

Statement of the Republic of Poland

The EU Emission Trading Scheme must be suspended until it is reformed. There are positive steps such as the solution for district heating and partial reintroduction of gas in the Modernization Fund. However, strong concerns arise with respect to Art. 29 of the EU ETS Directive that should be our safety net and prevent another destructive rollercoaster price ride for our businesses and citizens. We need a solution that is predictable and, above all, works. In our view the current parameters of art.29a should be changed so that it will be activated if for three consecutive months the allowance price is more than 1.5 the average price of allowances, triggering 100 mln of allowances from the MSR. We do not support the increase of the MSR intake rate to 24% as it just worsens the problem we are trying to overcome with price stabilization.

The allowances from BRT and CBAM should be directed to the Modernization Fund or their allocation key in the Innovation Fund should be changed to take into account the auction share of MS. Otherwise we will just be widening the gap in the EU. We should also bring in a geographic allocation key for projects into the Innovation Fund. We do not support the complete deletion of free allowances for sectors covered by CBAM.

The new system for transport and buildings, BRT, causes serious concern for us. We cannot build a trading system on the shoulders of the poorest populations.

This is also related to the ESR and the reality that we are experiencing in these sectors. In PL we host refugees from Ukraine. Our emissions will rise and it is not due to our neglect. We should therefore be exempted from the 1,08 factor, as any other Member State with a sudden population influx of over 3%.

While considering the Social Climate Fund, we must remember that the 'fit for 55' package itself brings a significant strain on society. The crisis caused by the war in Ukraine has compounded the negative situation for EU citizens due to soaring energy prices. At the same time the proposed size of the fund has been reduced. We find this both unreasonable and unacceptable. In order to achieve the objectives of the Social Climate Fund, firstly we need the proper duration of the Fund and the EC proposal of an eight-year period is the right direction. Secondly, the possibility of greater direct income support for the most vulnerable groups is of utmost importance. Thirdly, the possibility of a larger transfer of funds to programmes under proven shared management. Currently the proposed system has not yet been fully proven and creates a disproportional burden on MS. The fund must be dynamic, agile. That is why we cannot support the German proposal to reduce the volume.

In the context of the LULUCF and our national target, which in our view is unfair and overburdens Poland too much and it is impossible to achieve even in conditions without natural disturbances, Poland cannot support the general approach as it stands now. Although the flexibilities in the compromise proposal are a step in the right direction, they do not solve our problem of a too high target set for Poland.

Regarding the proposal for a Regulation on strengthening the CO₂ emission performance standards for new passenger cars Poland would like to support the extension of the ZLEV incentive mechanism until the end of the year preceding the ban of combustion engine cars.

Poland supports the voices of Member States refusing 2035 as the deadline for registration of a new cars with combustion engines. We should respect their social and economic specificities.

Poland cannot support the proposal today as there are too many unresolved issues.