Binding annual greenhouse gas emission reductions by Member States from 2021 to 2030

2016/0231(COD) - 14/06/2017 - Text adopted by Parliament, partial vote at 1st reading/single reading

The European Parliament adopted by 534 votes to 88, with 56 abstentions, amendments to the proposal for a regulation of the European Parliament and of the Council on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 for a resilient Energy Union and to meet commitments under the Paris Agreement and amending Regulation No 525/2013 of the European Parliament and the Council on a mechanism for monitoring and reporting greenhouse gas emissions and other information relevant to climate change.

The matter was referred back to the committee responsible for interinstitutional negotiations.

The main amendments adopted in plenary were as follows:

Objective: Parliament stressed that the proposed Regulation was intended to implement the Paris Agreement, which entered into force on 4 November 2016 and whose objective is to strengthen the global response to the threat of climate change, in the context of sustainable development and efforts to eradicate poverty.

The proposed Regulation shall set the Union on track to a low-carbon economy through the establishment of a predictable long-term pathway to reducing by 2050 the greenhouse gas emissions of the Union by 80 to 95% compared to 1990 levels.

Shipping emissions should be covered under this Regulation unless they are included in the EU Emissions Trading System (EU ETS).

Linear trajectory: each Member State shall follow an emission reduction plan, which shall be calculated on a trajectory starting in 2018 and not in 2020 as proposed by the European Commission.

Long-term emission reductions trajectory from 2031: each Member State shall ensure that its greenhouse gas emissions do not exceed the level defined by a linear trajectory, starting from its annual emission allocations for 2030 and ending in 2050 on a level of emissions that is 80% below the 2005 level for that Member State.

Flexibility in respect of annual limits: in order to achieve these objectives, a Member State may transfer:

- up to 10% of its annual emission allocation for a given year to other Member States for the years 2021 to 2025 (up to 5% for the years 2026 to 2029);
- in respect of the years 2026 to 2029 a Member State may bank the excess part of its annual emission allocation up to a level of 5% of its annual emission allocation to subsequent years until 2025;
- up to 5% of its annual emission allocation for a given year to other Member States in respect of the years 2021 to 2025, and up to 10% in respect of the years 2026 to 2030.

A Member State shall not transfer any part of its annual emission allocation if, at the time of transfer, that Member State's emissions exceed its annual emission allocation.

Access to the flexibility shall be granted on condition that the Member States concerned commit to taking measures in other sectors where insufficient results have been achieved in the past.

Margin of manoeuvre for LULUCF activities: Parliament endorsed the Commission proposal for an additional use of up to EUR 280 million net removals from land use, land use change and forestry.

The Member States concerned shall submit by 1 January 2019 an action plan to the Commission that sets out measures, including where relevant the use of Union financing, for climate efficient farming and for the land-use and forest sectors. The Commission may issue opinions on the action plans submitted by Member States.

Early action reserve: Members proposed that early action reserve rewards early action and allows Member States to use additional allocations for compliance, in case other flexibilities are not sufficient. In order to take into account early action before 2020, a quantity not exceeding a total sum of 90 million tonnes in annual emission allocations in the period 2026 to 2030 shall, upon request of a Member State, be taken into account. The relative amount of additional allocations available to a Member State should depend on the degree of overachievement of its 2020 target.

Climate impact of Union funding: the Commission shall study the impact of funding granted from the Union budget or otherwise pursuant to Union law on the mitigation of climate change.

By 1 January 2019, the Commission shall present to the European Parliament and the Council a report on the findings of the study which shall be accompanied, if appropriate, by legislative proposals aimed at discontinuing any Union funding which is not compatible with the CO2 reduction targets or policies of the Union.

European register: the European Register system shall be transparent and include all relevant information regarding the transfer of allowances between Member States. This information shall be accessible to the public through a dedicated website hosted by the Commission.

Review: the Union shall submit every five years a contribution reflecting its highest possible ambition. The review shall take into account the Unions objective to reduce economy-wide greenhouse gas emissions by 80-95% by 2050 compared to the 1990 level and the goal of the Paris Agreement.