
Sara Matthieu
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 25 – paragraph 2

Text proposed by the Commission

2. The customs authorities shall *periodically* communicate information on the goods declared for importation, which shall include the EORI number and the CBAM account number of the declarant, the 8-digit CN code of the goods, the quantity, the country of origin, the date of declaration and the customs procedure, to the competent authority of the Member

Amendment

2. The customs authorities shall communicate *on an yearly basis* information on the goods declared for importation, which shall include the EORI number and the CBAM account number of the declarant, the 8-digit CN code of the goods, the quantity, the country of origin, the date of declaration and the customs procedure, to the competent authority of

State where the declarant has been authorised.

the Member State where the declarant has been authorised.

Or. en

Amendment 404

Sven Simon, Daniel Caspary

Proposal for a regulation

Article 25 – paragraph 4

Text proposed by the Commission

4. The customs authorities may communicate in accordance with Article 12(1) of Regulation (EU) No 952/2013, confidential information acquired by the customs authorities in the course of performing their duty or provided on a confidential basis, to the competent authority *of the Member State where the declarant has been authorised*. The competent *authorities of the Member States* shall treat and exchange this information in accordance with Council Regulation (EC) No 515/97.

Amendment

4. The customs authorities may communicate in accordance with Article 12(1) of Regulation (EU) No 952/2013, confidential information acquired by the customs authorities in the course of performing their duty or provided on a confidential basis, to the competent authority. The competent *authority* shall treat and exchange this information in accordance with Council Regulation (EC) No 515/97.

Or. en

Amendment 405

Sara Matthieu

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 25 – paragraph 4

Text proposed by the Commission

4. The *customs* authorities *may communicate* in accordance with Article 12(1) of Regulation (EU) *No 952/2013, confidential information acquired by the customs authorities in the course of performing their duty or provided on a confidential basis, to the competent authority* of the *Member State where the*

Amendment

4. The *custom* authorities *shall carry out checks on the goods* in accordance with Article 46 of Regulation (EU) *No 952/2013, including the 8-digit CN code, the quantity and the country of origin* of the *imported goods with a view to assisting* competent authorities *in reviewing the CBAM declarations* in

declarant has been authorised. The competent authorities of the Member States shall treat and exchange this information in accordance with Council Regulation (EC) No 515/97.

accordance with *Article 19. The Commission shall include the risks relating to CBAM in the design of the common risk criteria and standards pursuant to Article 50 of Regulation (EU) No 952/2013.*

Or. en

Amendment 406
Geert Bourgeois

Proposal for a regulation
Article 26 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1 a. An authorised declarant who submits false information in its CBAM declaration may be excluded from the register. The respective verifier who has certified the accuracy of the information in the CBAM declaration can have its certification withdrawn by the issuing national authority.

Or. en

Amendment 407
Sven Simon, Daniel Caspary

Proposal for a regulation
Article 26 – paragraph 3

Text proposed by the Commission

Amendment

3. Payment of the penalty shall in no case release the authorised declarant from the obligation to surrender the outstanding number of CBAM certificates in a given year to the competent authority *of the Member State where the declarant has been authorised.*

3. Payment of the penalty shall in no case release the authorised declarant from the obligation to surrender the outstanding number of CBAM certificates in a given year to the competent authority.

Or. en

Amendment 408

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Arnaud Danjean, Christophe Hansen, Seán Kelly

Proposal for a regulation

Article 26 – paragraph 4 a (new)

Text proposed by the Commission

Amendment

4 a. In case of repeated failure to surrender a number of CBAM certificates corresponding to the emissions embedded in goods imported during the previous year, or in case of submission of false information in the CBAM declaration, an authorized declarant, and any of its related parties, maybe automatically excluded from the register for a given period from the date of exclusion. The respective verifier – and any of its related parties - who has certified the accuracy of the information in the CBAM declaration should have its certification withdrawn by the central CBAM authority.

Or. en

Amendment 409

Sara Matthieu

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 26 – paragraph 4 a (new)

Text proposed by the Commission

Amendment

4 a. In case of repetitive failure from an authorised declarant to comply with the obligations of the present Regulation, the Commission may request the competent authorities of the relevant Member States to withdraw the import authorisation referred to in Article 5.

Or. en

Amendment 410

Sara Matthieu

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 26 – paragraph 5

Text proposed by the Commission

5. Member States may apply administrative or criminal sanctions for failure to comply with the CBAM legislation in accordance with their national rules in addition to penalties referred to in paragraph 2. Such sanctions shall be effective, proportionate and dissuasive.

Amendment

5. Member States may apply administrative or criminal sanctions for failure to comply with the CBAM legislation in accordance with their national rules in addition to penalties referred to in paragraph 2. Such sanctions shall be effective, proportionate and dissuasive.

Member states shall in all cases apply administrative or criminal sanctions for any person other than an authorised declarant, introducing goods into the customs territory of the Union without surrendering CBAM certificates.

Or. en

Amendment 411

Emmanuel Maurel

Proposal for a regulation

Article 26 – paragraph 5

Text proposed by the Commission

5. Member States may apply administrative or criminal sanctions for failure to comply with the CBAM legislation in accordance with their national rules in addition to penalties referred to in paragraph 2. Such sanctions shall be effective, proportionate and dissuasive.

Amendment

5. Member States may apply administrative or criminal sanctions for failure to comply with the CBAM legislation in accordance with their national rules in addition to penalties referred to in paragraph 2. Such sanctions shall be effective, proportionate and dissuasive. ***They may take the form of quantitative restrictions on imports.***

Or. fr

Amendment 412

Massimiliano Salini, José Manuel García-Margallo y Marfil, Liudas Mažylis, Andrey Kovatchev, Gabriel Mato, Iuliu Winkler, Anna-Michelle Asimakopoulou, Arnaud Danjean, Christophe Hansen, Seán Kelly, Angelika Winzig

Proposal for a regulation

Article 26 – paragraph 5

Text proposed by the Commission

5. *Member States* may apply administrative or criminal sanctions for failure to comply with the CBAM legislation in *accordance with their national rules in* addition to penalties referred to in *paragraph 2*. Such sanctions shall be effective, proportionate and dissuasive.

Amendment

5. *The central CBAM authority* may apply administrative or criminal sanctions for failure to comply with the CBAM legislation in addition to penalties referred to in *paragraphs 2 and 4a*. Such sanctions shall be effective, proportionate and dissuasive.

Or. en