



**2021/0206(COD)**

31.1.2022

## **DRAFT OPINION**

of the Committee on Economic and Monetary Affairs

for the Committee on Employment and Social Affairs and the Committee on the Environment, Public Health and Food Safety

on the proposal for a regulation of the European Parliament and of the Council establishing a Social Climate Fund  
(COM(2021)0568 – C9-0324/2021 – 2021/0206(COD))

Rapporteur for opinion: Henrike Hahn

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## SHORT JUSTIFICATION

As part of the Fit for 55 legislative package, the European Commission proposed to establish a Social Climate Fund to compensate for the potentially adverse social and distributional impacts on households, vulnerable individuals and micro-enterprises, arising from the proposed extension of the emission trading system to the building and road transport sectors (ETS2), which is expected to drive up energy and fuel prices through carbon pricing.

The draft opinion suggests however that, in order to be fit for purpose, the Social Climate Fund should be decoupled from the entry into force of the ETS2 and be implemented proactively in order to protect and empower millions of Europeans currently facing energy and transport poverty against any future energy and fuel prices increases, by cutting their dependence from fossil fuels energy and helping them to switch to sustainable, energy efficient, green alternatives and to participate in the benefits of the green just transition.

The Social Climate Fund should be transformed from an instrument for ex post compensation directly linked to the significantly regressive social impact of ETS2, into an instrument of high European added value aimed at effectively addresses the root causes of energy poverty and transport poverty, by taking targeted actions in line with the EU energy and climate objectives.

In order to effectively help the most vulnerable to be lift out of energy poverty and transport poverty and get on board with the green transition, the Fund should be better targeted and be implemented through a bottom up approach within an integrated climate and social strategy.

This draft opinion suggests the following changes compared to the initial design by the Commission:

1. the Fund shall enter into force no later than 2024 and be financed from the revenues of the current or a reformed ETS1 and additional own resources;
2. the Fund shall principally focus on long term structural investments with a lasting impact with a view to minimise the impact of any future increase of energy and fuel price by reducing reliance on fossil fuels; such investment should prioritize deep building renovation, the development of renewable energy sources and energy communities, capacity building as well as investing in cycling infrastructure and sustainable shared mobility services;
3. it should also be possible to use a share of the Fund to finance more targeted direct expenditure support for households in energy poverty and people facing transport poverty with the aim to help reducing energy and transport costs by providing access to quick energy efficient green solutions, as part of a long term integrated and holistic strategy aimed at eradicating energy and transport poverty; such support should benefit the most vulnerable households, such as single mothers and (elderly) women with low income.
4. with a view to accompany and maximise the effectiveness of the measures and investments financed by the Fund, the Social Climate Plans should outline all the complementary measures that are necessary at national level to accelerate the socially

just green transition, or investments to develop the public transport and mobility infrastructure and to strengthen the digital infrastructure in remote, insular, rural and less accessible areas;

5. there is not a gender neutral approach when it comes to energy poverty and the just transition; it is crucial that the Fund integrates a gender-sensitive approach throughout the design, preparation and implementation of the Social Climate Plans and projects, given that women are disproportionately affected by energy poverty and transport poverty;
6. this Regulation should ensure the full involvement and active engagement of all relevant stakeholders at local level, beyond a formal consultation, in order to help identifying solutions that are best suited to address local challenges on the ground and empowering citizens' led projects and local communities.

Despite the limited budget currently proposed, the Social Climate Fund has the potential to become the flagship Fund to deliver on the EU commitment towards a socially fair green transition, that leaves none behind, contributing to achieve a double dividend in terms of social and climate objectives, by investing in the shift towards a fossil-free, resource efficient, 100% renewable based future, for the benefit of the most vulnerable people and communities, people and families.

Nevertheless, the structure of the Fund as envisaged in this draft report is not intended to preempt a broader reflection on additional measures of support, which should be assessed in the context of a review of the instrument, should there be an agreement to introduce a carbon price under the new ETS2 on road transport and buildings.

In such scenario, the possibility to redistribute the additional revenues from ETS to European citizens in the form of 'energy money' should be further explored, to ensure a socially just climate protection and truly just green transition for all.

## AMENDMENTS

The Committee on Economic and Monetary Affairs calls on the Committee on Employment and Social Affairs and the Committee on the Environment, Public Health and Food Safety, as the committees responsible, to take into account the following amendments:

### Amendment 1

#### Proposal for a regulation

#### Recital 1 a (new)

*Text proposed by the Commission*

*Amendment*

***(1a) The depth and acute nature of the ongoing climate and environmental emergency has a more disproportionate effect on the most vulnerable groups, including the economically***

*disadvantaged, low-income households, women, discriminated groups, people with disabilities, elderly people or children, even though these groups often have the least responsibility for causing the emissions responsible for climate change. A new European Social Climate Fund is required to protect and empower the most vulnerable families and communities with the view to eradicating energy and transport poverty across Europe and to ensure full participation in the social benefits of the ecological transition, creating a win-win scenario for the people and the planet.*

Or. en

## **Amendment 2**

### **Proposal for a regulation Recital 8**

*Text proposed by the Commission*

*Amendment*

*(8) Those amendments have differing economic and social impacts on the different sectors of the economy, on the citizens, and the Member States. In particular, the inclusion of greenhouse gas emissions from buildings and road transport into the scope of Directive 2003/87/EC of the European Parliament and the Council<sup>31</sup> should provide an additional economic incentive to invest into the reduction of fossil fuel consumption and thereby accelerate the reduction of greenhouse gas emissions. Combined with other measures, this should, in the medium to long term, reduce the costs for buildings and road transport, and provide new opportunities for job creation and investment.*

*deleted*

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<sup>31</sup> *Directive 2003/87/EC of the European Parliament and of the Council of 13*

*October 2003 establishing a system for greenhouse gas emission allowance trading within the Union (OJ L 275, 25.10.2003, p. 32).*

Or. en

### *Justification*

*The Social Climate Fund should be decoupled from the ETS2 proposal for transport and buildings and be used to directly address the causes of energy and transport poverty, by proactively enabling European citizens to switch to sustainable, energy efficient, green alternatives, rather than as an instrument for ex post compensation, in line with the EU commitment to achieve a socially just green transition.*

### **Amendment 3**

#### **Proposal for a regulation**

#### **Recital 10**

##### *Text proposed by the Commission*

(10) The increase in the price for fossil fuels *may* disproportionately *affect* vulnerable households, vulnerable micro-enterprises and vulnerable transport users who spend a larger part of their incomes on energy and transport, who, in certain regions, do not have access to alternative, affordable mobility and transport solutions and who may lack the financial capacity to invest into the reduction of fossil fuel consumption.

##### *Amendment*

(10) The increase *and global fluctuations* in the price for fossil fuels disproportionately *affect* vulnerable households, vulnerable micro-enterprises and vulnerable transport users who spend a larger part of their incomes on energy and transport, who, in certain regions, do not have access to alternative, affordable mobility and transport solutions and who may lack the financial capacity to invest into the reduction of fossil fuel consumption. *Ambitious climate action would allow the Union to cut its dependence on fossil fuels and to protect Union citizens from dependence on imported fossil fuels and the impact of fluctuating energy prices.*

Or. en

## Amendment 4

### Proposal for a regulation Recital 12

#### *Text proposed by the Commission*

(12) This is even more relevant in view of the existing levels of energy poverty. Energy poverty is a situation in which households are unable to access essential energy services such as cooling, as temperatures rise, and heating. About 34 million Europeans reported an inability to keep their homes adequately warm in 2018, and 6.9% of the Union population have said that they cannot afford to heat their home sufficiently in a 2019 EU-wide survey<sup>32</sup>. Overall, the Energy Poverty Observatory estimates that more than 50 million households in the European Union experience energy poverty. Energy poverty is therefore a major challenge for the Union. While social tariffs or direct **income support** can provide immediate relief to households facing energy poverty, only targeted structural measures, in particular **energy** renovations, can provide lasting solutions.

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<sup>32</sup> Data from 2018. Eurostat, SILC [ilc\_md01]).

#### *Amendment*

(12) This is even more relevant in view of the existing levels of energy poverty. Energy poverty is a situation in which households are unable to access essential energy services such as cooling, as temperatures rise, and heating. About 34 million Europeans reported an inability to keep their homes adequately warm in 2018, and 6.9% of the Union population have said that they cannot afford to heat their home sufficiently in a 2019 EU-wide survey<sup>32</sup>. Overall, the Energy Poverty Observatory estimates that more than 50 million households in the European Union experience energy poverty. Energy poverty is therefore a major challenge for the Union. While social tariffs or direct **subsidies for energy bills** can provide immediate relief to households facing energy poverty, **they are not a real solution to lift households out of energy poverty and, on the contrary, they can also have the effect of locking people further into energy and transport poverty.** Only targeted structural measures **and investments aimed at ending the reliance on fossil fuels**, in particular **deep building renovations, the development of energy communities and renewable energy sources, including through community-lead projects, as well as information and awareness-raising measures targeted at the households**, can provide lasting solutions **and effectively combat energy poverty.**

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<sup>32</sup> Data from 2018. Eurostat, SILC [ilc\_md01]).

Or. en

## Amendment 5

### Proposal for a regulation Recital 13

*Text proposed by the Commission*

(13) A Social Climate ('the Fund') should therefore be established to **provide funds to the Member States to support their policies to address the social impacts of the emissions trading for buildings and road transport on vulnerable households, vulnerable micro-enterprises and vulnerable transport users**. This should be achieved notably through **temporary income support and** measures and investments intended to reduce reliance on fossil fuels through increased energy efficiency of buildings, **decarbonisation of heating and cooling of buildings, including the integration of energy from renewable sources, and** granting improved access to zero- and low-emission mobility and **transport to the benefit of vulnerable households, vulnerable micro-enterprises and vulnerable transport users**.

*Amendment*

(13) A Social Climate **Fund** ('the Fund') should therefore be established to address the social impacts of **energy and transport poverty, by targeted actions contributing to meet the Union climate and environmental objectives at the same time**. This should be achieved notably through **adaptive** measures and investments **with lasting impact** intended to reduce reliance on fossil fuels through increased energy efficiency of buildings, **in particular for those living in the worst performing buildings and in social housing, increased access to renewable energy for heating and cooling, as well as measures** granting improved access to zero- **emission sustainable** mobility and **public transport, in particular for those living in rural, insular and remote areas**.

Or. en

## Amendment 6

### Proposal for a regulation Recital 17

*Text proposed by the Commission*

(17) Pending the impact of those investments on reducing costs and emissions, well targeted direct **income support for the most vulnerable would help the just transition**. Such support should be understood to be **a temporary** measure accompanying the **decarbonisation of the housing and transport sectors. It would**

*Amendment*

(17) Pending the impact of those investments on reducing costs and emissions, well-targeted direct **household expenditure support for the most vulnerable in energy poverty may be necessary to reduce energy costs associated with the use of energy inefficient appliances or leakages**. Such

*not be permanent as it does not address the root causes of energy and transport poverty. Such support should only concern direct impacts of the inclusion of building and road transport into the scope of Directive 2003/87/EC, not electricity or heating costs related to the inclusion of power and heat production in the scope of that Directive.* Eligibility for such direct income support should be *limited in time*.

support should be understood to be *an adaptive* measure accompanying the *long-term investments towards deep building renovations as well affordable and sustainable mobility, as part of a holistic and long-term strategy to tackle effectively energy poverty* and transport poverty. Eligibility for such direct *expenditure* support should be *targeted to people facing energy poverty and transport poverty, with special attention to vulnerable women, such as single-mothers and elderly women with low income, who are disproportionately affected by energy poverty and transport poverty, due to different energy needs and mobility patterns. Such support should be in line with the principle of additionality and should not replace national schemes already in place.*

Or. en

## Amendment 7

### Proposal for a regulation Recital 18

*Text proposed by the Commission*

(18) Taking into account the *importance of tackling* climate *change* in line with Paris Agreement commitments, and the commitment to the United Nations Sustainable Development Goals, the actions under this Regulation should contribute to the achievement of the target that 30% of all expenditure under the 2021-2027 multiannual financial framework should be spent on mainstreaming climate objectives and should contribute to the ambition of providing 10% of annual spending to biodiversity objectives in 2026 and 2027, while considering the existing overlaps between climate and biodiversity goals. For this purpose, the methodology set out in Annex II of Regulation (EU)

*Amendment*

(18) Taking into account the climate *and environmental emergency* in line with Paris Agreement commitments, and the commitment to the United Nations Sustainable Development Goals the actions under this Regulation should contribute to the achievement of the target that *at least* 30% of all expenditure under the 2021-2027 multiannual financial framework should be spent on mainstreaming climate objectives and should contribute to the ambition of providing 10% of annual spending to biodiversity objectives in 2026 and 2027, while considering the existing overlaps between climate and biodiversity goals. For this purpose, the methodology set out in Annex II of Regulation (EU)

2021/1060 of the European Parliament and of the Council<sup>33</sup> should be used to tag the expenditures of the Fund. The Fund should support activities that fully respect the ***climate and environmental standards and priorities of the Union and comply with the principle of ‘do no significant harm’ within the meaning of Article 17*** of Regulation (EU) 2020/852 of the European Parliament and of the Council<sup>34</sup>. Only such measures and investments should be included in the Plans. ***Direct income support measures should as a rule be considered as having an insignificant foreseeable impact on environmental objectives, and as such be considered compliant with the principle of ‘do no significant harm’***. The Commission intends to issue technical guidance to the Member States well ahead of the preparation of the Plans. ***The guidance will explain how the measures and investments must comply with the principle of ‘do no significant harm’ within the meaning of Article 17*** of Regulation (EU) 2020/852. The Commission intends to present in 2021 a proposal for a Council Recommendation on how to address the social aspects of the green transition.

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<sup>33</sup> Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy (OJ L 231, 30.6.2021, p. 159).

<sup>34</sup> Regulation (EU) 2020/852 of the European Parliament and of the Council of

2021/1060 of the European Parliament and of the Council 33 should be used to tag the expenditures of the Fund. The Fund should support activities that fully respect the ***technical screening criteria established by the Commission in accordance with Article 10(3)*** of Regulation (EU) 2020/852 of the European Parliament and of the Council<sup>34</sup> ***for the relevant investments eligible under the Fund***. Only such measures and investments should be included in the Plans. The Commission intends to issue technical guidance to the Member States well ahead of the preparation of the Plans ***for activities for which technical screening criteria have not yet been developed under*** Regulation (EU) 2020/852. The Commission intends to present in 2021 a proposal for a Council Recommendation on how to address the social aspects of the green transition.

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<sup>33</sup> Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy (OJ L 231, 30.6.2021, p. 159).

<sup>34</sup> Regulation (EU) 2020/852 of the European Parliament and of the Council of

18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (OJ L 198, 22.6.2020, p. 13).

18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (OJ L 198, 22.6.2020, p. 13).

Or. en

## Amendment 8

### Proposal for a regulation Recital 19

#### *Text proposed by the Commission*

(19) Women are **particularly** affected by **carbon pricing as they** represent 85% of single parent families. Single parent families have a particularly high risk of **child** poverty. Gender equality and equal opportunities for all, and the mainstreaming of those objectives, as well as questions of accessibility for persons with disabilities should be **taken into account** and promoted throughout the preparation and implementation of Plans to ensure no one is left behind.

#### *Amendment*

(19) Women are **disproportionately** affected by **energy poverty and transport poverty, in particular single-mothers, who represent 85% of single parent families, as well as single women or elderly women living alone**. Single parent families **with dependent child** have a particularly high risk of **energy** poverty. Gender equality and equal opportunities for all, and the mainstreaming of those objectives, as well as questions of accessibility for persons with disabilities should be **ensured** and promoted throughout the **design**, preparation and implementation of Plans to ensure no one is left behind.

Or. en

## Amendment 9

### Proposal for a regulation Recital 20

#### *Text proposed by the Commission*

(20) Member States should **submit** their Plans together with the update of their integrated national energy and climate plans in accordance with Article 14 of Regulation (EU) 2018/1999 of the European Parliament and of the Council<sup>35</sup>.

#### *Amendment*

(20) Member States should **prepare** their Plans **in close cooperation with the regional and local actors, the economic and social partners and all the relevant stakeholders and representatives from the civil society, while respecting the**

The Plans should include the measures to be financed, their estimated costs and the national contribution. They should also include key milestones and targets to assess the effective implementation of the measures.

***European Code of Conduct on Partnership, and submit these Plans*** together with the update of their integrated national energy and climate plans in accordance with Article 14 of Regulation (EU) 2018/1999 of the European Parliament and of the Council<sup>35</sup>. The Plans should include the measures to be financed, their estimated costs and the national contribution. They should also include key milestones and targets to assess the effective implementation of the measures.

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<sup>35</sup> Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action, amending Regulations (EC) No 663/2009 and (EC) No 715/2009 of the European Parliament and of the Council, Directives 94/22/EC, 98/70/EC, 2009/31/EC, 2009/73/EC, 2010/31/EU, 2012/27/EU and 2013/30/EU of the European Parliament and of the Council, Council Directives 2009/119/EC and (EU) 2015/652 and repealing Regulation (EU) No 525/2013 of the European Parliament and of the Council (OJ L 328, 21.12.2018, p. 1).

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<sup>35</sup> Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action, amending Regulations (EC) No 663/2009 and (EC) No 715/2009 of the European Parliament and of the Council, Directives 94/22/EC, 98/70/EC, 2009/31/EC, 2009/73/EC, 2010/31/EU, 2012/27/EU and 2013/30/EU of the European Parliament and of the Council, Council Directives 2009/119/EC and (EU) 2015/652 and repealing Regulation (EU) No 525/2013 of the European Parliament and of the Council (OJ L 328, 21.12.2018, p. 1).

Or. en

## Amendment 10

### Proposal for a regulation

#### Recital 23

*Text proposed by the Commission*

(23) The financial envelope of the Fund should, in principle, be commensurate to amounts corresponding to **25% of the expected revenues from the inclusion of buildings and road transport into the scope of Directive 2003/87/EC in the period 2026-2032. Pursuant to Council Decision (EU, Euratom) 2020/2053<sup>41</sup>**,

*Amendment*

(23) The financial envelope of the Fund should, in principle, be commensurate to amounts corresponding to the expected **own resources linked to** Directive 2003/87/EC in the period **2024-2035**. Member States are to finance 50% of the total costs of their Plan themselves.

*Member States should make those revenues available to the Union budget as own resources. Member States are to finance 50% of the total costs of their Plan themselves. For this purpose, as well as for investment and measures to accelerate and alleviate the required transition for citizens negatively affected, Member States should inter alia use their expected revenues from emissions trading for buildings and road transport under Directive 2003/87/EC for that purpose.*

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*<sup>41</sup> Council Decision (EU, Euratom) 2020/2053 of 14 December 2020 on the system of own resources of the European Union and repealing Decision 2014/335/EU, Euratom (OJ L 424, 15.12.2020, p. 1).*

Or. en

## Amendment 11

### Proposal for a regulation Article 1 – paragraph 3

#### *Text proposed by the Commission*

The measures and investments supported by the Fund shall benefit households, micro-enterprises and **transport users**, which are **vulnerable and particularly affected by the inclusion of greenhouse gas emissions from buildings and road transport into the scope of Directive 2003/87/EC, especially** households in energy poverty **and citizens without public transport alternative to individual cars (in remote and rural areas).**

#### *Amendment*

The measures and investments supported by the Fund shall **directly** benefit households, micro-enterprises and **people**, which are **facing energy poverty or transport poverty, in particular** households in energy poverty **living in worst performing buildings or in social housing, as well as people living in rural, insular, mountainous, and remote areas, with low or no access to basic services or public transport.**

Or. en

## Amendment 12

### Proposal for a regulation Article 1 – paragraph 4

#### *Text proposed by the Commission*

The general objective of the Fund is to **contribute to the transition towards climate neutrality by addressing the social impacts of the inclusion of greenhouse gas emissions from buildings and road transport into the scope of Directive 2003/87/EC**. The specific objective of the Fund is to support vulnerable households, vulnerable micro-enterprises and vulnerable transport **users** through **temporary direct income support and** through measures and investments intended to increase energy efficiency of buildings, **decarbonisation of heating and cooling of buildings, including the integration of energy from renewable sources, and granting** improved access to zero- **and low-emission** mobility **and** transport.

#### *Amendment*

The general objective of the Fund is to **accelerate the green transition to a climate-neutral, sustainable, non-toxic, resource-efficient, renewable energy-based, resilient and competitive circular economy in a just, equitable and inclusive way by 2050 at the latest, in line with the Union's commitments under the Paris Agreement, the European Pillar of Social Rights and the UN Sustainable Development Goals, while leaving no one behind**.

The specific objective of the Fund is to support vulnerable households, vulnerable micro-enterprises and vulnerable **people affected by energy and transport poverty, where relevant**, through **a direct household expenditure support, and primarily through targeted** measures and investments intended to **phase out the reliance on fossil fuels**, increase energy efficiency of buildings **combined with access to renewable energy sources for heating and cooling, and grant** improved access to zero- **emission sustainable** mobility **solutions and integrated** transport **services**.

Or. en

## Amendment 13

### Proposal for a regulation

#### Article 1 – paragraph 4 a (new)

*Text proposed by the Commission*

*Amendment*

***In line with these objectives, the Fund shall not provide any support to measures and investments which could prolong the reliance on fossil fuels or lead to carbon lock-in, while hampering or delaying the deployment of alternative sustainable energy sources.***

Or. en

## Amendment 14

### Proposal for a regulation

#### Article 2 – paragraph 1 – point 1

*Text proposed by the Commission*

*Amendment*

(1) ‘building renovation’ means ***all kinds of energy-related building renovation, including the insulation of the building envelope, that is to say walls, roof, floor, the replacement of windows, the replacement of heating, cooling and cooking appliances, and the installation of on-site production of energy from renewable sources;***

(1) ‘***deep*** building renovation’ means ***deep renovation as defined in [Article 2(19) of the proposal for a Directive of the European Parliament and of the Council on the energy performance of buildings (recast) (EPBD)];***

Or. en

## Amendment 15

### Proposal for a regulation

#### Article 2 – paragraph 1 – point 2

*Text proposed by the Commission*

*Amendment*

(2) ‘energy poverty’ means energy ***poverty as defined in point [(49)] of***

(2) ‘energy poverty’ means ***a household’s lack of access to adequate,***

*Article 2 of Directive (EU) [yyyy/nnn] of the of the European Parliament and of the Council<sup>50</sup> ;*

*affordable, reliable, quality, safe and environmentally sound energy services that underpin a decent standard of living and health, including adequate warmth, cooling, lighting, and energy to power appliances, in the relevant national context, existing social policy and other relevant policies;*

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<sup>50</sup> [Directive (EU) [yyyy/nnn] of the of the European Parliament and of the Council (OJ C [...], [...], p. [...]).] [Proposal for recast of Directive 2012/27/EU on energy efficiency]

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<sup>50</sup> [Directive (EU) [yyyy/nnn] of the of the European Parliament and of the Council (OJ C [...], [...], p. [...]).] [Proposal for recast of Directive 2012/27/EU on energy efficiency]

Or. en

## **Amendment 16**

### **Proposal for a regulation**

#### **Article 2 – paragraph 1 – point 11**

*Text proposed by the Commission*

(11) ‘vulnerable households’ means households in energy poverty or households, including lower middle-income ones, that are significantly affected by the *price impacts of the inclusion of buildings into the scope of Directive 2003/87/EC and lack* the means to renovate the building they occupy;

*Amendment*

(11) ‘vulnerable households’ means households in energy poverty or households, including lower middle-income ones, that are significantly affected by the *lack of access to affordable and sustainable energy sources and to the means to renovate the building they occupy;*

Or. en

## **Amendment 17**

### **Proposal for a regulation**

#### **Article 2 – paragraph 1 – point 12**

*Text proposed by the Commission*

(12) ‘vulnerable micro-enterprises’ means micro-enterprises that are

*Amendment*

(12) ‘vulnerable micro-enterprises’ means micro-enterprises *with fewer than*

*significantly* affected by the price impacts of the inclusion of buildings into the scope of Directive 2003/87/EC and lack the means to renovate the building they occupy;

*10 employees and an annual turnover or balance sheet below EUR 2 000 000* that are *adversely* affected by the price impacts *in the relevant national context* and lack the means to renovate the building they occupy;

Or. en

## Amendment 18

### Proposal for a regulation

#### Article 2 – paragraph 1 – point 13

*Text proposed by the Commission*

(13) ‘*vulnerable transport users*’ means *transport users, including from lower middle-income households, that are significantly affected by the price impacts of the inclusion of road transport into the scope of Directive 2003/87/EC and lack the means to purchase zero- and low-emission vehicles or to switch to alternative sustainable modes of transport, including public transport, particularly in rural and remote areas.*

*Amendment*

(13) ‘transport *poverty*’ means *a household’s inability to afford the necessary travels required to meet essential socio-economic needs in a given context and which can be caused by one or the combination of the following factors, depending on national and local specificities: low income, high fuel expenditures and/or high costs of public transport, availability of mobility alternatives and their accessibility and location, travelled distances and transport practices, particularly in rural, insular, mountainous and remote areas.*

Or. en

## Amendment 19

### Proposal for a regulation

#### Article 2 – paragraph 1 – point 13 a (new)

*Text proposed by the Commission*

*Amendment*

(13a) ‘*worst performing buildings*’ mean *buildings below E energy performance rating, as defined in [Article 2(17) of Recast EPBD];*

**Amendment 20****Proposal for a regulation  
Article 3 – paragraph 1***Text proposed by the Commission*

1. Each Member State shall submit to the Commission a Social Climate Plan ('the Plan') together with the update to the integrated national energy and climate plan referred to in Article 14(2) of Regulation (EU) 2018/1999 in accordance with the procedure and timeline laid down in that Article. The Plan shall contain a coherent set of measures and investments to address ***the impact of carbon pricing on*** vulnerable households, vulnerable micro-enterprises and vulnerable transport ***users in order to ensure*** affordable heating, cooling ***and*** mobility while accompanying and accelerating necessary measures to meet the climate targets of the Union.

*Amendment*

1. Each Member State shall submit to the Commission a Social Climate Plan ('the Plan') together with the update to the integrated national energy and climate plan referred to in Article 14(2) of Regulation (EU) 2018/1999 in accordance with the procedure and timeline laid down in that Article. The Plan shall contain a coherent set of measures and investments to ***effectively address energy poverty and transport poverty and support*** vulnerable households, vulnerable micro-enterprises and vulnerable ***people facing*** transport ***poverty by supporting them to increase energy efficiency of their buildings and access to*** affordable heating ***and*** cooling ***powered by renewable energy sources as well as improving access to sustainable and integrated*** mobility services, while accompanying and accelerating necessary measures to meet the ***energy and*** climate targets of the Union.

***In order to facilitate the preparation of the Plan, the Commission shall publish guidance, including a template.***

**Amendment 21****Proposal for a regulation  
Article 3 – paragraph 2***Text proposed by the Commission*

2. The Plan may include national

*Amendment*

2. The Plan may include national ***or***

measures providing *temporary* direct *income* support to *vulnerable* households *and households that are vulnerable transport users to reduce the impact of the increase in the price of fossil fuels resulting from the inclusion of buildings and road transport into the scope of Directive 2003/87/EC*.

*subnational* measures providing direct *expenditure* support to households *affected by energy poverty and people facing transport poverty, with special attention to women and people living in remote and less accessible areas, to help reducing energy and transport costs, by providing facilitated access to green energy efficient solutions and mobility services*.

Or. en

## Amendment 22

### Proposal for a regulation Article 3 – paragraph 3 – introductory part

*Text proposed by the Commission*

3. The Plan shall include national projects to:

*Amendment*

3. The Plan shall include national, *regional or local* projects to:

Or. en

## Amendment 23

### Proposal for a regulation Article 3 – paragraph 3 – point a

*Text proposed by the Commission*

(a) finance measures and investments *to increase energy efficiency of buildings, to implement energy efficiency improvement measures*, to carry out building renovation, *and to decarbonise heating and cooling of buildings, including* the integration of energy production from renewable energy sources;

*Amendment*

(a) finance measures and investments *with a lasting impact, prioritising demand-side measures and applying the energy efficiency first principle*, to carry out *deep* building renovation, *as well as investments aimed at* the integration of energy production from renewable energy sources *and other measures preventing carbon lock-in*;

Or. en

## **Amendment 24**

### **Proposal for a regulation**

#### **Article 3 – paragraph 3 – point a a (new)**

*Text proposed by the Commission*

*Amendment*

*(aa) provide financial and technical support to self-organised energy communities and community-led local development projects in urban and rural areas, including locally owned energy systems, as well as the arrangements for engaging and building capacity at the local level;*

Or. en

## **Amendment 25**

### **Proposal for a regulation**

#### **Article 3 – paragraph 3 – point a b (new)**

*Text proposed by the Commission*

*Amendment*

*(ab) finance measures and investments to ensure access to affordable and sustainable housing, including through the rehabilitation of abandoned buildings;*

Or. en

## **Amendment 26**

### **Proposal for a regulation**

#### **Article 3 – paragraph 3 – point a c (new)**

*Text proposed by the Commission*

*Amendment*

*(ac) finance measures addressing non-monetary barriers to improvements in the energy efficiency in buildings and uptake of renewable energy as well as barriers to accessing sustainable mobility and public transport services, in order to combat*

*energy poverty and transport poverty, while accelerating the decarbonisation of buildings and transport; these measures may include community projects of information and awareness, tailored energy consultations and advice;*

Or. en

## **Amendment 27**

### **Proposal for a regulation Article 3 – paragraph 3 – point b**

*Text proposed by the Commission*

(b) finance measures and investments to increase the uptake of zero- *and low-emission* mobility and transport.

*Amendment*

(b) finance measures and investments *with a lasting impact* to increase the uptake *and use* of zero- *emission sustainable and shared* mobility and *public* transport *services*;

Or. en

## **Amendment 28**

### **Proposal for a regulation Article 3 – paragraph 3 – point b a (new)**

*Text proposed by the Commission*

*Amendment*

*(ba) finance measures and investments to support digital connectivity in remote, insular and rural areas;*

Or. en

## **Amendment 29**

### **Proposal for a regulation Article 4 – paragraph 1 – point a**

*Text proposed by the Commission*

(a) concrete measures and investments in accordance with Article 3 ***to reduce the effects referred to in point (c) of this paragraph*** together with an explanation of how they would contribute effectively to the achievement of the objectives set out in Article 1 within the overall setting of a Member State's relevant policies;

*Amendment*

(a) concrete measures and investments in accordance with Articles 3 ***and 6 to combat energy poverty and transport poverty*** together with an explanation of how they would contribute effectively to the achievement of the objectives set out in Article 1 within the overall setting of a Member State's relevant policies;

Or. en

**Amendment 30**

**Proposal for a regulation**  
**Article 4 – paragraph 1 – point b**

*Text proposed by the Commission*

(b) concrete accompanying measures needed to accomplish the measures and investments of the Plan and ***reduce the effects referred to in point (c)*** as well as information on existing or planned financing of measures and investments from other Union, international, public or private sources;

*Amendment*

(b) concrete accompanying measures ***not financed by the Fund that are*** needed to accomplish the measures and investments of the Plan and as well as information on existing or planned financing of measures and investments from other Union, international, public or private sources, ***including:***

*i) measures aimed at supporting and ensuring home-owners and landlords comply with minimum energy performance standards;*

*ii) measures aimed at ensuring that building renovations do not result in evictions or indirect evictions through rent increases of vulnerable people, including conditioning any financial support or fiscal incentives on the obligation for the landlord to maintain the rental agreement for a period of at least 10 years and keep the costs of the rent at the same level as prior to the renovation, except in case of any exemptions and indexations foreseen in national rental law;*

iii) *measures aimed at addressing the problem of split-incentives between homeowners and tenants, while strengthening the protection and safeguards of tenants and promoting the right to affordable and sustainable housing;*

iv) *investments aimed at developing and expanding public transport infrastructure as well as the technological digital infrastructure in order to improve the accessibility and connectivity of rural, insular and remote areas;*

Or. en

### Amendment 31

#### Proposal for a regulation

#### Article 4 – paragraph 1 – point c

*Text proposed by the Commission*

(c) an estimate of the *likely effects of that increase in prices on households, and in particular on* incidence of energy poverty, *on micro-enterprises and on* transport *users*, comprising in particular an estimate and *the* identification of vulnerable households, vulnerable micro-enterprises *and vulnerable transport users*; these impacts are to be analysed with a sufficient level of regional disaggregation, taking into account elements such as access to public transport and basic services and identifying the areas mostly affected, particularly territories which are remote and rural;

*Amendment*

(c) an estimate of the incidence of energy poverty *and* transport *poverty*, comprising in particular an estimate and identification of vulnerable households *facing energy poverty, as well as people facing transport poverty and* vulnerable micro-enterprises *in the national context*; these impacts are to be analysed with *gender disaggregated data and gender-sensitive information*, a sufficient level of regional disaggregation, taking into account elements such as access to *decent, adequate, affordable and healthy housing*, public transport and basic services and identifying the areas mostly affected, particularly territories which are remote, *insular* and rural *or less accessible*;

Or. en

## Amendment 32

### Proposal for a regulation

#### Article 4 – paragraph 1 – point c a (new)

*Text proposed by the Commission*

*Amendment*

***(ca) a gender impact assessment and an explanation of how the measures and investments contained in the Plan take into account the objectives to contribute to gender equality and equal opportunities for all and the mainstreaming of those objectives, in line with principles 2 and 3 of the European Pillar of Social Rights, with the UN Sustainable Development Goal 5 and, where relevant, with the national gender equality strategy;***

Or. en

## Amendment 33

### Proposal for a regulation

#### Article 4 – paragraph 1 – point d

*Text proposed by the Commission*

*Amendment*

(d) where the Plan provides for measures referred to in Article 3(2), the criteria for the identification of eligible final recipients, ***the indication of the envisaged time limit for the measures in question and their justification on the basis of a quantitative estimate and a qualitative explanation*** of how the measures in the Plan are expected to ***reduce*** energy and transport poverty and ***the vulnerability of households, micro-enterprises and transport users to an increase of road transport and heating fuel prices;***

(d) where the Plan provides for measures referred to in Article 3(2), the criteria for the identification of eligible final recipients and their justification of how the measures in the Plan are expected to ***eradicate*** energy and transport poverty and ***phase out the reliance on fossil fuel energy for heating and cooling, as well for*** transport;

Or. en

## Amendment 34

### Proposal for a regulation

#### Article 4 – paragraph 1 – point e

*Text proposed by the Commission*

(e) envisaged milestones, targets and an indicative timetable for the implementation of the measures and investments to be completed by 31 **July 2032**;

*Amendment*

(e) envisaged milestones, targets and an indicative timetable for the implementation of the measures and investments to be completed **at the end of each multiannual financial framework, that is, by 31 December 2027 and by 31 July 2035 respectively**;

Or. en

## Amendment 35

### Proposal for a regulation

#### Article 4 – paragraph 1 – point i

*Text proposed by the Commission*

(i) the arrangements for the effective monitoring and implementation of the Plan by the Member State concerned, in particular of the proposed milestones and targets, including indicators for the implementation of measures and investments, which, where relevant, shall be those available with the Statistical office of the European Union European Statistical Office and the European Energy Poverty Observatory as identified by Commission Recommendation 2020/1563<sup>54</sup> on energy poverty;

*Amendment*

(i) the arrangements for the effective monitoring and implementation of the Plan by the Member State **and regional and local authorities concerned, including the involvement of economic and social partners and civil society in the process**, in particular of the proposed milestones and targets, including indicators for the implementation of measures and investments, which, where relevant, shall be those available with the Statistical office of the European Union European Statistical Office and the European Energy Poverty Observatory as identified by Commission Recommendation 2020/1563<sup>54</sup> on energy poverty;

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<sup>54</sup> OJ L 357, 27.10.2020, p. 35.

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<sup>54</sup> OJ L 357, 27.10.2020, p. 35.

Or. en

## Amendment 36

### Proposal for a regulation

#### Article 4 – paragraph 1 – point j

*Text proposed by the Commission*

(j) for the preparation and, **where available, for** the implementation of the Plan, a **summary** of the consultation process, conducted in accordance with Article 10 of Regulation (EU) 2018/1999 and with the national legal framework, of local and regional authorities, social partners, civil society organisations, youth organisations and other relevant stakeholders, and how the input of the stakeholders is reflected in the Plan;

*Amendment*

(j) for the preparation and, the implementation of the Plan, a **detailed description** of the consultation process, conducted in accordance with Article 10 of Regulation (EU) 2018/1999 **and Article 8 of Regulation (EU) 2021/1060** and with the national legal framework, of local and regional authorities, social partners, civil society organisations, youth organisations and other relevant stakeholders, and how the input of the stakeholders is reflected in the Plan **as well at their specific roles for the implementation and monitoring**;

Or. en

## Amendment 37

### Proposal for a regulation

#### Article 4 – paragraph 3

*Text proposed by the Commission*

3. **When preparing their Plans, Member States may request** the Commission **to organise an** exchange of good practices. Member States may also request technical support under the ELENA facility, established by an Agreement of the Commission with the European Investment Bank in 2009, or under the Technical Support Instrument established by Regulation (EU) 2021/240 of the European Parliament and of the Council<sup>58</sup>.

*Amendment*

3. The Commission **shall set up a platform to actively promote the** exchange of good practices **among all stakeholders and communities concerned by the implementation of the Fund as well as to provide guidance to enable and encourage the capacity building of stakeholders to participate in the development and implementation of the Fund.**

Member States **and the stakeholders involved in the preparation of the Plans** may also request technical support under the ELENA facility, established by an Agreement of the Commission with the

European Investment Bank in 2009, or under the Technical Support Instrument established by Regulation (EU) 2021/240 of the European Parliament and of the Council<sup>58</sup>.

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<sup>58</sup> Regulation (EU) 2021/240 of the European Parliament and of the Council of 10 February 2021 establishing a Technical Support Instrument (OJ L 57, 18.2.2021, p. 1).

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<sup>58</sup> Regulation (EU) 2021/240 of the European Parliament and of the Council of 10 February 2021 establishing a Technical Support Instrument (OJ L 57, 18.2.2021, p. 1).

Or. en

## Amendment 38

### Proposal for a regulation

#### Article 5 – paragraph 1 a (new)

*Text proposed by the Commission*

*Amendment*

***1a. Respect for fundamental and human rights and compliance with the European Convention on Human Rights, the Charter of Fundamental Rights of the EU, the ILO Conventions and the International Bill of Human Rights shall be ensured throughout the preparation, implementation, monitoring and evaluation of the Fund.***

***The measures and investments financed by the Fund shall respect the principle of non-discrimination on the grounds of gender, racial or ethnic origin, religion or belief, disability, age or sexual orientation throughout their preparation and implementation and ensure, where relevant, the accessibility for persons with disabilities.***

***The measures and investments supported by the Fund shall respect the principle of gender equality and address energy poverty and transport poverty from a gender-sensitive perspective.***

*All beneficiaries of the Fund shall comply with the conditions outlined in this paragraph prior to receiving any form of financial support.*

Or. en

### **Amendment 39**

#### **Proposal for a regulation Article 5 – paragraph 2 – point b**

*Text proposed by the Commission*

(b) building renovation;

*Amendment*

(b) ***deep*** building renovation;

Or. en

### **Amendment 40**

#### **Proposal for a regulation Article 5 – paragraph 2 – point b a (new)**

*Text proposed by the Commission*

*Amendment*

***(ba) development and use of renewable energy sources including energy communities;***

Or. en

### **Amendment 41**

#### **Proposal for a regulation Article 5 – paragraph 2 – point c**

*Text proposed by the Commission*

(c) zero- ***and low-emission*** mobility and transport;

*Amendment*

(c) zero- ***emission sustainable*** mobility and ***integrated*** transport ***services;***

Or. en

## Amendment 42

### Proposal for a regulation

#### Article 5 – paragraph 2 – point c a (new)

*Text proposed by the Commission*

*Amendment*

**(ca) digital mobility services in remote, insular and rural areas;**

Or. en

## Amendment 43

### Proposal for a regulation

#### Article 5 – paragraph 2 – point e

*Text proposed by the Commission*

*Amendment*

(e) reductions in the number of vulnerable households, especially households in energy poverty, of vulnerable micro-enterprises and of vulnerable transport users, including in rural and remote areas.

(e) reductions in the number of vulnerable households, especially households in energy poverty, of vulnerable micro-enterprises and of vulnerable transport users, including in rural and remote areas, ***disaggregated per gender;***

Or. en

## Amendment 44

### Proposal for a regulation

#### Article 5 – paragraph 3 a (new)

*Text proposed by the Commission*

*Amendment*

**3a. The Social Climate Fund shall not support measures and investments excluded under Article 9 of Regulation (EU) 2021/1056.**

Or. en

## Amendment 45

### Proposal for a regulation Article 6 – paragraph 1

*Text proposed by the Commission*

1. Member States may include the costs of measures providing **temporary** direct **income** support to **vulnerable households and vulnerable households that are transport users to absorb the increase in road transport and heating fuel prices. Such support shall decrease over time and be limited to the direct impact of the emission trading for buildings and road transport. Eligibility for such direct income support shall cease within the time limits identified under Article 4(1) point (d).**

*Amendment*

1. Member States may include the costs of measures providing direct **household expenditure** support **limited to households affected by energy poverty and people facing transport poverty, by improving access to affordable clean energy efficiency solutions and to sustainable mobility and public transport.**

*The income support shall only cover the following measures:*

Or. en

## Amendment 46

### Proposal for a regulation Article 6 – paragraph 1 – subparagraph 2 – point a

*Text proposed by the Commission*

*(a) provision of goods and services free of charge aimed at reducing the costs of energy used to cover basic needs of households, such as highly energy efficient appliances and equipment, sustainable materials for building insulation, as part of the long term renovation plans of buildings, as described in an individual building renovation passport;*

Or. en

## **Amendment 47**

### **Proposal for a regulation**

#### **Article 6 – paragraph 1 – subparagraph 2 – point b**

*Text proposed by the Commission*

*Amendment*

*(b) where the provision referred to in point (a) is not practicable and cost-effective, support shall be given in terms of nominative vouchers redeemable against the purchase goods and services directly tackling energy poverty and transport poverty and respect the principle of energy efficiency first;*

Or. en

## **Amendment 48**

### **Proposal for a regulation**

#### **Article 6 – paragraph 1 – subparagraph 2 – point c**

*Text proposed by the Commission*

*Amendment*

*(c) free access or adapted tariffs for access to public transport as well as to sustainable and flexible shared mobility services.*

Or. en

## **Amendment 49**

### **Proposal for a regulation**

#### **Article 6 – paragraph 1 – subparagraph 2 a (new)**

*Text proposed by the Commission*

*Amendment*

*Eligibility for such support shall be targeted to people facing energy poverty and transport poverty, with special attention to women and vulnerable groups of women, such as single women, single-*

*mothers and elderly women with low income. Support to women shall account for an amount, which represents at least 60 % of the total amount allocated for direct support.*

Or. en

## Amendment 50

### Proposal for a regulation

#### Article 6 – paragraph 1 – subparagraph 2 b (new)

*Text proposed by the Commission*

*Amendment*

*The direct household expenditure support shall not exceed 30 % of the total estimated costs of the Plan.*

Or. en

## Amendment 51

### Proposal for a regulation

#### Article 6 – paragraph 2 – introductory part

*Text proposed by the Commission*

*Amendment*

2. Member States may include the costs of the following measures and investments in the estimated total costs of the Plans, provided they *principally* benefit *vulnerable* households, vulnerable micro-enterprises or *vulnerable* transport *users* and intend to:

2. Member States may include the costs of the following measures and *long term* investments *with lasting impact* in the estimated total costs of the Plans, provided they benefit households, vulnerable micro-enterprises or *people facing energy and* transport *poverty* and intend to:

Or. en

## Amendment 52

### Proposal for a regulation

#### Article 6 – paragraph 2 – point a

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*Text proposed by the Commission*

(a) support building renovations, especially for those occupying worst-performing buildings, including in the form of financial support or fiscal incentives ***such as deductibility of renovation costs from the rent, independently of the ownership of the buildings concerned;***

*Amendment*

(a) support ***deep*** building renovations, especially for those occupying worst-performing buildings, ***in privately-owned homes or in social housing***, including in the form of financial support or fiscal incentives;

Or. en

### Amendment 53

#### Proposal for a regulation Article 6 – paragraph 2 – point b

*Text proposed by the Commission*

(b) contribute to ***the decarbonisation***, including the electrification, of heating and cooling of, and cooking in, buildings and ***the integration*** of energy from renewable sources ***that*** contribute to the achievements of energy savings;

*Amendment*

(b) contribute to ***achieving a climate-neutral building stock***, including the electrification, of heating and cooling of, and cooking in, buildings and ***support the installations of on-site and nearby production and distribution*** of energy from renewable sources, ***including through citizen energy communities and peer-to-peer energy sharing, to power any residual demand and*** contribute to the achievements of energy savings;

Or. en

### Amendment 54

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

*Text proposed by the Commission*

*Amendment*

***(ba) provide households with tailored advice and information about energy savings and consumer rights as well as about sustainable and affordable mobility***

*and transport alternatives, including via tailored energy consultations or other type of personalised support aimed at addressing energy poverty;*

Or. en

## **Amendment 55**

### **Proposal for a regulation**

#### **Article 6 – paragraph 2 – point b b (new)**

*Text proposed by the Commission*

*Amendment*

*(bb) support the rehabilitation of abandoned buildings and spaces to increase access to affordable and sustainable housing, while increasing the energy efficiency of the buildings;*

Or. en

## **Amendment 56**

### **Proposal for a regulation**

#### **Article 6 – paragraph 2 – point c**

*Text proposed by the Commission*

*Amendment*

(c) support public and private entities in developing and providing affordable energy efficiency renovation solutions and appropriate funding instruments in line with the social goals of the Fund;

(c) support public and private entities, ***in particular local renewable energy communities and social housing companies***, in developing and providing affordable energy efficiency renovation solutions and appropriate funding instruments in line with the social goals of the Fund;

Or. en

## Amendment 57

### Proposal for a regulation

#### Article 6 – paragraph 2 – point d

*Text proposed by the Commission*

(d) provide access to zero- and **low-emission** vehicles **and** bikes, including financial support or fiscal incentives for their purchase as well as for appropriate public and private infrastructure, including for recharging **and refuelling; for** support concerning **low-emission** vehicles, **a timetable for gradually reducing the support** shall be **provided**;

*Amendment*

(d) provide access to zero- and **low-emission** vehicles **such as** bikes, including financial support or fiscal incentives for their purchase, as well as for appropriate public and private infrastructure, including for **parking and** recharging; support concerning **the purchase of zero-emission** vehicles shall be **limited to bicycles and e-bikes**;

Or. en

## Amendment 58

### Proposal for a regulation

#### Article 6 – paragraph 2 – point e

*Text proposed by the Commission*

(e) **grant free access to public transport or adapted tariffs for access to public transport, as well as** fostering sustainable mobility on demand and shared mobility services;

*Amendment*

(e) **provide investments aimed at accelerating the modal shift from private individual vehicles towards** fostering a **zero emission** sustainable **mobility, including support for the creation and development of cycling routes, and integrated transport services, including** mobility on demand and shared mobility services, **especially in rural, insular, mountainous, remote and less accessible areas or for less developed regions or territories, including less developed peri-urban areas**;

Or. en

## Amendment 59

### Proposal for a regulation

#### Article 6 – paragraph 2 – point f a (new)

*Text proposed by the Commission*

*Amendment*

*(fa) foster digital connectivity and technological solutions to support people affected by transport poverty in rural, insular, mountainous, remote and less accessible areas to access basic services or public transport;*

Or. en

## Amendment 60

### Proposal for a regulation

#### Article 6 – paragraph 2 – point f b (new)

*Text proposed by the Commission*

*Amendment*

*(fb) support capacity building and training of people affected by energy poverty or transport poverty in order to engage in peer-to-peer and community work initiatives aimed at combatting energy poverty and transport poverty;*

Or. en

## Amendment 61

### Proposal for a regulation

#### Article 7 – paragraph 1 – introductory part

*Text proposed by the Commission*

*Amendment*

1. The Fund shall not ***support, and the estimated total costs of Plans shall not include*** measures in the form of direct income support ***pursuant to Article 3(2) of this Regulation*** for households already benefiting:

1. The Fund shall not ***replace*** measures in the form of direct income support for households already benefiting:

## Amendment 62

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

*Text proposed by the Commission*

*Amendment*

2. *Where it is proven by the Member State concerned in its Plan that the public interventions referred to in paragraph 1 do not fully off-set the price increase resulting from the inclusion of the sectors of buildings and road transport into the scope of Directive 2003/87/EC, direct income support may be included in the estimated total costs in the limits of the price increase not fully off-set.*

*deleted*

Or. en

## Amendment 63

### Proposal for a regulation Article 8 – title

*Text proposed by the Commission*

*Amendment*

Pass-on of benefits to households, *micro-enterprises* and transport users

Pass-on of benefits to households and transport users

Or. en

## Amendment 64

### Proposal for a regulation Article 9 – paragraph 1

*Text proposed by the Commission*

*Amendment*

1. The financial envelope for the implementation of the Fund for the period 2025-2027 shall be EUR **23 700 000 000** in

1. The financial envelope for the implementation of the Fund for the period 2025-2027 shall be EUR **48 500 000 000** in

current prices.

current prices.

Or. en

### *Justification*

*Resources frontloaded to the current MFF, to be financed via reformed ETSI and other own resources.*

## **Amendment 65**

### **Proposal for a regulation Article 9 – paragraph 2**

#### *Text proposed by the Commission*

2. The financial envelope for the implementation of the Fund for the period 2028-2032 shall be **EUR 48 500 000 000 in current prices, subject to the availability of the amounts under the annual ceilings of the applicable** multiannual financial framework **referred to in Article 312 TFEU.**

#### *Amendment*

2. The financial envelope for the implementation of the Fund for the period 2028-2035 shall be **determined during the negotiations** of the **next** multiannual financial framework, **but shall not be set at a level lower than EUR 23 700 000 000.**

Or. en

## **Amendment 66**

### **Proposal for a regulation Article 9 – paragraph 3**

#### *Text proposed by the Commission*

3. The amounts referred to in paragraphs 1 and 2 may also cover expenses pertaining to preparatory, monitoring, control, audit and evaluation activities which are required for the management of the Fund and the achievement of its objectives, in particular studies, meetings of experts, consultation of stakeholders, information and communication actions, including inclusive outreach actions, **and corporate**

#### *Amendment*

3. The amounts referred to in paragraphs 1 and 2 may also cover expenses pertaining to preparatory, monitoring, control, audit and evaluation activities which are required for the management of the Fund and the achievement of its objectives, in particular studies, meetings of experts, consultation of stakeholders, information and communication actions, including inclusive outreach actions, insofar as they are related

*communication of the political priorities of the Union*, insofar as they are related to the objectives of this Regulation, expenses linked to IT networks focusing on information processing and exchange, corporate information technology tools, and all other technical and administrative assistance expenses *incurred by the Commission for the management* of the Fund. Expenses may also cover the costs of other supporting activities such as quality control and monitoring of projects on the ground and the costs of peer counselling and experts for the assessment and implementation of the eligible actions.

to the objectives of this Regulation, expenses linked to IT networks focusing on information processing and exchange, corporate information technology tools, and all other technical and administrative assistance expenses *to support the beneficiaries* of the Fund. Expenses may also cover the costs of other supporting activities such as quality control and monitoring of projects on the ground and the costs of peer counselling and experts for the assessment and implementation of the eligible actions.

Or. en

## **Amendment 67**

### **Proposal for a regulation Article 10 – paragraph 1**

*Text proposed by the Commission*

*Amendment*

**1. Resources allocated to Member States under shared management may, at their request, be transferred to the Fund subject to the conditions set out in the relevant provisions of Regulation (EU) 2021/1060. The Commission shall implement those resources directly in accordance with Article 62(1), first subparagraph, point (a) of Regulation (EU, Euratom) 2018/1046. Those resources shall be used exclusively for the benefit of the Member State concerned.**

*deleted*

Or. en

## **Amendment 68**

### **Proposal for a regulation Article 15 – paragraph 2 – point a – point i**

*Text proposed by the Commission*

(i) whether the Plan represents a response to the social impact on and challenges faced by **vulnerable** households, **vulnerable** micro-enterprises and **vulnerable transport users** in the Member State **concerned from establishing the emission trading system for buildings and road transport established pursuant to Chapter IVa of Directive 2003/87/EC**, especially households in energy poverty, duly taking into account the challenges identified in the assessments of the Commission of the update of the concerned Member State's integrated national energy and climate plan and of its progress pursuant to Article 9(3), and Articles 13 and 29 of Regulation (EU) 2018/1999, as well as in the Commission recommendations to Member States issued pursuant to Article 34 of Regulation (EU) 2018/1999 in view of the long-term objective of climate neutrality in the Union by 2050. This shall take into account the specific challenges and the financial allocation of the Member State concerned;

*Amendment*

(i) whether the Plan represents a response to the social impact on and challenges faced by households, micro-enterprises and **people experiencing energy poverty and transport poverty** in the Member State especially households in energy poverty, duly taking into account the challenges identified in the assessments of the Commission of the update of the concerned Member State's integrated national energy and climate plan and of its progress pursuant to Article 9(3), and Articles 13 and 29 of Regulation (EU) 2018/1999, as well as in the Commission recommendations to Member States issued pursuant to Article 34 of Regulation (EU) 2018/1999 in view of the **Union's 2030 climate and energy targets and the** long-term objective of climate neutrality in the Union by 2050. This shall take into account the specific challenges and the financial allocation of the Member State concerned;

Or. en

**Amendment 69**

**Proposal for a regulation**

**Article 15 – paragraph 2 – point a – point iii a (new)**

*Text proposed by the Commission*

*Amendment*

**(iiia) whether the Plan has been prepared and developed through the meaningful and inclusive participation of all relevant stakeholders in compliance with Article 10 of Regulation (EU) 2018/1999 and Article 8 of Regulation (EU) 2021/1060;**

Or. en

## Amendment 70

### Proposal for a regulation

#### Article 15 – paragraph 2 – point a – point iii b (new)

*Text proposed by the Commission*

*Amendment*

***(iiib) whether the Plan contains a gender impact analysis and an explanation of how the measures and investments contained in the Plan are expected to address the gender dimension of energy poverty and transport poverty and ensure a gender-balanced impact, while contributing to the mainstreaming of gender equality, in line with the national gender equality strategy, the European Pillar of Social Rights and the UN Sustainable Development Goals; in case of measures providing direct household expenditure support to women, whether those measures account for an amount which represents at least 60 % of the total national allocation for direct expenditure support;***

Or. en

## Amendment 71

### Proposal for a regulation

#### Article 15 – paragraph 2 – point d

*Text proposed by the Commission*

*Amendment*

(d) For the purpose of assessing coherence, the Commission shall take into account whether the Plan contains measures and investments that represent coherent actions.

(d) For the purpose of assessing coherence, the Commission shall take into account ***the following criteria:***

(i) whether the Plan contains measures and investments that represent coherent actions.

(ii) ***how the measures and investments***

*contained in the Plan interact with existing policies and financing programmes;*

*(iii) whether the measures and investments included in the Plan deliver adequately on the potential synergies between climate, environment and social targets to meet the EU's 2030 targets and commitments to achieve the UN sustainable development goals;*

*(iv) whether the measures and investments are accompanied by complementary measures required to effectively address energy poverty and transport poverty.*

Or. en

## Amendment 72

### Proposal for a regulation Article 17 – paragraph 5

*Text proposed by the Commission*

5. By 15 March 2027 each Member State concerned shall assess the appropriateness of its Plans in view of the ***actual direct effects of the emission trading system for buildings and road transport established pursuant to Chapter IVa of Directive 2003/087/EC***. Those assessments shall be submitted to the Commission as part of the biennial progress reporting pursuant to Article 17 of Regulation (EU) 2018/1999.

*Amendment*

5. By 15 March 2027 each Member State concerned shall assess the appropriateness of its Plans in view of the ***objective to eradicate energy poverty and transport poverty, while meeting the Union energy and climate targets***. Those assessments shall be submitted to the Commission as part of the biennial progress reporting pursuant to Article 17 of Regulation (EU) 2018/1999.

Or. en

## Amendment 73

### Proposal for a regulation Article 18 – paragraph 1

*Text proposed by the Commission*

1. After the Commission has adopted a decision as referred to in Article 16, it shall in due time conclude an agreement with the Member State concerned constituting an individual legal commitment within the meaning of Regulation (EU, Euratom) 2018/1046 covering the period **2025-2027**. That agreement may be concluded at the earliest one year before the year of the start of the auctions under Chapter IVa of Directive 2003/87/EC.

*Amendment*

1. After the Commission has adopted a decision as referred to in Article 16, it shall in due time conclude an agreement with the Member State concerned constituting an individual legal commitment within the meaning of Regulation (EU, Euratom) 2018/1046 covering the period **2024-2027**. That agreement may be concluded at the earliest one year before the year of the start of the auctions under Chapter IVa of Directive 2003/87/EC.

Or. en

**Amendment 74**

**Proposal for a regulation  
Article 26 – paragraph 2**

*Text proposed by the Commission*

It shall apply from ***the date by which the Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with Directive (EU) [yyyy/nnn] of the European Parliament and the Council<sup>64</sup> amending Directive 2003/87/EC as regards Chapter IVa of Directive 2003/87/EC.***

*Amendment*

It shall apply from **2024**.

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<sup>64</sup> ***[Directive (EU) yyyy/nnn of the European Parliament and of the Council.... (OJ .....)] [Directive amending Directive 2003/87/EC]***

Or. en

*Justification*

*The Fund should enter into force as from 2024 and should be fully decoupled from the ETS2 proposal, which should be scrapped in line with Union's commitment to ensure a socially just*

*green transition.*