



Plenary sitting

A9-0260/2022

27.10.2022

*****I**
REPORT

on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) 2021/241 as regards REPowerEU chapters in recovery and resilience plans and amending Regulation (EU) 2021/1060, Regulation (EU) 2021/2115, Directive 2003/87/EC and Decision (EU) 2015/1814 (COM(2022)0231 – C9-0183/2022 – 2022/0164(COD))

Committee on Budgets
Committee on Economic and Monetary Affairs

Rapporteurs: Eider Gardiazabal Rubial, Siegfried Mureşan, Dragoş Pîslaru

Rapporteurs for the opinions of associated committees pursuant to Rule 57 of the Rules of Procedure:

Liese Peter, Committee on Environment, Public Health and Food Safety
Nica Dan, Committee on Industry, Research and Energy
Arimont Pascal, Committee on Regional Development
Jahr Peter, Committee on Agriculture and Rural Development

Symbols for procedures

- * Consultation procedure
- *** Consent procedure
- ***I Ordinary legislative procedure (first reading)
- ***II Ordinary legislative procedure (second reading)
- ***III Ordinary legislative procedure (third reading)

(The type of procedure depends on the legal basis proposed by the draft act.)

Amendments to a draft act

Amendments by Parliament set out in two columns

Deletions are indicated in ***bold italics*** in the left-hand column. Replacements are indicated in ***bold italics*** in both columns. New text is indicated in ***bold italics*** in the right-hand column.

The first and second lines of the header of each amendment identify the relevant part of the draft act under consideration. If an amendment pertains to an existing act that the draft act is seeking to amend, the amendment heading includes a third line identifying the existing act and a fourth line identifying the provision in that act that Parliament wishes to amend.

Amendments by Parliament in the form of a consolidated text

New text is highlighted in ***bold italics***. Deletions are indicated using either the **■** symbol or ~~strikeout~~. Replacements are indicated by highlighting the new text in ***bold italics*** and by deleting or striking out the text that has been replaced.

By way of exception, purely technical changes made by the drafting departments in preparing the final text are not highlighted.

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DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) 2021/241 as regards REPowerEU chapters in recovery and resilience plans and amending Regulation (EU) 2021/1060 , Regulation (EU) 2021/2115, Directive 2003/87/EC and Decision (EU) 2015/1814 (COM(2022)0231 – C9-0183/2022 – 2022/0164(COD))

(Ordinary legislative procedure: first reading)

The European Parliament,

- having regard to the Commission proposal to Parliament and the Council (COM(2022)0231),
 - having regard to Article 294(2) and Article 175 third paragraph, Article 177 first paragraph, Article 192 (1), Article 194 (2) and Article 322 (1) of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C9-0183/2022),
 - having regard to Article 294(3) of the Treaty on the Functioning of the European Union,
 - having regard to the opinion of the European Economic and Social Committee of 21 September 2022¹,
 - after consulting the Committee of the Regions,
 - having regard to the opinion of the Court of Auditors of 26 July 2022²,
 - having regard to Rule 59 of its Rules of Procedure,
 - having regard to the joint deliberations of the Budgets and the Committee on Economic and Monetary Affairs under Rule 58 of the Rules of Procedure,
 - having regard to the opinions of the Committee on the Environment, Public Health and Food Safety, Committee on Industry, Research and Energy, Committee on Regional Development, Committee on Agriculture and Rural Development,
 - having regard to the report of the Committee on Budgets and the Committee on Economic and Monetary Affairs (A9-0260/2022),
1. Adopts its position at first reading hereinafter set out;
 2. Calls on the Commission to refer the matter to Parliament again if it replaces, substantially amends or intends to substantially amend its proposal;

¹ Not yet published in the Official Journal.

² OJ C 333, 1.9.2022, p. 5.

3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

Amendment 1

AMENDMENTS BY THE EUROPEAN PARLIAMENT*

to the Commission proposal

2022/0164 (COD)

Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

amending Regulation (EU) 2021/241 as regards REPowerEU chapters in recovery and resilience plans and amending Regulation (EU) 2021/1060 , Regulation (EU) 2021/2115, Directive 2003/87/EC and Decision (EU) 2015/1814

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 175 third paragraph, Article 177 first paragraph, Article 192 (1) , Article 194 (2) and Article 322 (1) thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee³,

Having regard to the opinion of the Committee of the Regions⁴,

Having regard to the opinion of the Court of Auditors,

Acting in accordance with the ordinary legislative procedure,

Whereas:

* Amendments: new or amended text is highlighted in bold italics; deletions are indicated by the symbol **■** .

³ OJ C , , p. .

⁴ OJ C , , p. .

- (1) Since the adoption of Regulation (EU) 2021/241 of the European Parliament and of the Council establishing the Recovery and Resilience Facility,⁵ unprecedented geopolitical events ***triggered by Russia's unprovoked and illegal military invasion of Ukraine*** and their direct and indirect socio-economic consequences have considerably affected the Union's society and economy, ***its people and its economic, social and territorial cohesion***. In particular, it has become clearer than ever that the Union's energy security ***and energy independence*** is indispensable for a successful, sustainable and inclusive recovery from the COVID-19 crisis, as it is also a major factor contributing to the resilience of the European economy.
- (2) Due to the direct links between a sustainable recovery, building the Union's resilience and the Union's energy security, ***reducing dependence on fossil fuels, in particular from Russia***, and its role for a just and inclusive transition, the Recovery and Resilience Facility is a well-suited instrument to contribute to the Union's response to these newly emerging challenges, ***while ensuring compliance with Union legislation^{6a} and with existing international commitments***.
- (3) The Versailles Declaration of 10-11 March 2022 of the Heads of States and Governments invited the Commission to propose by the end of May a REPowerEU plan to phase out the dependency on Russian fossil fuel imports, which was subsequently reiterated in the European Council Conclusions of 24-25 March 2022. This should be done well before 2030 in a way that is consistent with the EU's Green Deal and the climate objectives for 2030 and 2050 enshrined in the European Climate Law. Regulation (EU) 2021/241 should therefore be amended to enhance its ability to support reforms and investments dedicated to diversifying energy supplies, in particular fossil fuels, ***as well as to make the energy system more secure, affordable, accessible and sustainable, in particular with the uptake of renewables, energy efficiency and increased energy storage capacity***, thereby strengthening the strategic autonomy of the Union alongside an open economy. Support should also be given to reforms and investments increasing the energy efficiency ***and energy savings*** of the Member States' economies ***through better coherence with the Renewable Energy Directive, the Energy Efficiency Directive, the Energy Performance Buildings Directive and the Ecodesign for Sustainable Products Regulation***.
- (3 a) ***The phasing out of dependency on Russian fossil fuel imports should lead to a reduction in the overall energy dependency of the Union. In line with the Recovery and Resilience Facility, the REPowerEU chapters of the recovery and resilience plans should contribute to increasing and strengthening the strategic autonomy of the Union, without excessively increasing its dependency on imports of raw materials from third countries.***
- (4) To maximise complementarity, consistency and coherence of policies and actions taken by the Union and Member States to foster independence and security ***and sustainability***

⁵ Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Facility (OJ L 57, 18.2.2021, p. 17).

^{6a} ***Council Directive 92/43/EEC, Directive 2009/147/EC, Directive 2000/60/EC, Regulation (EC) No 1367/2006, Regulation (EU) 2021/1767 and Proposal for a Regulation of the European Parliament and of the Council on nature restoration (COM(2022) 304 final)***.

of the Union's energy supply, these energy-related reforms and investments should be established through a dedicated 'REPowerEU chapter' of the recovery and resilience plans.

- (4a) *In order to promote the objectives of the Treaty on the Functioning of the European Union related to economic, social and territorial cohesion, for the preparation of the REPowerEU chapters Member States should ensure that funds are distributed appropriately between regions, while taking into account the needs and challenges of each region.*
- (4b) *Particular considerations should be given to remote, peripheral and isolated regions and islands which already experience additional constraints.*
- (5) To maximise the scope of the Union's response, all Member States submitting a recovery and resilience plan after the entry into force of this Regulation should be required to include a REPowerEU chapter in their plan. This requirement should apply, in particular, to revised plans submitted by Member States from 30 June 2022 to take into account the updated maximum financial contribution. *Unnecessary administrative burden should be avoided.*
- (6) The REPowerEU chapter should include new reforms and investments contributing to the REPowerEU aims *and tackling the crisis effect caused by the Russian military aggression against Ukraine*. Furthermore, that chapter should contain an outline of other measures, financed from sources other than the Recovery and Resilience Facility, contributing to the energy-related objectives outlined in recital (3). The outline should cover measures whose implementation should take place between 1 February 2022 to 31 December 2026, the period during which the objectives set by this Regulation are to be achieved. *It is imperative to swiftly increase investment in energy efficiency measures, such as the uptake of sustainable and efficient heating and cooling solutions, that present a sustainable and effective way to address some of the most pressing challenges of energy supply and energy cost. In view of the social impact of persistently high and volatile energy prices and in recognition of the principles of the European Pillar of Social Rights, particular emphasis should be given to addressing energy poverty, through supporting energy-poor and vulnerable consumers.* As regards natural gas infrastructure, the investments and reforms of the REPowerEU chapters to diversify supply away from Russia should build on the needs currently identified through the assessment conducted and agreed by the European Network of Transmission System Operators for Gas (ENTSO-G), established in the spirit of solidarity as regards security of supply and take into account the reinforced preparedness measures, *including energy storage*, taken to adapt to new geopolitical threats, *as well as make a long term contribution to the green transition by being hydrogen-ready. There should be a significant proportion of measures in the chapter that have cross-border or multi-country dimension or effects, contributing, among other things, to European added value.* Finally, the REPowerEU chapters should provide an explanation and a quantification of the effects of the combination of the reforms and investments financed by the Recovery and Resilience Facility and the other measures financed by other sources than the Recovery and Resilience Facility.
- (6a) *An effective transition towards green energy and a rapid reduction of energy dependency should take into account the newly emerging challenges faced by*

households and micro-, small and medium enterprises, especially the most vulnerable ones. Such challenges relate to energy poverty, that is the inability, linked to non-affordability, to meet basic energy supply needs and a lack of access to essential energy services to guarantee basic levels of comfort and health, a decent standard of living and health, including adequate heating, hot water, cooling, lighting, and energy to power appliances, in the relevant national context, existing social policy and other relevant policies, caused by high energy expenditures and poor energy efficiency of homes and building.

- (6b) *Furthermore, the current geopolitical context requires the Union to act in order to preserve its energy security, that is the continuous and uninterrupted availability of energy, security of supply and technical safety achievable by increasing efficiency and interoperability of transmission and distribution networks, promoting system flexibility, avoiding congestions, ensuring resilient supply chains, cybersecurity and the protection and climate adaptation of all, and in particular, critical infrastructure while reducing strategic energy dependencies.*
- (7) An appropriate assessment criterion should be added to serve as a basis for the Commission to assess reforms and investments included in the REPowerEU chapter and to ensure that reforms and investments are fit for achieving the specific REPowerEU-related objectives. An A rating should be required under this new assessment criterion for the relevant recovery and resilience plan to be positively assessed by the Commission.
- (7a) *The effective transition towards green energy and a rapid reduction in energy dependency in an inclusive way call for measures to boost energy efficiency and savings in buildings and decarbonise faster industries. To accelerate Europe's green transition, the share of sustainable and renewable energies in the energy mix needs to increase and measures need to be taken to and address infrastructure bottlenecks and labour and skill shortages. The potential of digital skill and technologies to serve the green transition should be exploited.*
- (8) Investments in infrastructure and technologies alone are not sufficient to ensure a reduction of dependency from fossil fuels. Resources should be dedicated to the reskilling and upskilling of people, to further equip the workforce with green skills. This is in line with the objective of the European Social Fund Plus, which aims at supporting Member States in achieving a skilled and resilient workforce ready for the future world of work. In light of this, resources *requested* from the European Social Fund Plus *envelope to support the objectives of REPowerEU* should help support measures for the reskilling and upskilling of the workforce. The Commission will assess whether the measures included in the REPowerEU chapters significantly contribute to supporting a requalification of the workforce towards green skills.
- (9) The application of this regime should be without prejudice to all other legal requirements under Regulation (EU) 2021/241 unless this Regulation provides otherwise.
- (9a) *The measures in the REPowerEU chapters should not undermine the overall green and digital levels of ambition of the already adopted Council implementing decisions approving the recovery and resilience plans.*
- (10) The recovery and resilience plan, including the REPowerEU chapter, should contribute to effectively addressing all or a significant subset of the challenges identified in the

relevant country-specific recommendations, including the country-specific recommendations to be adopted under the 2022 Semester cycle which refer inter alia to the energy challenges that Member States are facing.

- (11) An effective transition towards green energy and a reduction of energy dependency involves significant digital investments. In light of Regulation (EU) 2021/241, Member States should provide an explanation of how the measures in the recovery and resilience plan, including those included in the REPowerEU chapter, are expected to contribute to the digital transition or the challenges resulting therefrom and whether they account for an amount contributing to the digital target based on the methodology for digital tagging. However, given the unprecedented urgency and importance of energy challenges faced by the Union, reforms and investments included in the REPowerEU chapter should not be taken into account when calculating the plan's total allocation for the purpose of applying the digital target requirement set by Regulation (EU) 2021/241. ***Nonetheless, Member States should endeavour to include, to the maximum extent possible, in the REPowerEU chapter measures that contribute to the digital target on the basis of the methodology for digital tagging.***
- (11a) ***The excessive duration of administrative procedures is one of the main obstacles to the deployment of renewable energy projects in accordance with the objectives set for investments in renewables. These barriers include the complexity of the applicable rules for site selection and administrative authorisations for projects, the complexity and duration of the assessment of the environmental impacts of the projects, or the lack of sufficient staff of the permit-granting authorities. Further simplification and shortening of the administrative permit-granting processes, including shorter and clearer deadlines for decisions to be taken by competent authorities, is necessary to ensure that the Union achieves its energy and climate targets. In order to accelerate the permit-granting processes, the Commission should support Member States to identify areas particularly suitable for the deployment of renewable energy projects while fully applying the relevant environmental acquis, for which deadlines can be shorter.***(12) Pursuant to Article 18(4) point (q) of Regulation (EU) 2021/241, the Member States should also provide a ***detailed report*** of the ***mandatory and adequate*** consultation process of local and regional authorities, ***social partners as well as NGOs*** and other relevant stakeholders ***relevant to reach the REPowerEU objectives***, including, as relevant, from the agricultural sector, for reforms and investments included in the REPowerEU chapter. Such summaries should ***depict the timeline and stages of those consultations, note the stakeholders consulted***, explain the outcome of those consultations and outline how the input received was reflected in REPowerEU chapters, ***which input was not reflected and for which reason and how the local and regional authorities and other relevant stakeholders will be involved in the implementation of the REPowerEU chapter and its monitoring. Subject to national legal frameworks, Member States are invited to involve national parliaments in debates related to the modification of the plans. Union standards on public participation and in particular the Code of Conduct on Partnership could serve as inspiration to the national authorities when conducting the consultation process.***
- (13) The application of the 'do no significant harm' principle is essential to ensure that the investments and reforms undertaken as part of the recovery from the pandemic are implemented in a sustainable manner. It should continue to apply to the reforms and investments supported by the Facility, with one targeted ***and narrow*** exemption ***related***

to reforms and investments that are to be in operation by 31 December 2024 to safeguard the EU' immediate energy security concerns, provided that a set of cumulative conditions apply. ■ The total amount of resources for reforms and investments benefiting from that exemption should be limited to a maximum amount to be established by the Commission following a comprehensive needs-based assessment for immediate infrastructure needs. Such assessment should update the May 2022 estimates by the Commission according to which, to import sufficient LNG and pipeline gas from other suppliers, investments estimated at EUR 10 billion will be required by 2030 for a sufficient level of gas infrastructure, including LNG import terminals, pipelines, to connect underutilised LNG import terminals and the EU network, and reverse flow capacities.

- (13a) The REPowerEU chapters should be consistent with the National Energy and Climate Plans of that Member State and with the Union climate targets set out in Regulation (EU) 2021/1119.*
- (13b) The REPowerEU chapter should include measures having a cross-border or multi-country dimension or effect. Close cooperation between the Commission and the Member States should be sought and achieved throughout the process. Moreover, Member States should be encouraged to co-operate among themselves as early as possible with a view to developing measures having a cross-border or multi-country dimension or effect to be included in the REPowerEU chapters.⁽¹⁴⁾ Further incentives should be provided for Member States to request loans, through the clarification of the loan allocation procedure. In accordance with Regulation (EU) 2021/241, Member States may request loans until 31 August 2023, **provided that they have informed the Commission of their intention to request such loan support.** An intention to submit a loan request should be communicated to the Commission 30 days after the entry into force of this Regulation so that the redistribution of the remaining funds can be conducted in an orderly manner **and for the Member States to request such support. When expressing the intention to request loan support and when submitting such loan request, Member States should act in good faith and, as far as possible, effectively request such support, so to ensure predictability and effectiveness of the redistribution. The Commission should inform, simultaneously, on equal terms and without undue delay, the European Parliament and the Council about the status of the loan requests and the proposed allocation of the loan supports.***
- (14 a) Member States are encouraged to submit the REPowerEU chapters as soon as possible and preferably within two months of the entry into force of this amending Regulation to foster synergies among the REPowerEU chapters in the national recovery and resilience plans. In order to ensure swift implementation, the Commission and the Council should conclude the assessment and approval of the recovery and resilience plans amended with the inclusion of the REPowerEU chapters as early as possible ideally within one month after the entry into force of this amending Regulation. Likewise, the Commission and the Member States are strongly encouraged to conclude operational arrangements at the latest one month after the adoption of the Council implementing decision. To this effect, the Commission and the Member States are encouraged to build on the experience of the prior negotiations for the operational agreements already concluded.*

- (15) In addition, to incentivise a high level of ambition for reforms and investments to be included in the REPowerEU chapter, new dedicated funding sources should be provided.
- (15 a) *The Commission adopted a proposal for a Council regulation on an emergency intervention to address high energy prices that includes a solidarity contribution for the fossil industry applicable in all Member States. A proportion of the revenue generated by this new contribution could be made available in the form of external assigned revenue for the benefit of the REPowerEU chapters commensurate to the needs for achieving the REPowerEU objectives.***
- (16) ■ The current economical and geopolitical situation requires the Union to mobilise available resources to rapidly diversify Union's energy supply and reduce dependence on fossil fuels before 2030. In this context, ■ Directive 2003/87/EC of the European Parliament and of the Council⁷ should be amended to ***frontload the auctioning*** ■ of allowances from the *cap* towards reforms and investments contributing to REPowerEU objectives, in the Recovery and Resilience Facility framework. ***In keeping with the objectives of Directive 2003/87/EC, such revenues should not support investments in fossil fuel infrastructure or facilities.***
- (16 a) *The current intake rate of allowances to the Market Stability Reserve is needed to prevent in the long term a significant increase of the surplus of allowances in the greenhouse gas emission allowance trading within the Union. Therefore, Decision (EU) 2015/1814 of the European Parliament and of the Council^{8a} and Directive 2003/87/EC should be amended to extend the doubling of the intake rate of the Market Stability Reserve to 24 % until 2030 and to reduce the upper and buffer thresholds in proportion to the reduction of the Union-wide quantity of allowances as from 2025.***
- (16 b) *The Commission should identify additional sources to complement the financing for the REPowerEU chapters, including by providing flexibility related to unspent funds.***
- (16 c) *For the allocation of the maximum financial contributions stemming from the new revenues for the REPowerEU chapters, the methodology set out in [Annexes I / II / III] should be updated to take into account of the new geopolitical situation and changed circumstances. Such indicators could include one or more of the following: energy dependency rate, in particular dependency on third countries, notably Russia; increase of energy-related costs of households for essential goods and services; share of fossil fuels in gross inland energy consumption.***
- (17) ***In order to provide Member States and regions with sufficient flexibility in addressing the newly emerging challenges,*** Regulation (EU) 2021/1060 of the European Parliament and of the Council⁹ should be amended to provide for the possibility to

⁷ Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a scheme for greenhouse gas emission allowance trading within the Community and amending Council Directive 96/61/EC

^{8a} ***Decision (EU) 2015/1814 of the European Parliament and of the Council of 6 October 2015 concerning the establishment and operation of a market stability reserve for the Union greenhouse gas emission trading scheme and amending Directive 2003/87/EC (OJ L 264, 9.10.2015, p. 1)***

⁹ 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

request up to 7.5% of resources undershared management programmes to contribute to the REPowerEU objectives as established in Regulation (EU) 2021/241 by supporting measures referred to in Article 21c(1)(b) thereof with the exception of fossil-free hydrogen, in Article 21c(1)(c) thereof with the exception of facilities dedicated to transport fossil fuels, and in Article 21c(1)(d) thereof while simplifying procedural requirements linked to programme implementation, in addition to the existing transfer possibility of up to 5%, provided that the latter is fully exhausted. Such possibility is justified by the need to cover REPowerEU objectives, providing Member States and regions with additional flexibility that is crucial to address those urgent needs and should be justified by a higher financial need linked to additional investments included in the REPowerEU chapter of Regulation (EU) 2021/241.

(17a) The EU ETS was established to create an efficient, predictable and market driven system for reducing emissions and tackling the climate crises. While the amendment of Directive 2003/87/EC is justified by an exceptional situation, it remains important not to undermine trust in the EU ETS market through short-term interventions, and this amendment should therefore be seen as a one-off measure, which will not be repeated. (17b) In order to provide additional flexibility to Member States for the reallocation of resources with a view to providing tailor-made responses to the energy crisis, the Commission should assess the possibility of allowing financial transfers under the Investment for growth and jobs goal between the ERDF, the ESF and the Cohesion Fund for both programming periods.

(19) Disbursements under REPowerEU shall be made following the rules of the Recovery and Resilience Facility until the end of 2026. Payments in relation to the resources requested under Article 26a of Regulation (EU) 2021/1060 shall be made following the rules of Regulation (EU) 2021/1060 and the respective fund-specific regulations and shall be subject to the availability of funds approved in the annual EU budget.

(20) A request for a dedicated funding for REPowerEU measures, including allowances for auctioning frontloaded within the EU ETS, under Article 26a of Regulation (EU) 2021/1060 should be justified by a higher financial need linked to additional reforms and investments included in the REPowerEU chapter.

(20 a) To ensure that the financial support is frontloaded to better respond to the current energy crisis, upon request of a Member State to be submitted together with the REPowerEU chapter in a revised recovery and resilience plan, an amount of up to 20 % of the additional funding required to finance its REPowerEU chapter can be paid in the form of a pre-financing within, to the extent possible and subject to availability of funds, two months after the adoption by the Commission of the legal commitments. (21) The Commission should monitor the implementation of reforms

and investments outlined in the REPowerEU chapter and their contribution to the REPowerEU objectives, as established in Regulation (EU) 2021/241.

- (22) Recent geopolitical events have **considerably** affected prices of energy, **food** and construction materials and have also caused shortages in the global supply chains, **resulted in increased inflation and generated new challenges, including risk of energy poverty and higher cost of living**. These developments may have a direct impact on the capacity to implement **measures** included in the recovery and resilience plans. To the extent that Member States can demonstrate that such developments make a specific milestone or target, either totally or partially, no longer achievable, such situations may be invoked as objective circumstances under Article 21. **Moreover, to the extent Member States can demonstrate that the achievement of a specific milestone or target conflicts with the achievement of the Facility’s objectives including the REPowerEU objectives, such situations may also be invoked as objective circumstances under Article 21.** ■ In addition, no request for amendments should undermine the overall implementation of the recovery and resilience plans. **Member States should also ensure that proposals to amend their recovery and resilience plans respond to challenges stemming from recent geopolitical events;**

HAVE ADOPTED THIS REGULATION:

Article 1

Regulation (EU) 2021/241 is amended as follows:

- (1) In Article 4, paragraph 1 is replaced by the following:

‘1. In line with the six pillars referred in Article 3 of this Regulation, the coherence and synergies they generate, and in the context of the COVID-19 crisis, the general objective of the Facility shall be to promote the Union’s economic, social and territorial cohesion by improving the resilience, crisis preparedness, adjustment capacity and growth potential of the Member States, by mitigating the social and economic impact of that crisis, in particular on women, by contributing to the implementation of the European Pillar of Social Rights, by supporting the green transition, by contributing to the achievement of the Union’s 2030 climate targets set out in point (11) of Article 2 of Regulation (EU) 2018/1999, by complying with the objective of EU climate neutrality by 2050 and of the digital transition, by increasing the resilience, **security and sustainability** of the Union energy system through a **significant** decrease of dependence on fossil fuels and **through increasing the uptake of renewables, energy efficiency and energy storage capacity and** diversification of energy supplies at Union level (‘REPowerEU objectives’) thereby contributing to the upward economic and social convergence, restoring and promoting sustainable growth and the integration of the economies of the Union, fostering high quality employment creation, and contributing to the strategic autonomy of the Union alongside an open economy and generating European added value.’

- (1a) **The following Article is inserted:**

“Article 13 a
REPowerEU pre-financing

The recovery and resilience plan containing a REPowerEU chapter may be accompanied by a request for pre-financing. Subject to the adoption by the Council of the implementing decision referred to in Articles 20(1) and 21(2) by 31 December 2023, the Commission shall make a pre-financing payment of an amount of up to 20 % of the additional funding requested to finance its REPowerEU chapter, under Articles 12 and 21a.”

(2) Article 14 is amended as follows:

(-a) paragraph 2 is replaced by the following:

"A Member State may request loan support at the time of the submission of *a recovery and resilience plan* referred to in Article 18, or at a different moment in time until 31 August 2023, *as a rule provided that they have informed the Commission of their intention to request such loan support within 30 days after [the entry into force of this amending Regulation]*. In the latter case, the request shall *be accompanied* by a revised recovery and resilience plan, including additional milestones and targets. *The Commission may grant a loan to a Member State which has not expressed its intention to request such support within 30 days after [the entry into force of this amending Regulation] subject to the availability of resources following the approval of the loan support requests by the Member States which have expressed their intention within 30 days after [the entry into force of this amending Regulation]. "*

(a) In paragraph 3, the following point is inserted after point (b):

‘(ba) where applicable, the reforms and investments in line with Article 21c(1);’;

(b) paragraph 4 is replaced by the following:

‘4. The loan support to the recovery and resilience plan of the Member State concerned shall not be higher than the difference between the total costs of the recovery and resilience plan, as revised where relevant, and the maximum financial contribution referred to in Article 11, including, where relevant, the revenue referred to in Article 21a as well as, where relevant, resources from shared management programmes to support REPowerEU objectives referred to in Article 21b.’

(c) paragraph 6 is replaced by the following:

‘6. By derogation from paragraph 5, subject to the availability of resources, in exceptional circumstances the amount of the loan support may be increased, considering the needs of the requesting Member State, as well as requests for loan support already submitted or planned to be submitted by other Member States, while applying the principles of equal treatment, solidarity, proportionality and transparency. To facilitate the application of these principles, Member States shall communicate to the Commission within 30 days after [the entry into force of this amending Regulation], whether they intend to request loan support. *Once a Member State expresses its intention to request loan support, the Commission shall notify, without undue delay, the European Parliament and the Council, simultaneously and on equal terms. Within 60 days after [the entry into force of this amending Regulation], the Commission shall communicate, without undue delay, to the European Parliament and the Council, simultaneously and on equal terms the proposed*

allocation of the loan supports to the Member States which have expressed their intention.'

(2 a) *In Article 17, paragraph 2 is replaced by the following:*

"2. Measures started from 1 February 2020 onwards shall be eligible provided that they comply with the requirements *set out* in this Regulation, *with the exception of measures included in the REPowerEU chapters, which may only start as from 1 February 2022.* "

(2b) *In Article 18, paragraph 4 point (h) is replaced by the following:*

"(h) an indication of whether the measures included in the recovery and resilience plan comprise cross-border or multi-country projects. *With respect to the REPowerEU chapters, a confirmation that at least 35 % of the grants and at least 35 % of the loans, as applicable, to be used under the REPowerEU chapter are allocated to measures having a cross-border or multi-country dimension or effect, even if carried out by one Member State, and shall contribute to the objectives outlined in Article 21c(1), unless a derogation is granted to the Member State pursuant to Article 21c(1a);*"

(2c) *In Article 18, paragraph 4 point (da) is inserted:*

"(da) an explanation that the measures under Article 21c(1)(a) meet the conditions set out in Article 21c(4) and (4a);"

(3) In Article 18 (4) (q) the following sentence is inserted:

'(q) for the preparation and, where available, for the implementation of the recovery and resilience plan, a *detailed report* of the consultation process, *which shall be mandatory, adequate and* conducted in accordance 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 recovery and resilience plan; in particular, the *detailed report* of the consultation process shall *depict the timeline and the stages* the outcome of the consultations with local and regional authorities, *the social partners as well as the NGOs* and other relevant stakeholders *relevant to reach the REPowerEU objectives, note the stakeholders consulted, explain the outcome of these consultations* on reforms and investments included in the REPowerEU chapter, outline how the input received was reflected in the REPowerEU chapter, *which input was not reflected and for which reason and how the local and regional authorities and other relevant stakeholders will be involved in the implementation of the REPowerEU chapter and its monitoring;*'

(4) In Article 19(3), the following *points are* inserted:

'(-da) for the measures under Article 21c(1)(a) meeting the cumulative conditions set out in Article 21c(4):

- *whether the measure is necessary meet immediate security of supply needs as identified in Article 21c(1)(a);*
- *whether there is no adequate clean technology alternative in terms of costs or timeline of implementation to reach the REPowerEU objectives under Article 21c(1)(a);*

- *whether the potential harm to the EU's environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852 is narrowed to the strict unavoidable extent;*
- *whether the potential harm to the EU's environmental objectives is mitigated by accompanying measures, or other measures contributing to the REPowerEU objectives, and the integrity of EU's 2030 and 2050 climate targets is not jeopardised;*
- *whether the measure is to be in operation by 31 December 2024;*

*'(da) whether the reforms and investments referred to in Article 21c(1) effectively contribute towards **energy security**, the diversification of the Union's energy supply, **increase of energy storage capacities or significant** or reduction of dependence on fossil fuels before 2030, **towards the Union's 2030 targets including energy efficiency and renewable energy and towards the Union's climate neutrality objective**';*

'(fa) whether at least 35 % of the grants and at least 35 % of the loans, as applicable, to be used under the REPowerEU chapter are allocated to measures having a cross-border or multi-country dimension or effect, even if carried out by one Member State, and shall contribute to the objectives outlined in Article 21c(1), unless a derogation is granted to the Member State pursuant to Article 21c(1a);'

'(ka) whether the consultation process referred to in Article 18(4)(q) related to the measures referred to in Article 21c(1) is adequate and the pertinent input from the relevant stakeholders is properly reflected in the substance of the REPowerEU chapter as well as whether the detailed report of the consultation process depicts the timeline and the stages of the consultations, notes the stakeholders consulted, explains the outcome of these consultations, and outlines how the input received was reflected in the REPowerEU chapter, which input was not reflected and for which reason and how the relevant stakeholders will be involved in the implementation of the REPowerEU chapter and its monitoring;'

(4 a) In Article 21, paragraph 1 is replaced by the following

'1. Where the recovery and resilience plan including relevant milestones and targets is no longer achievable, either partially or totally, by the Member State concerned because of objective circumstances, *including the crisis caused by Russia's military aggression against Ukraine, or where new measures are required to tackle the effects of this crisis*, the Member State concerned may make a reasoned request to the Commission to make a proposal to amend or replace the Council implementing decisions referred to in Article 20(1) and (3). To that end, the Member State may propose an amended or a new recovery and resilience plan. Member States may request technical support for the preparation of such proposal under the Technical Support Instrument. **(4 b) In Article 21, paragraph 2 is replaced by the following:**

'2. Where the Commission considers that the reasons put forward by the Member State concerned justify an amendment of the relevant recovery and resilience plan, the Commission shall assess the amended or new recovery and resilience plan in accordance with Article 19 and shall make a proposal for a new Council implementing decision in accordance with Article 20(1) within *one month* of the official submission of the request. The Member State concerned and the Commission may agree to extend that deadline by a reasonable period if necessary. The Council shall adopt the new

implementing decision, as a rule, within four weeks of the adoption of the Commission proposal. ’

- (5) In Article 23, paragraph 1 is replaced by the following:

‘Once the Council has adopted an implementing decision as referred to in Article 20(1), the Commission shall conclude an agreement with the Member State concerned constituting an individual legal commitment within the meaning of the Financial Regulation. For each Member State the legal commitment shall not exceed the **total of the financial contribution** referred to in point (a) of Article 11(1) for 2021 and 2022, the updated financial contribution referred to in Article 11(2) for 2023 **and the amount calculated under Article 21a(2).**’

- (6) The following Chapter is inserted after Chapter III:

‘CHAPTER IIIa

REPowerEU

Article 21a

Use of revenues generated by the EU Emissions Trading System (EU ETS)

- (1) EUR 20 000 000 000 in current prices shall be available, in line with Article 10e(4) of Directive 2003/87/EC, for implementation under this Regulation to increase the resilience, ***security and sustainability*** of the Union energy system through a ***significant*** decrease of dependence on fossil fuels and diversification of energy supplies, ***increase energy storage capacities*** at Union level ***and by boosting investments in energy efficiency and renewable energy generation, thereby contributing to ensuring affordable energy in the Union.*** That amount shall be made available in the form of external assigned revenue within the meaning of Article 21(5) of the Financial Regulation.
- (2) The share of the resources referred to in paragraph 1 available for each Member State shall be calculated on the basis of the indicators defined for the maximum financial contribution, as set out in the methodology in Annex II for 70% of the amount and methodology set out in Annex III for 30% of the amount.
- (3) The amount referred to in paragraph 1 shall be allocated exclusively to measures referred to in Article 21c(1).
- (4) Commitment appropriations covering the amount referred to in paragraph 1 shall be made available automatically up to the respective amounts referred to in that paragraph as of [the date of entry into force of this amending Regulation].
- (5) Each Member State may submit to the Commission a request for allocation of an amount not exceeding its share, by including in its plan the reforms and investments described in Article 21c(1) and indicating their estimated costs.
- (6) The Council implementing decision adopted pursuant to Article 20(1) following a proposal from the Commission shall lay down the amount of the revenue referred to in Article 10e (1) of Directive 2003/87/EC allocated to the Member State following the application of paragraph 2, to be paid in instalments, subject to available funding, in accordance with Article 24 of this

Regulation, once the Member State has satisfactorily fulfilled the milestones and targets identified in relation to the implementation of the measures referred to in Article 21c (1).

Article 21b

Resources from shared management programmes to support REPowerEU objectives

- (1) *Within the resources allocated to them under shared management Member States may request to support measures referred to in Article 21c(1)(b) of this Regulation with the exception of fossil-free hydrogen, in Article 21c(1)(c) of this Regulation with the exception of facilities dedicated to transport fossil fuels, and in Article 21c(1)(d) of this Regulation subject to the conditions set out in Article 26a of Regulation (EU) 2021/1060. Those resources shall be used exclusively for the benefit of the Member State concerned.*
 - (a) Resources may be *requested* under Article 26a of Regulation (EU) 2021/1060 to support measures referred to in *Article 21c(1)(b) of this Regulation with the exception of fossil-free hydrogen, in Article 21c(1)(c) of this Regulation with the exception of facilities dedicated to transport fossil fuels, and in Article 21c(1)(d) of this Regulation*, provided that the Member State has already requested transfers from a given Fund up to the ceiling of 5% in accordance with the first and second sub-paragraphs of Article 26(1).

I

- (2) *Resources requested under paragraph 1 shall be implemented in accordance with the provisions set out in Regulation (EU) 2021/1060 and the fund-specific regulation of the respective shared management fund. Related payments shall be made in accordance with Article 91 of Regulation (EU) 2021/1060 subject to available funding.*
- (3) The Commission shall implement those resources *under shared management* in accordance with Article 62(1), first subparagraph, point *(b)* of the Financial Regulation.

Article 21c

The REPowerEU chapter in the recovery and resilience plans

- (1) The recovery and resilience plan submitted to the Commission after [the entry into force of this amending Regulation] shall contain a REPowerEU chapter. *The submission of the REPowerEU chapters shall be made as soon as possible after the entry into force of this amending Regulation. Where relevant, measures contained in the REPowerEU chapter shall give adequate priority to the needs of those affected by energy poverty as well as to the*

reduction of vulnerabilities during the coming winter seasons. The REPowerEU chapter shall outline reforms and investments, *from 1 February 2022 onwards*, with their corresponding milestones and targets, *an explanation of the contribution to address energy poverty and of the reduction of dependence towards fossil-fuel, in particular from Russia, and quantification of the energy savings*, other than measures referred in paragraph 2 (a), aiming to contribute to the REPowerEU objectives, by:

- (a) improving energy infrastructure and facilities to meet immediate security of supply needs for gas, *including LNG*, notably to enable diversification of supply in the interest of the Union as a whole, *while ensuring that the relevant infrastructures are hydrogen ready*,
- (b) boosting energy efficiency *and savings* in buildings, *including via investment schemes targeted to vulnerable households, SMEs and micro-enterprises*,
- (ba) decarbonising industry, *increasing energy storage capacity*, increasing production and uptake of sustainable biomethane, *thermal renewable energy, renewable fuels of non-biological origin (RFNBOs)*, and renewable or fossil-free hydrogen and *speeding up permitting processes for plants producing renewable energy, including the improvement of related electricity generation and other infrastructure, including by accelerating permitting procedures*,
- (bb) *addressing energy poverty, in particular through measures benefitting vulnerable and low-income households*,
- (bc) *incentivising reduction of energy demand, including by upscaling existing energy savings solutions*,
- (c) addressing internal and *energy interconnectors and* cross-border energy transmission bottlenecks, *including the connection of grids to new renewable energy sources*, and supporting zero emission transport and its infrastructure *in a just and inclusive way*, including railways, *thereby contributing to ensuring affordable energy and transport in the Union*,
- (d) supporting the objectives in points (a), (b) and (c) through an accelerated requalification of the workforce towards green *and the related digital skills and energy transition, including for the administrative implementation of those objectives*, as well as support of the value chains in key materials and technologies linked to the green transition *and the use of sustainable construction materials and products, thereby reducing the dependency on primary critical raw materials relevant to the energy transition.*

(1a) At least 35 % of the grants and at least 35% of the loans, as applicable, to be used under the REPowerEU chapter shall be allocated to measures having a cross-border or multi-country dimension or effect, even if carried out by one Member State, and shall contribute to the objectives outlined in Article 21c(1). By way of derogation, the Commission may grant a

derogation from this requirement to a Member State in one of the following instances:

- (a) *the Member State can demonstrate that other measures included in its REPowerEU chapter would better address the objectives outlined in Article 21c(1), or*
 - (b) *the Member State can demonstrate that there are no enough realistic projects available having cross-border or multi-country dimension or effect, or*
 - (c) *the Member State concerned is granted an exception from this minimum requirement in the supra-national energy security needs assessment referred to in Article 21ca, or*
 - (d) *the Member State can demonstrate that no measures having cross-border or multi-country dimension or effect can be finalised in the lifetime of the Facility.*
- (2) The REPowerEU chapter shall also contain:
- (a) Where applicable, a ***detailed*** description of reforms and investments in the already adopted Council implementing decisions that are expected to contribute to the REPowerEU objectives;
 - (b) an outline of other measures, ***including national and EU-funded complementary or accompanying measures***, contributing to the REPowerEU objectives with a corresponding calendar ***and financial allocation***, to be implemented from 1 February 2022 until 31 December 2026 without financial support under the Facility;
 - (c) ***a detailed assessment of the coherence of each measure referred to in paragraph 1 with the other measures in the plan and*** an explanation on how the combination of the measures referred to in paragraph 1 and points (a) and (b) of this paragraph is coherent, effective and expected to contribute to the REPowerEU objectives, including a quantification of the energy savings;
 - (ca) ***a qualitative explanation of how the measures in the REPowerEU chapter are expected to contribute to the green transition, including biodiversity, or to addressing the challenges resulting there from; the 37 % climate target shall be calculated separately for the REPowerEU chapter and the rest of the recovery and resilience plan.***
- (3) The estimated costs of the reforms and investments of the REPowerEU chapter under paragraph 1 shall not be taken into account for the calculation of the plan's total allocation under Article 18(4), point (f) and Article 19(3), point (f). ***Notwithstanding this provision, the Commission shall encourage Member***

States to propose measures in the REPowerEU chapters that facilitate, to the extent possible, reaching at least the digital target of the Facility.

- (4) **■** The principle of “do no significant harm” within the meaning of Article 17 of Regulation (EU) 2020/852 shall **■** apply to the reforms and investments expected to contribute to the REPowerEU objectives under paragraph 1, point (a) of this Article, *unless the following cumulative conditions apply:*

(a) the measure is necessary to meet immediate security of supply needs as identified in Article 21c(1)(a);

and

(b) there is no adequate clean technology alternative in terms of costs or timeline of implementation to reach the REPowerEU objectives under Article 21c(1)(a);

and

(c) the potential harm to the EU's environmental objectives is mitigated by accompanying measures, or other measures contributing to the REPowerEU objectives, and the integrity of EU's 2030 and 2050 climate targets is not jeopardised;

and

(d) the measure is to be in operation by 31 December 2024.

- (4a) *The measures benefiting from the exemption from the requirement of Article 5(2) of Regulation (EU) 2021/241 as detailed in paragraph 4 of this Article shall be submitted to the following assessment:*

— whether there is no adequate clean technology alternative in terms of costs or timeline of implementation to reach the REPowerEU objectives under Article 21c(1)(a);

— whether the potential harm to the EU's environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852 is narrowed to the strict unavoidable extent;

— whether the potential harm to the EU's environmental objectives is mitigated by accompanying measures, or other measures contributing to the REPowerEU objectives, and the integrity of EU's 2030 and 2050 climate targets is not jeopardised;

— whether the measure is to be in operation by 31 December 2024.

- (4b) *The total amount of resources for reforms and investments aiming to contribute to the REPowerEU objectives in accordance with Article 21c(1)(a) of this Regulation shall be limited to a maximum amount of EUR [] billion, established by the Commission following a comprehensive needs-based assessment for immediate infrastructure needs. The amount of revenue made available in accordance with Article 10e(1) of Directive 2003/87/EC [revenues*

generated by the EU Emissions Trading System] shall not contribute to reforms and investments under Article 21c(1)(a) of this Regulation.

- (5) *The provisions of this Regulation shall be applicable mutatis mutandis to the reforms and investments of the REPowerEU chapter, except for investments of the REPowerEU chapter financed by requested resources under Article 26a of Regulation (EU) 2021/1060 and the fund-specific rules apply.*

Article 21ca

Supra-national energy security needs assessment

- 1. The Commission shall conduct an assessment of the needs to secure energy supply in the Union as a whole, prior to the approval of any recovery and resilience plan containing the REPowerEU chapter. That assessment shall aim to provide a supra-national perspective of the Union energy-security needs to facilitate the most efficient use of resources to reach the REPowerEU objectives. To that end, the Commission shall, at the latest by ... [one month after the entry into force of this amending Regulation] draw up a report identifying and evaluating the most urgent infrastructure and investment needs to secure energy supply in the Union as a whole, including mainly cross-border or multi-country projects.*
- 2. The report referred to in paragraph 1 shall cover at least the following:*
 - (a) the risk of energy-supply interruptions in each Member State in the short and medium-term; and*
 - (b) the most relevant infrastructure and investment needs to secure energy supply in the Union as a whole, including a cross-border and multi-country dimension.*
- 3. Member States shall contribute to the elaboration of the report referred to in paragraph 1 by providing information on national energy security needs and projects as requested by the Commission.*

Article 21d

Monitoring implementation of REPowerEU chapters

- (1) The Commission shall monitor the implementation of the measures outlined in the REPowerEU chapter and their contribution to the REPowerEU objectives. To that end, within ... [two months after the entry into force of this amending Regulation], the Commission shall amend the delegated acts referred to in Article 29(4)(a) and Article 30(2) for the purpose of including additional indicators and information relevant to the REPowerEU objectives. The proposed additional indicators shall be limited to the objectives listed in Article 21c(1). The procedure set out in Article 33 shall apply to the adoption and entry into force of the amendment to the delegated acts.*
- (2) The Commission shall provide information on the progress of implementation of the REPowerEU chapter through a dedicated section in the annual report to*

the European Parliament and the Council, in accordance with Article 31, ***including through lessons learned after assessing the data available on final beneficiaries and examples of best practices, as well as through regular and transparent information exchanges at the Recovery and Resilience Dialogue.***

(2a) By ... [two years from the entry into force of this amending Regulation], the Commission shall provide the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions with an independent evaluation report on the implementation of the REPowerEU chapters and their contributions to the REPowerEU objectives and the objectives of the Facility.

(2b) Each Member State shall create an easy to use and public portal containing real-time data on the implementation of measures included in the REPowerEU chapters, including final recipients and beneficiaries.

(7) Annex V is amended in accordance with the Annex I to this Regulation.

Article 2

Regulation (EU) 2021/1060, is amended as follows:

(1) In Article 11(1), the following point is added:

‘(e) where applicable, the breakdown of financial resources by category of region drawn up in accordance with Article 108(2) and the amounts of allocations proposed to be ***requested pursuant to Article 26a or to be transferred pursuant to Article 26, or pursuant to Article 111***, including a justification;’

(2) In Article 22(3)(g), the following point is added:

‘(i) a table specifying the total financial allocations for each of the Funds and, where applicable, for each category of region for the whole programming period and by year, including any amounts ***requested pursuant to Article 26a or transferred pursuant to Article 26 or pursuant to Article 27***;’

(2a) In Article 24, the following paragraph is added:

7a. For programmes supported by the ERDF, Cohesion Fund or ESF+, the Member State or the managing authority may request, until 31 December 2025, an amount of up to 7,5% of the budget of the initial national allocation to be contributed for the financing of measures supporting the objectives of the REPowerEU as referred to in Article 21c(1)(b) of Regulation (EU) 2021/241 with the exception of fossil-free hydrogen, in Article 21c(1)(c) of Regulation (EU) 2021/241 with the exception of facilities dedicated to transport fossil fuels, and in Article 21c(1)(d) of Regulation (EU) 2021/241. For programmes supported by the ERDF, Cohesion Fund or ESF+, such contributions shall only be made within the same programme and shall require a Commission decision amending the programme. They shall comply with all regulatory requirements and shall be approved in advance by the monitoring committee. The Member State or the managing authority shall communicate the revised financial tables and the revised programme to the Commission.

- (3) In Article 26(1), the following is inserted after the end of the first sub-paragraph :

‘Where the Partnership Agreement has been approved and one or more programmes have not yet been adopted, a transfer to the Recovery and Resilience Facility in accordance with *this Article* may be requested through notification of a revision of the information referred to in Article 11(1) points (c), (e) and (h) in accordance with Article 69(9).’

- (4) In Article 26 (1), the following new sub-paragraph is inserted:

‘3. Where the Partnership Agreement has been approved and the transfer is requested as part of a programme submission, the resulting inconsistency shall not be taken into account when assessing the programme pursuant to Article 23(1).’

- (5) The following Article is inserted:

‘Article 26a

Support for the REPowerEU objectives

- (1) Member States submitting to the Commission a recovery and resilience plan containing a REPowerEU chapter in accordance with Regulation (EU) 2021/241 may request **that** up to 7.5% of their initial national allocation of each Fund **be contributed** to the **REPowerEU objectives as established in Regulation (EU) 2021/241 by supporting measures referred to in Article 21c(1)(b) thereof with the exception of fossil-free hydrogen, in Article 21c(1)(c) thereof with the exception of facilities dedicated to transport fossil fuels, and in Article 21c(1)(d) thereof**, provided that the Member State has already requested transfers from that specific Fund up to the ceiling of 5% in accordance with the first and second sub-paragraphs of Article 26(1). **Where the Partnership Agreement has not yet been approved**, the request **for supporting REPowerEU objectives** shall be made either in the Partnership Agreement, including through the notification of a revision of the information referred to in Article 11(1) points (c), (e) and (h) in accordance with Article 69(9) or in a request for an amendment of a programme. Where the request concerns an amendment of a programme, only resources of future calendar years may be **requested. The possibility of such a request** shall be additional to the possibility of transfer of resources envisaged under Article 26 of this Regulation.
- (2) Transferred resources **under Article 26 of this Regulation** shall be implemented in accordance with the provisions of Regulation (EU) 2021/241. **Resources requested under Article 26a of this Regulation** shall be

implemented in accordance with Regulation (EU) 2021/1060 and the provisions set out in the fund-specific regulation of the respective shared management fund. Transferred resources or requested resources supporting REPowerEU objectives shall be exclusively used for the benefit of the Member State concerned.

(3) Where the Partnership Agreement has been approved, and the *request for supporting REPowerEU objectives is submitted* before the approval of one or more programmes, the resulting inconsistency between the Partnership Agreement and the programmes shall not be taken into account when assessing the programme pursuant to Article 23(1). In such cases the Member State concerned shall submit a revision of the information referred to in Article 11(1) points (c), (e) and (h), *including a summary of a mandatory consultation with partners in line with Article 8(1)*, which shall constitute a request for *supporting REPowerEU objectives* within the meaning of this Article.

(3a) By way of derogation from Article 13, approved Partnership Agreements shall not be amended and amendments to the programmes shall not entail the amendment of the approved Partnership Agreements.

(4) Where a programme *needs* to be amended for the purpose of *a request for supporting REPowerEU objectives* set out in this Article, by way of derogation from Article 24(2) and (4), the Commission shall adopt or refuse the amendment as regards *that request* and the resulting changes to the programme within one month after the date of submission of the programme by the Member State. ■ Requests for an amendment of a programme shall set out the total amount *contributed to the achievement of the REPowerEU objectives* for each year by Fund and by category of region, where applicable.

(5) JTF resources, including any resources transferred from the ERDF and the ESF+ in accordance with Article 27, shall not be transferable to the Recovery and Resilience Facility *and shall not be requested for supporting REPowerEU objectives* pursuant to this Article.

■ ,

(6a) Expenditure incurred and paid for measures referred to in Article 21c(1)(b) of Regulation (EU) 2021/241 with the exception of fossil-free hydrogen, in Article 21c(1)(c) thereof with the exception of facilities dedicated to transport fossil fuels, and in Article 21c(1)(d) thereof shall be counted towards the share of the climate targets and the climate adjustment mechanism in accordance with Article 6 of this Regulation.

(5a) In Article 112, the following paragraph is added:

6a. Where a Member State decides to request resources under Article 26a of this Regulation, by way of derogation from Article 112(3) and (4) a co-financing rate of up to 100 % may be applied to expenditure declared in payment applications in the accounting years starting on 1 July 2022 and ending on 30 June 2026 for one or more priority axes in a programme supported by the ERDF, the ESF+ or the Cohesion Fund, for the financing of measures supporting the objectives of REPowerEU referred to in Article 21c(1)(b) of Regulation (EU)2021/241 with the exception of fossil-free hydrogen, in Article 21c(1)(c) of that Regulation with the exception of facilities dedicated to transport fossil fuels, and in Article 21c(1)(d) of that Regulation.

A request for a modification of the co-financing rate shall be submitted as an amendment of a programme in accordance with Article 24 and shall be accompanied by a revised programme.

- (6) Annexes II and V are amended in accordance with the Annex II to this Regulation.

Article 2a

Regulation (EU) No 1303/2013 is amended as follows:

- (1) In Article 60, the following paragraphs are added:**

2a. By way of derogation from Article 60(1) and the first and fourth subparagraphs of Article 120(3), at the request of a Member State, a co-financing rate of 100 % may be applied to expenditure for fostering energy crisis response capacities in accordance with the "REPowerEU objectives" and support for vulnerable households and micro-, small and medium enterprises from 1 February 2022 for one or more priority axes in a programme supported by the ERDF, the ESF or the Cohesion Fund.

Requests for modification of the co-financing rate shall be submitted in accordance with the procedure for the amendment of programmes set out in Article 30 and shall be accompanied by a revised programme or programmes.

The co-financing rate of 100 % shall apply only if the relevant amendment of the operational programme is approved by the Commission before the submission of the final application for an interim payment in accordance with Article 135(2).

2b. In response to the energy crisis resulting from the Russian aggression towards Ukraine, the resources available for the 2014-2020 programming period for the Investment for growth and jobs goal may, at the request of a Member State, be transferred between the ERDF, the ESF and the Cohesion Fund, irrespective of the percentages referred to in points (a) to (d) of Article 92(1). For the purpose of those transfers, the requirements laid down in Article 92(4) shall not apply.

Resources transferred between the ERDF, the ESF and the Cohesion Fund under this paragraph shall be implemented in accordance with the rules of the Fund to which they are transferred.

Article 4

Directive 2003/87/EC is amended as follows:

(-1) In Article 10(3), the following subparagraph is inserted after the first subparagraph:

“By way of derogation from the first subparagraph of this paragraph and as an extraordinary and one-time measure, for the period until 31 December 2025, a number of allowances shall be deducted from the volume of allowances to be auctioned from 1 January 2027 to 31 December 2030 by Member States in accordance with paragraph 2 of this Article and shall be auctioned over the period until 31 December 2025 in accordance with Article 10e, until the amount of revenue obtained from such auctioning has reached EUR 20 billion.”

(1) the following Article is inserted:

Article 10e

Recovery and Resilience Facility

(1) For the period until 31 December 2025, the allowances referred to in Article 10(3), second subparagraph, shall be auctioned until the amount of revenue obtained from such auctioning has reached EUR 20 billion.

The revenue referred to in the first subparagraph of this paragraph shall be made available to the Recovery and Resilience Facility established by Regulation (EU) 2021/241 for the purpose of contributing to the REPowerEU objectives as set out in Article 21c(1) of that Regulation and shall be implemented in accordance with the provisions of that Regulation.

(2) The Commission shall ensure that the allowances destined for the Recovery and Resilience Facility are auctioned in accordance with the principles and modalities laid down in Article 10(4) of Directive 2003/87/EC and in accordance with Article 24 of Commission Regulation (EU) No 1031/2010^[1].

(3) The European Investment Bank (EIB) shall be the auctioneer for the allowances to be auctioned pursuant to this Article on the auction platform appointed pursuant to Article 26(1) of Commission Regulation (EU) No 1031/2010^[2] and shall provide the auction revenues to the Commission.

(4) The proceeds from auctioning those allowances shall constitute external assigned revenue for the purpose of Article 21(5) of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council.’

Article 5

Amendments to Decision (EU) 2015/1814

Article 1 of Decision (EU) 2015/1814 is amended as follows:

In paragraph 5, *the* first subparagraph **■** is replaced by the following:

‘In any given year, if the total number of allowances in circulation is between 700 million and 921 million, a number of allowances equal to the difference between the total number of allowances in circulation, as set out in the most recent publication as referred to in paragraph 4 of this Article, and 700 million, shall be deducted from the volume of allowances to be auctioned by the Member States under Article 10(2) of Directive 2003/87/EC and shall be placed in the reserve over a period of 12 months beginning on 1 September of that year. If the total number of allowances in circulation is above 921 million, the number of allowances to be deducted from the volume of allowances to be auctioned by the Member States under Article 10(2) of Directive 2003/87/EC and to be placed in the reserve over a period of 12 months beginning on 1 September of that year shall be equal to 12 % of the total number of allowances in circulation. By way of derogation from the last sentence, until 31 December 2030, the percentage shall be doubled. As from 2025, the thresholds referred to in this subparagraph shall be reduced in proportion to the reduction of the Union-wide quantity of allowances referred to in Article 9 of Directive 2003/87/EC in the same year.’

■

Article 5a

Entry into force

This Regulation shall enter into force on the day following that of its publication in the Official Journal of the European Union.

Article 6

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the European Parliament
The President The President

For the Council

ANNEX I

Annex V of Regulation 2021/241 is amended as follows:

(a) In section 2, the following points are added:

‘2.12. The measures referred to in Article 21c (1) and (2) are expected to effectively contribute towards the Union’s security of supply for the Union as a whole, notably through a diversification of energy supply, ***increase of energy storage capacities or significant*** or reduction of dependence on fossil fuels before 2030, ***towards the Union’s 2030 targets including energy efficiency and renewable energy and towards the EU’s climate neutrality objective. Where relevant, measures contained in the REPowerEU chapter shall give adequate priority to the needs of those affected by energy poverty as well as to the reduction of vulnerabilities during the nearest winter seasons.***’

When assessing the measures referred to in Article 21c (1) under this criterion, the Commission shall take into account the following elements:

Scope

— the implementation of the envisaged measures is expected to significantly contribute to the improvement of energy infrastructure and facilities to meet immediate security of supply needs for gas, ***including LNG***, notably to enable diversification of supply in the interest of the Union as a whole, ***while ensuring that the relevant infrastructures are hydrogen ready***,

or

— the implementation of the envisaged measures is expected to significantly contribute to boosting energy efficiency ***and savings*** in buildings, ***including via investment schemes targeted to vulnerable households, SMEs and micro-enterprises***,

or

— decarbonising industry, ***increasing energy storage capacity***, increasing production and uptake of sustainable biomethane, ***thermal renewable energy, renewable fuels of non-biological origin (RFNBOs)***, renewable or fossil free hydrogen and ***speeding up permitting processes for plants producing renewable energy, including the improvement of related electricity generation and other infrastructure, including by accelerating permitting procedures***,

or

— ***addressing energy poverty, in particular through measures benefitting vulnerable and low-income households***,

or

— ***incentivising reduction of energy demand, including by upscaling existing energy savings solutions***,

or

— the implementation of the envisaged measures is expected to address energy infrastructure bottlenecks, ***including the connection of grids to new renewable energy***

sources, in particular by constructing cross-border links with other Member States, or supports zero-emission transport and its infrastructure ***in a just and inclusive way***, including railways, ***thereby contributing to ensuring affordable energy and transport in the Union***,

or

— the implementation of the envisaged measures is expected to significantly contribute to supporting a requalification of the workforce towards green ***and the related digital skills and energy transition, including for the administrative implementation of those objectives***, as well as supporting value chains in key materials and technologies linked to the green transition ***and the use of sustainable construction materials and products, thereby reducing the dependency on primary critical raw materials relevant to the energy transition***,

and

— whether the measures and explanation, provided under Article 21c (1) are complementary to each other and significantly contribute, together with measures under Article 21c(2), points (a) and (b), to achieve ***energy security***, the Union's diversification of energy supply, ***increase of energy storage capacities*** or ***significant*** or reduction of dependence on fossil fuels before 2030, ***towards the Union's 2030 targets including energy efficiency and renewable energy and towards the EU's climate neutrality objective***.

Rating

A – to a large extent

B – to a medium extent

C – to a small extent

2.12a. The consultation process as referred to in Article 18(4)(q) related to the measures referred to in Article 21c(1) is adequate and the pertinent input from the relevant stakeholders is properly reflected in the substance of the REPowerEU chapter.

The Commission shall take into account the following elements for the assessment of this criterion

Scope:

— ***the consultation process as referred to in Article 18(4)(q) related to the measures referred to in Article 21c(1) is adequate***

and

— ***the detailed consultation report depicts the timeline and the stages of the consultations, notes the stakeholders consulted and explains the outcome of these consultations,***

and

— ***the pertinent input from the relevant stakeholders is properly reflected in the substance of the REPowerEU chapter***

and

— the Member State has provided information on which input was not reflected and for which reason,

and

— the Member State has provided information on how the local and regional authorities and other relevant stakeholders will be involved in the implementation of the REPowerEU chapter and its monitoring.

Rating

A – to a large extent

B – to a medium extent

C – to a small extent

2.12b. *Unless a derogation is granted to the Member State pursuant to Article 21c(1a), at least 35 % of the grants and at least 35 % of the loans, as applicable, to be used under the REPowerEU chapter is allocated to measures having a cross-border or multi-country dimension or effect, even if carried out by one Member State, and shall contribute to the objectives outlined in Article 21c(1).*

Rating

A – At least 35 % of the grants and at least 35 % of the loans, as applicable, to be used under the REPowerEU chapter is allocated to measures having a cross-border or multi-country dimension or effect, unless a derogation is granted

C – Less than 35 % of the grants or less than 35% of the loans, as applicable, to be used under the REPowerEU chapter is allocated to measures having a cross-border or multi-country dimension or effect, without a derogation being granted

2.12c. *The measures under Article 21c(1)(a) meeting the cumulative conditions set out in Article 21c(4) fulfil the requirements of Article 21c(4a).*

The Commission shall take into account the following elements for the assessment of this criterion

Scope:

– there is no adequate clean technology alternative in terms of costs or timeline of implementation to reach the REPowerEU objectives under Article 21c(1)(a);

and

– the potential harm to the EU's environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852 is narrowed to the strict unavoidable extent;
and

– the potential harm to the EU's environmental objectives is mitigated by accompanying measures, or other measures contributing to the REPowerEU

objectives, and the integrity of EU's 2030 and 2050 climate targets is not jeopardised;

and

– the measure is to be in operation by 31 December 2024.

Rating

A – all the measures under Article 21c (1) (a) meeting the cumulative conditions set out in Article 21c(4) fulfil the requirements of Article 21c(4a)

C – one or more measures under Article 21c (1) (a) meeting the cumulative conditions set out in Article 21c(4) do not fulfil the requirements of Article 21c(4a)'

- (b) In section 3 the part which starts with the words “As a result of the assessment process, and taking into account the ratings” is replaced by the following:

‘As a result of the assessment process, and taking into account the ratings:

- (a) The recovery and resilience plan complies satisfactorily with the assessment criteria:

If the final ratings for the criteria under point 2 include scores with:

— an A for criteria 2.2, 2.3, 2.5, 2.6, 2.12, **2.12a, 2.12b and 2.12c**;

and for the other criteria:

— all As,

or

— no majority of Bs over As and no Cs.

- (b) The recovery and resilience plan does not comply satisfactorily with the assessment criteria:

If the final ratings for the criteria under point 2 include scores with:

— not an A in criteria 2.2, 2.3, 2.5, 2.6, 2.12, **2.12a, 2.12b and 2.12c**;

and for the other criteria:

— a majority of Bs over As,

or

— at least one C.’

ANNEX II

█
(2) paragraph 3.1 of Annex V of Regulation (EU) 2021/1060 is amended as follows:

(a) the following is inserted:

‘Reference: Articles 14, 26, **26a** and 27 CPR’

<i>(b) the first table is amended as follows:</i> Programme amendment related to	<input type="checkbox"/>	contribution to InvestEU
	<input type="checkbox"/>	transfer to instruments under direct or indirect management
	<input type="checkbox"/>	transfer between ERDF, ESF+, Cohesion Fund or to another Fund or Funds
	<input checked="" type="checkbox"/>	<i>support for the REPowerEU objectives</i>

(c) In footnote 1, the following is inserted:

‘¹ Applicable only to programme amendments in accordance with Articles 14, 26, **and 26a** except complementary transfers to the JTF in accordance with Article 27 CPR.█’

4.10.2022

OPINION OF THE COMMITTEE ON THE ENVIRONMENT, PUBLIC HEALTH AND FOOD SAFETY

for the Committee on Budgets and the Committee on Economic and Monetary Affairs

on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) 2021/241 as regards REPowerEU chapters in recovery and resilience plans and amending Regulation (EU) 2021/1060, Regulation (EU) 2021/2115, Directive 2003/87/EC and Decision (EU) 2015/1814 (COM(2022)0231 – C9-0183/2022 – 2022/0164(COD))

Rapporteur for opinion(*): Peter Liese

(*) Associated committee – Rule 57 of the Rules of Procedure

AMENDMENTS

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

Amendment 1

Proposal for a regulation

Recital -1 (new)

Text proposed by the Commission

Amendment

(-1) The Paris Agreement, adopted in December 2015 under the United Nations Framework Convention on Climate Change (UNFCCC) entered into force in November 2016 (“the Paris Agreement”). Its Parties have agreed to hold the increase in the global average temperature well below 2 °C above pre-industrial levels and to pursue efforts to limit the temperature increase to 1,5 °C above pre-industrial levels. By adopting the Glasgow Climate Pact, the Parties to the Paris Agreement recognised that limiting the increase in the global average temperature to 1,5 °C above pre-industrial levels would significantly reduce the risks

and impacts of climate change, and they committed to strengthening their 2030 targets by the end of 2022 to close the ambition gap, in line with the findings of the Intergovernmental Panel on Climate Change (IPCC). This should be done in a manner that is equitable and respects the principle of common but differentiated responsibilities and respective capabilities, in the light of different national circumstances.

Amendment 2

Proposal for a regulation

Recital 1

Text proposed by the Commission

(1) Since the adoption of Regulation (EU) 2021/241 of the European Parliament and of the Council establishing the Recovery and Resilience Facility,³ unprecedented geopolitical events and their direct and indirect socio-economic consequences have considerably affected the Union's society and economy. In particular, it has become clearer than ever that the Union's energy security is **indispensable** for a successful, sustainable and inclusive recovery from the COVID-19 crisis, as it is also a major factor contributing to the resilience of the European economy.

³ Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Facility (OJ L 57, 18.2.2021, p. 17).

Amendment

(1) Since the adoption of Regulation (EU) 2021/241 of the European Parliament and of the Council establishing the Recovery and Resilience Facility,³ unprecedented geopolitical events, *i.e.* **Russia's unprovoked and illegal military invasion of Ukraine**, and their direct and indirect socio-economic consequences have considerably affected the Union's society and economy. In particular, it has become clearer than ever that the Union's energy security **and independence from fossil fuels** is **essential** for a successful, sustainable and inclusive recovery from the COVID-19 crisis, as it is also a major factor contributing to the resilience of the European economy.

³ Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Facility (OJ L 57, 18.2.2021, p. 17).

Amendment 3

Proposal for a regulation

Recital 3

Text proposed by the Commission

(3) The Versailles Declaration of 10-11 March 2022 of the Heads of States and Governments invited the Commission to propose by the end of May a REPowerEU plan to phase out the dependency on Russian fossil fuel imports, which was subsequently reiterated in the European Council Conclusions of 24-25 March 2022. This should be done well before 2030 in a way that is consistent with the EU's Green Deal and the climate objectives for 2030 and 2050 enshrined in the European Climate Law. Regulation (EU) 2021/241 should therefore be amended to enhance its ability to support reforms and investments dedicated to diversifying energy supplies, ***in particular*** fossil fuels, thereby strengthening the strategic autonomy of the Union alongside an open economy. Support should also be given to reforms and investments increasing the energy efficiency of the Member States' economies.

Amendment 4

Proposal for a regulation Recital 3 a (new)

Text proposed by the Commission

Amendment

(3) The Versailles Declaration of 10-11 March 2022 of the Heads of States and Governments invited the Commission to propose by the end of May a REPowerEU plan to phase out the dependency on Russian fossil fuel imports, which was subsequently reiterated in the European Council Conclusions of 24-25 March 2022. This should be done well before 2030 in a way that is consistent with the EU's Green Deal and the climate objectives for 2030 and 2050 enshrined in the European Climate Law. Regulation (EU) 2021/241 should therefore be amended to enhance its ability to support reforms and investments dedicated to diversifying energy supplies ***and rapidly reducing the Union's dependence on*** fossil fuels, thereby strengthening the strategic autonomy of the Union alongside an open economy. Support should also be given to reforms and investments increasing the ***decarbonisation and*** energy efficiency of the Member States' economies ***and reducing energy use***.

(3a) The European Parliament has declared a climate emergency that requires decisive action to quickly cut greenhouse gas emissions to stay in line with the Paris Agreement target of limiting global heating to below 1,5 °C. The current energy price crisis and energy dependence on Russia have the same root cause as the climate emergency; an over-dependence on fossil fuels. Thus, a main objective of the

REPowerEU should be to speed up the climate transition and avoid investments in coal or fossil fuel infrastructure that increases the Union's fossil fuel dependency.

Amendment 5

Proposal for a regulation

Recital 4

Text proposed by the Commission

(4) To maximise complementarity, consistency and coherence of policies and actions taken by the Union and Member States to foster independence and security of the Union's energy supply, these ***energy-related*** reforms and investments should be established through a dedicated 'REPowerEU chapter' of the recovery and resilience plans.

Amendment

(4) To maximise complementarity, consistency and coherence of policies and actions taken by the Union and Member States to foster independence and security of the Union's energy supply, these ***energy and climate related*** reforms and investments should be established through a dedicated 'REPowerEU chapter' of the recovery and resilience plans.

Amendment 6

Proposal for a regulation

Recital 6

Text proposed by the Commission

(6) The REPowerEU chapter should include new reforms and investments contributing to the REPowerEU aims. Furthermore, that chapter should contain an outline of other measures, financed from sources other than the Recovery and Resilience Facility, contributing to the energy-related objectives outlined in recital (3). The outline should cover measures whose implementation should take place between 1 February 2022 to 31 December 2026, the period during which the objectives set by this Regulation are to be achieved. As regards natural gas infrastructure, the investments and reforms of the REPowerEU chapters to diversify supply away from Russia should build on

Amendment

(6) The REPowerEU chapter should include new reforms and investments contributing to the REPowerEU aims. Furthermore, that chapter should contain an outline of other measures, financed from sources other than the Recovery and Resilience Facility, contributing to the energy-related objectives outlined in recital (3). The outline should cover measures whose implementation should take place between 1 February 2022 to 31 December 2026, the period during which the objectives set by this Regulation are to be achieved. As regards natural gas infrastructure, ***especially LNG***, the investments and reforms of the REPowerEU chapters to diversify supply

the needs currently identified through the assessment conducted and agreed by the European Network of Transmission System Operators for Gas (ENTSOG), established in the spirit of solidarity as regards security of supply *and* take into account the reinforced preparedness measures taken to adapt to new geopolitical threats. Finally, the REPowerEU chapters should provide an explanation and a quantification of the effects of the combination of the reforms and investments financed by the Recovery and Resilience Facility and the other measures financed by other sources than the Recovery and Resilience Facility.

away from Russia should build on the needs currently identified through the assessment conducted and agreed by the European Network of Transmission System Operators for Gas (ENTSOG), established in the spirit of solidarity as regards security of supply, take into account the reinforced preparedness measures taken to adapt to new geopolitical threats *and accordingly be limited to a maximum of EUR 10 billion of the total amount of resources for REPowerEU, excluding the revenues generated by the EU Emissions Trading System (EU ETS)*. Finally, the REPowerEU chapters should provide an explanation and a quantification of the effects of the combination of the reforms and investments financed by the Recovery and Resilience Facility and the other measures financed by other sources than the Recovery and Resilience Facility.

Amendment 7

Proposal for a regulation Recital 12

Text proposed by the Commission

(12) Pursuant to Article 18(4) point (q) of Regulation (EU) 2021/241, the Member States should also provide a summary of the consultation process of local and regional authorities and other relevant stakeholders, including, as relevant, from the agricultural *sector*, for reforms and investments included in the REPowerEU chapter. Such summaries should explain the outcome of those consultations and outline how the input received was reflected in REPowerEU chapters.

Amendment

(12) Pursuant to Article 18(4) point (q) of Regulation (EU) 2021/241, the Member States should also provide a summary of the consultation process of local and regional authorities and other relevant stakeholders, including, as relevant, from the *non-governmental and agricultural sectors*, for reforms and investments included in the REPowerEU chapter. Such summaries should explain the outcome of those consultations and outline how the input received was reflected in REPowerEU chapters.

Amendment 8

Proposal for a regulation
Recital 13

Text proposed by the Commission

(13) The application of the ‘do no significant harm’ principle is essential to ensure that the investments and reforms undertaken as part of the recovery from the pandemic are implemented in a sustainable manner. It should continue to apply to the reforms and investments supported by the Facility, with one targeted exemption to safeguard the EU’ immediate energy security concerns. Considering the objective of diversifying energy supplies away from Russian suppliers, the reforms and investments set out in those REPowerEU chapters which aim to improve energy infrastructure and facilities to meet immediate security of supply needs for **oil and** gas should not be required to comply with the principle of ‘do no significant harm’ and should therefore be exempted from such assessment.

Amendment

(13) The application of the ‘do no significant harm’ principle is essential to ensure that the investments and reforms undertaken as part of the recovery from the pandemic are implemented in a sustainable manner **and advance the green transition of the Union**. It should continue to apply to the reforms and investments supported by the Facility, with one targeted **and timely** exemption to safeguard the EU’ immediate energy security concerns. Considering the objective of diversifying energy supplies away from Russian suppliers, the reforms and investments **in LNG terminals and infrastructure** set out in those REPowerEU chapters which aim to improve energy infrastructure and facilities, **as well as ensuring their hydrogen-readiness**, to meet immediate security of supply needs for gas **and to be in operation by 30 June 2024** should not be required to comply with the principle of ‘do no significant harm’ and should therefore be exempted from such assessment. **To ensure that such an exemption does not jeopardise the integrity of the Union’s 2030 and 2050 climate targets, the Commission should also include an assessment of the climate and environmental impacts of this time-limited derogation and measures to compensate for such impacts in its annual reports.**

Amendment 9

Proposal for a regulation
Recital 13 a (new)

Text proposed by the Commission

Amendment

(13a) Cross-border and multi-country projects, particularly those in the field of

energy, have an important contribution to the Union-wide achievement of the REPowerEU objectives. Therefore, Member States should prioritise reforms and investments with a significant cross-border or multicountry impact in their national plans and reach a target of at least 50 % of the financial allocation of their REPowerEU chapter for such projects. In very limited cases where there is no Union added value in reaching a 50 % target for a particular Member State, the Commission should be able to establish a reduced target for the Member State concerned.

Amendment 10

Proposal for a regulation Recital 13 b (new)

Text proposed by the Commission

Amendment

(13b) Energy efficiency and renewable energies are the only solution to green our energy use. Therefore, it is imperative that all Member States take this chance and divert their investments under this Regulation in the achievement of their medium and long-term climate and energy targets. Therefore, Member States should only be able to receive revenues for their REPowerEU chapters under the condition that they have implemented the increased targets for energy efficiency and renewable energy as set out in [Directive (EU) .../... amending Directive (EU) 2018/2001 on the promotion of the use of energy from renewable sources, Directive 2010/31/EU on the energy performance of buildings and Directive 2012/27/EU on energy efficiency].

Amendment 11

Proposal for a regulation

Recital 16

Text proposed by the Commission

(16) ***While extending the current intake rate of allowances to the Market Stability Reserve is needed to prevent in long term a significant increase of the surplus of allowances in the greenhouse gas emission allowance trading within the Union, the current economical and geopolitical situation requires the Union to mobilise available resources to rapidly diversify Union's energy supply and reduce dependence on fossil fuels before 2030. In this context, Decision (EU) 2015/1814 of the European Parliament and of the Council⁴ and Directive 2003/87/EC of the European Parliament and of the Council⁵ should be amended to extend the doubling of the 24% intake rate of the Market Stability Reserve until 2030, while allowing for an exceptional release and monetisation of a portion of allowances from the Market Stability Reserve and directing revenues towards reforms and investments contributing to REPowerEU objectives, in the Recovery and Resilience Facility framework.***

⁴ ***Decision (EU) 2015/1814 of the European Parliament and of the Council of 6 October 2015 concerning the establishment and operation of a market stability reserve for the Union greenhouse gas emission trading scheme and amending Directive 2003/87/EC, OJ L 264/1***

⁵ Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a scheme for greenhouse gas emission allowance trading within the Community and amending Council Directive 96/61/EC

Amendment

(16) The current economical and geopolitical situation requires the Union to mobilise available resources to rapidly diversify Union's energy supply and reduce dependence on fossil fuels before 2030. In this context, Directive 2003/87/EC of the European Parliament and of the Council⁵ should be amended to ***frontload the auctioning*** of allowances from the ***cap*** towards reforms and investments contributing to REPowerEU objectives, in the Recovery and Resilience Facility framework. ***In keeping with the objectives of Directive 2003/87/EC, such revenues should not support investments in fossil fuel infrastructure or facilities.***

⁵ Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a scheme for greenhouse gas emission allowance trading within the Community and amending Council Directive 96/61/EC

Amendment 12

Proposal for a regulation
Recital 16 a (new)

Text proposed by the Commission

Amendment

(16a) The current intake rate of allowances to the Market Stability Reserve is needed to prevent in the long term a significant increase of the surplus of allowances in the greenhouse gas emission allowance trading within the Union. Therefore, Decision (EU) 2015/1814 of the European Parliament and of the Council^{1a} and Directive 2003/87/EC should be amended to extend the doubling of the intake rate of the Market Stability Reserve to 24 % until 2030 and to reduce the upper and buffer thresholds in proportion to the reduction of the Union-wide quantity of allowances as from 2025.

^{1a} Decision (EU) 2015/1814 of the European Parliament and of the Council of 6 October 2015 concerning the establishment and operation of a market stability reserve for the Union greenhouse gas emission trading scheme and amending Directive 2003/87/EC (OJ L 264, 9.10.2015, p. 1).

Amendment 13

Proposal for a regulation
Recital 17 a (new)

Text proposed by the Commission

Amendment

(17a) The EU ETS was established to create an efficient, predictable and market driven system for reducing emissions and tackling the climate crises. While the amendment of Directive 2003/87/EC is justified by an exceptional situation, it remains important not to undermine trust in the EU ETS market through short-term interventions, and this amendment should

therefore be seen as a one-off measure, which will not be repeated.

Amendment 14

Proposal for a regulation Recital 20

Text proposed by the Commission

(20) A request for a dedicated funding for REPowerEU measures, including ***allocation from the Market Stability Reserve***, transfers from the funds governed by Regulation (EU) 2021/1060 and allocated from European Agricultural Fund for Rural Development, submitted in a plan, should be justified by a higher financial need linked to additional reforms and investments included in the REPowerEU chapter.

Amendment

(20) A request for a dedicated funding for REPowerEU measures, including ***allowances for auctioning frontloaded within the EU ETS***, transfers from the funds governed by Regulation (EU) 2021/1060 and allocated from European Agricultural Fund for Rural Development, submitted in a plan, should be justified by a higher financial need linked to additional reforms and investments included in the REPowerEU chapter.

Amendment 15

Proposal for a regulation Recital 22 a (new)

Text proposed by the Commission

Amendment

(22a) In times of unusual exorbitant high energy prices, Member States are encouraged to explore measures to raise additional financial means from companies making excessive profits related to the energy market. The revenues should be used to mitigate the energy bills of consumers.

Amendment 16

Proposal for a regulation Article 1 – paragraph 1 – point 1 Regulation (EU) 2021/241 Article 4 – paragraph 1

1. In line with the six pillars referred in Article 3 of this Regulation, the coherence and synergies they generate, and in the context of the COVID-19 crisis, the general objective of the Facility shall be to promote the Union's economic, social and territorial cohesion by improving the resilience, crisis preparedness, adjustment capacity and growth potential of the Member States, by mitigating the social and economic impact of that crisis, in particular on *women*, by contributing to the implementation of the European Pillar of Social Rights, by supporting the green transition, by contributing to the achievement of the Union's 2030 climate targets set out in point (11) of Article 2 of Regulation (EU) 2018/1999, and by complying with the objective of EU climate neutrality by 2050 and of the digital transition, by increasing the resilience of the Union energy system through a decrease of dependence on fossil fuels and diversification of energy supplies at Union level ('REPowerEU objectives') thereby contributing to the upward economic and social convergence, restoring and promoting sustainable growth and the integration of the economies of the Union, fostering high quality employment creation, and contributing to the strategic autonomy of the Union alongside an open economy and generating European added value.

1. In line with the six pillars referred in Article 3 of this Regulation, the coherence and synergies they generate, and in the context of the COVID-19 crisis, the general objective of the Facility shall be to promote the Union's economic, social and territorial cohesion by improving the resilience, crisis preparedness, adjustment capacity and growth potential of the Member States, by mitigating the social and economic impact of that crisis, in particular on *gender inequality*, by contributing to the implementation of the European Pillar of Social Rights, by supporting the *just* green transition, by contributing to the achievement of the Union's 2030 climate targets set out in point (11) of Article 2 of Regulation (EU) 2018/1999, and by complying with the objective of EU climate neutrality by 2050 and of the digital transition, by increasing the resilience of the Union energy system through a *rapid* decrease *towards an end* of dependence on fossil fuels and diversification of energy supplies at Union level ('REPowerEU objectives') thereby contributing to the upward economic and social convergence, *supporting the achievement of the European Green Deal objectives*, restoring and promoting sustainable growth and the integration of the economies of the Union, fostering high quality employment creation, and contributing to the strategic autonomy of the Union alongside an open economy and generating European added value.

Amendment 17

Proposal for a regulation
Article 1 – paragraph 1 – point 6
Regulation (EU) 2021/241
Article 21a – title

New revenue

Use of revenues generated by the EU Emissions Trading System (EU ETS)

Amendment 18

Proposal for a regulation

Article 1 – paragraph 1 – point 6

Regulation (EU) 2021/241

Article 21a – paragraph 1

Text proposed by the Commission

Amendment

(1) EUR 20 000 000 000 in current prices shall be available, in line with Article 10e(4) of Directive 2003/87/EC, for implementation under this Regulation to increase the resilience of the Union energy system through a decrease of dependence on fossil fuels and diversification of energy supplies at Union level. That amount shall be made available in the form of external assigned revenue within the meaning of Article 21(5) of the Financial Regulation.

(1) EUR 20 000 000 000 in current prices shall be available, in line with Article 10e(4) of Directive 2003/87/EC, for implementation under this Regulation to increase the resilience of the Union energy system through a **rapid** decrease of dependence on fossil fuels and diversification of energy supplies at Union level. That amount shall be made available in the form of external assigned revenue within the meaning of Article 21(5) of the Financial Regulation.

Amendment 19

Proposal for a regulation

Article 1 – paragraph 1 – point 6

Regulation (EU) 2021/241

Article 21a – paragraph 5

Text proposed by the Commission

Amendment

(5) Each Member State may submit to the Commission a request for allocation of an amount not exceeding its share, by including in its plan the reforms and investments described in Article 21c(1) and indicating their estimated costs.

(5) Each Member State may submit to the Commission a request for allocation of an amount not exceeding its share, by including in its plan **its commitment to the objective of climate neutrality by 2050**, the reforms and investments described in Article 21c(1) and indicating their estimated costs.

Amendment 20

Proposal for a regulation
Article 1 – paragraph 1 – point 6
Regulation (EU) 2021/241
Article 21c – paragraph 1 – point a

Text proposed by the Commission

(a) improving energy infrastructure and facilities to meet immediate security of supply needs for **oil and** gas, notably to enable diversification of supply in the interest of the Union as a whole,

Amendment

(a) improving energy infrastructure and facilities to meet immediate security of supply needs for gas, **especially LNG**, notably to enable diversification of supply in the interest of the Union as a whole,

Amendment 21

Proposal for a regulation
Article 1 – paragraph 1 – point 6
Regulation (EU) 2021/241
Article 21c – paragraph 1 – point b

Text proposed by the Commission

(b) boosting energy efficiency in buildings, decarbonising industry, increasing production and uptake of sustainable biomethane **and** renewable or fossil-free hydrogen and **increasing the share of** renewable energy,

Amendment

(b) boosting energy efficiency **and savings** in buildings **with adequate priority for the needs of energy poor and vulnerable households and consumers, implementing demand-side measures to reduce energy use**, decarbonising industry, **increasing the share of renewable energy as defined in Directive (EU) 2018/2001 of the European Parliament and of the Council* and, where applicable, meeting the sustainability criteria set out in that Directive, in particular by** increasing production and uptake of sustainable biomethane, **thermal renewable energy and renewable fuels of non-biological origin (RFNBOs); improving related electrification infrastructure and facilities; increasing the production and uptake of** renewable or fossil-free hydrogen and **speeding up permitting processes for plants producing** renewable energy **and electrification infrastructure in accordance with [Directive (EU) .../... amending Directive (EU) 2018/2001 on the promotion of the use of energy from**

renewable sources, Directive 2010/31/EU on the energy performance of buildings and Directive 2012/27/EU on energy efficiency],

** Directive (EU) 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources (OJ L 328 21.12.2018, p. 82).*

Amendment 22

Proposal for a regulation

Article 1 – paragraph 1 – point 6

Regulation (EU) 2021/241

Article 21c – paragraph 1 – point c

Text proposed by the Commission

(c) addressing internal and cross-border energy transmission bottlenecks and supporting zero emission transport and its infrastructure, including railways,

Amendment

(c) addressing internal and cross-border energy transmission bottlenecks, ***including the connection of grids to new renewable energy sources***, and supporting zero emission transport and its infrastructure ***in a just and inclusive way***, including railways ***and the functionality and affordability of public transportation***,

Amendment 23

Proposal for a regulation

Article 1 – paragraph 1 – point 6

Regulation (EU) 2021/241

Article 21c – paragraph 1 a (new)

Text proposed by the Commission

Amendment

(1a) The total amount of resources made available in accordance with Article 14(1) of this Regulation and Article 26a(1) of Regulation (EU) 2021/1060 for reforms and investments aiming to contribute to the REPowerEU objectives in accordance with paragraph 1, point (a),

of this Article shall be limited to a maximum amount of EUR 10 billion. The amount of revenue made available in accordance with Article 10e(1) of Directive 2003/87/EC for such reforms and investments shall not contribute to this objective.

Amendment 24

Proposal for a regulation

Article 1 – paragraph 1 – point 6

Regulation (EU) 2021/241

Article 21c – paragraph 1 b (new)

Text proposed by the Commission

Amendment

(1b) Member States shall prioritise reforms and investments with a significant cross-border or multicountry impact contributing to the REPowerEU objectives in accordance with paragraph 1 in their REPowerEU chapters and shall reach a target of at least 50 % of the total financial allocation of the REPowerEU chapters to be used to finance such reforms and investments. However, the Commission may, upon request of a Member State, decide to grant a derogation to that Member State from the obligation to reach that target and establish a reduced target, provided that the Commission concludes, following an assessment, that a target of at least 50 % for that Member State would not result in any Union added value.

Amendment 25

Proposal for a regulation

Article 1 – paragraph 1 – point 6

Regulation (EU) 2021/241

Article 21c – paragraph 2 – point a a (new)

Text proposed by the Commission

Amendment

(aa) where applicable, an outline of reforms and investments in the already adopted Council implementing decisions that need to be revised in order to contribute to the REPowerEU objectives;

Amendment 26

Proposal for a regulation

Article 1 – paragraph 1 – point 6

Regulation (EU) 2021/241

Article 21c – paragraph 2 – point c

Text proposed by the Commission

(c) an explanation on how the combination of the measures referred to in paragraph 1 and points (a) and (b) of this paragraph is coherent, effective and expected to contribute to the REPowerEU objectives, including a quantification of the energy savings.

Amendment

(c) an explanation on how the combination of the measures referred to in paragraph 1 and points (a) and (b) of this paragraph is coherent, effective and expected to contribute to the REPowerEU objectives ***and is in line with the National Energy and Climate Plans of that Member State and with the Union climate targets set out in Regulation (EU) 2021/1119 of the European Parliament and of the Council****, including a quantification of the energy savings, ***how solutions that do not require new infrastructure investments were prioritised, and how the measures contribute to supporting energy poor and vulnerable households and consumers.***

**** Regulation (EU) 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') (OJ L 243, 9.7.2021, p. 1).***

Amendment 27

Proposal for a regulation

Article 1 – paragraph 1 – point 6

Text proposed by the Commission

(3) The estimated costs of the reforms and investments of the REPowerEU chapter under paragraph 1 shall not be taken into account for the calculation of the plan’s total allocation under Article 18(4), point (f) and Article 19(3), point (f).

Amendment

(3) The estimated costs of the reforms and investments of the REPowerEU chapter under paragraph 1 shall not be taken into account for the calculation of the plan’s total allocation under Article 18(4), point (f), and Article 19(3), point (f), **and under Article 18(4), point (e), and Article 19(3), point (e).**

Amendment 28

Proposal for a regulation
Article 1 – paragraph 1 – point 6
Regulation (EU) 2021/241
Article 21c – paragraph 4

Text proposed by the Commission

(4) By way of derogation from Articles 5(2), 17(4), 18(4) point (d) and 19(3) points (d), the principle of “do no significant harm” within the meaning of Article 17 of Regulation (EU) 2020/852 shall not apply to **the reforms and investments expected to contribute** to the REPowerEU objectives under paragraph 1, point (a) of this Article.

Amendment

(4) By way of derogation from Articles 5(2), 17(4), 18(4) point (d) and 19(3) points (d), the principle of “do no significant harm” within the meaning of Article 17 of Regulation (EU) 2020/852 shall not apply to investments **in LNG terminals and infrastructure contributing** to the REPowerEU objectives under paragraph 1, point (a) of this Article. **This derogation shall only apply to reforms and investments that are to be in operation by 30 June 2024.**

In accordance with Article 31 of this Regulation, the Commission shall also present in its reports to the European Parliament and the Council the environmental and climate-related impact of the time-limited application of the derogation referred to in the first subparagraph of this paragraph and present which measures are taken by the Union and the Member States to compensate for any resulting negative impact on the environment and the path to reaching the Union's emissions

reduction target as set out in Regulation (EU) 2021/1119.

Amendment 29

Proposal for a regulation

Article 1 – paragraph 1 – point 6

Regulation (EU) 2021/241

Article 21d – paragraph 2

Text proposed by the Commission

(2) The Commission shall provide information on the progress of implementation of the REPowerEU chapter in the annual report to the European Parliament and the Council, in accordance with Article 31.

Amendment

(2) The Commission shall provide information on the progress of implementation of the REPowerEU chapter in the annual report to the European Parliament and the Council, in accordance with Article 31. ***The report shall be made available to the public in an easily accessible form.***

Amendment 30

Proposal for a regulation

Article 1 – paragraph 1 – point 6

Regulation (EU) 2021/241

Article 21d – paragraph 2 a (new)

Text proposed by the Commission

Amendment

(2a) The Commission shall assess how the measures outlined in the REPowerEU chapter prioritized support for energy poor and vulnerable households and consumers.

Amendment 31

Proposal for a regulation

Article 4 – paragraph 1 – point -1

Directive 2003/87/EC

Article 10 – paragraph 3 – subparagraph 1 a (new)

Text proposed by the Commission

Amendment

(-1) in Article 10(3) of Directive

2003/87/EC, the following subparagraph is inserted after the first subparagraph:

“By way of derogation from the first subparagraph of this paragraph and as an extraordinary and one-time measure, for the period until 31 December 2025, a number of allowances shall be deducted from the volume of allowances to be auctioned from 1 January 2027 to 31 December 2030 by Member States in accordance with paragraph 2 of this Article and shall be auctioned over the period until 31 December 2025 in accordance with Article 10e, until the amount of revenue obtained from such auctioning has reached EUR 20 billion.”

Amendment 32

Proposal for a regulation

Article 4 – paragraph 1 – point 1

Decision (EU) 2015/1814

Article 10e – paragraph 1

Text proposed by the Commission

(1) For the period until 31 December **2026**, the allowances *released pursuant to Article 1(6) of Decision (EU) 2015/1814* shall be auctioned until the amount of revenue obtained from such auctioning has reached EUR 20 billion. **This** revenue shall be made available to the Recovery and Resilience Facility established by Regulation (EU) 2021/241 and shall be implemented in accordance with the provisions of that Regulation.

Amendment

(1) For the period until 31 December **2025**, the allowances *referred to in Article 10(3), second subparagraph*, shall be auctioned until the amount of revenue obtained from such auctioning has reached EUR 20 billion.

The revenue referred to in the first subparagraph of this paragraph shall be made available to the Recovery and Resilience Facility established by Regulation (EU) 2021/241 for the purpose of contributing to the REPowerEU objectives as set out in Article 21c(1) of that Regulation and shall be implemented in accordance with the provisions of that

Regulation.

Amendment 33

Proposal for a regulation

Article 5 – paragraph 1 – point 1

Decision (EU) 2015/1814

Article 1 – paragraph 5 – subparagraph 1

Text proposed by the Commission

In paragraph 5, first subparagraph, ***the third sentence*** is replaced by the following:

“By way of derogation from the ***first and second sentences***, until 31 December 2030, the ***percentages and the 100 million*** allowances referred to in ***those sentences*** shall be doubled.”

Amendment

In paragraph 5, ***the*** first subparagraph is replaced by the following:

“In any given year, if the total number of allowances in circulation is between 700 million and 921 million, a number of allowances equal to the difference between the total number of allowances in circulation, as set out in the most recent publication as referred to in paragraph 4 of this Article, and 700 million, shall be deducted from the volume of allowances to be auctioned by the Member States under Article 10(2) of Directive 2003/87/EC and shall be placed in the reserve over a period of 12 months beginning on 1 September of that year. If the total number of allowances in circulation is above 921 million allowances, the number of allowances to be deducted from the volume of allowances to be auctioned by the Member States under Article 10(2) of Directive 2003/87/EC and to be placed in the reserve over a period of 12 months beginning on 1 September of that year shall be equal to 12 % of the total number of allowances in circulation. By way of derogation from the last sentence, until 31 December 2030, the percentage shall be doubled. As from 2025, the thresholds referred to in this subparagraph shall be reduced in proportion to the reduction of the Union-wide quantity of allowances referred to in Article 9 of Directive 2003/87/EC in the same year.”

Amendment 34

Proposal for a regulation

Article 5 – paragraph 1 – point 2

Decision (EU) 2015/1814

Article 1 – paragraph 6 – subparagraph 1a

Text proposed by the Commission

Amendment

By way of derogation from the first subparagraph, for a period until 31 December 2026, a number of allowances shall be released from the reserve and auctioned in accordance with Article 10e of Directive 2003/87/EC, until the amount of revenue obtained from such auctioning has reached EUR 20 billion.

deleted

Amendment 35

Proposal for a regulation

Article 5 a (new)

Text proposed by the Commission

Amendment

Article 5a

Entry into force and application

This Regulation shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union.

It shall apply from the date of entry into force of a Directive of the European Parliament and of the Council amending Directive (EU) 2018/2001 on the promotion of the use of energy from renewable sources, Directive 2010/31/EU on the energy performance of buildings and Directive 2012/27/EU on energy efficiency.

Amendment 36

Proposal for a regulation

Annex I – paragraph 1 – point a

Regulation (EU) 2021/241

Annex V – Section 2 – point 2.12 – subparagraph 1

Text proposed by the Commission

The measures referred to in Article 21c (1) and (2) are expected to effectively contribute towards the Union’s security of supply for the Union as a whole, notably through a diversification of energy supply **or** reduction of dependence on fossil fuels before 2030.’.

Amendment

The measures referred to in Article 21c (1) and (2) are expected to effectively contribute towards the Union’s security of supply for the Union as a whole, notably through a diversification of energy supply **and rapid** reduction of dependence on fossil fuels before 2030.’.

Amendment 37

Proposal for a regulation

Annex I – paragraph 1 – point a

Regulation (EU) 2021/241

Annex V – Section 2 – point 2.12 – subparagraph 2 – indent 1

Text proposed by the Commission

— the implementation of the envisaged measures is expected to significantly contribute to the improvement of energy infrastructure and facilities to meet immediate security of supply needs for **oil and** gas, notably to enable diversification of supply in the interest of the Union as a whole,

Amendment

— the implementation of the envisaged measures is expected to significantly contribute to the improvement of energy infrastructure and facilities to meet immediate security of supply needs for gas, **especially LNG**, notably to enable diversification of supply in the interest of the Union as a whole, **and is limited to a maximum amount of EUR 10 billion of the total amount of resources made available in accordance with Article 14(1) of this Regulation and Article 26a(1) of Regulation (EU) 2021/1060, excluding the amount of revenue made available in accordance with Article 10e(1) of Directive 2003/87/EC,**

Amendment 38

Proposal for a regulation

Annex I – paragraph 1 – point a

Regulation (EU) 2021/241

Annex V – Section 2 – point 2.12 – subparagraph 2 – indent 2

Text proposed by the Commission

— the implementation of the envisaged measures is expected to significantly contribute to boosting energy efficiency in buildings, decarbonising industry, increasing production and uptake of sustainable biomethane **and** renewable or fossil free hydrogen and **increasing the share of** renewable energy,

Amendment

— the implementation of the envisaged measures is expected to significantly contribute to boosting energy efficiency **and savings** in buildings **with adequate priority for the needs of energy poor and vulnerable households and consumers, implementing demand-side measures to reduce energy use,** decarbonising industry, **increasing the share of renewable energy as defined in Directive (EU) 2018/2001 and, where applicable, meeting the sustainability criteria set out in that Directive, in particular by** increasing production and uptake of sustainable biomethane, **thermal renewable energy and renewable fuels of non-biological origin (RFNBOs), improving related electrification infrastructure and facilities; increasing the production and uptake of** renewable or fossil free hydrogen and **speeding up permitting processes for plants producing renewable energy and electrification infrastructure in accordance with [Directive (EU) .../... amending Directive (EU) 2018/2001 on the promotion of the use of energy from renewable sources, Directive 2010/31/EU on the energy performance of buildings and Directive 2012/27/EU on energy efficiency],**

Amendment 39

Proposal for a regulation

Annex I – paragraph 1 – point a

Regulation (EU) 2021/241

Annex V – Section 2 – point 2.12 – subparagraph 2 – indent 3

Text proposed by the Commission

— the implementation of the envisaged measures is expected to address energy infrastructure bottlenecks, in particular by constructing cross-border

Amendment

— the implementation of the envisaged measures is expected to address energy infrastructure bottlenecks, **including the connection of grids to new**

links with other Member States, or supports zero-emission transport and its infrastructure, including railways,

renewable energy sources, in particular by constructing cross-border links with other Member States, or supports zero-emission transport and its infrastructure, including railways *and the functionality and affordability of public transportation*,

PROCEDURE – COMMITTEE ASKED FOR OPINION

Title	Amending Regulation (EU) 2021/241 as regards REPowerEU chapters in recovery and resilience plans and amending Regulation (EU) 2021/1060, Regulation (EU) 2021/2115, Directive 2003/87/EC and Decision (EU) 2015/1814	
References	COM(2022)0231 – C9-0183/2022 – 2022/0164(COD)	
Committees responsible Date announced in plenary	BUDG 6.6.2022	ECON 6.6.2022
Opinion by Date announced in plenary	ENVI 6.6.2022	
Associated committees - date announced in plenary	15.9.2022	
Rapporteur for the opinion Date appointed	Peter Liese 4.7.2022	
Rule 58 – Joint committee procedure Date announced in plenary	15.9.2022	
Discussed in committee	12.7.2022	8.9.2022
Date adopted	3.10.2022	
Result of final vote	+: –: 0:	48 15 4
Members present for the final vote	Mathilde Androuët, Bartosz Arłukowicz, Simona Baldassarre, Marek Paweł Balt, Aurélia Beigneux, Hildegard Bentele, Sergio Berlato, Alexander Bernhuber, Simona Bonafè, Delara Burkhardt, Pascal Canfin, Sara Cerdas, Mohammed Chahim, Esther de Lange, Bas Eickhout, Agnès Evren, Pietro Fiocchi, Helène Fritzon, Malte Gallée, Andreas Glück, Catherine Griset, Anja Hazekamp, Martin Hojsík, Pär Holmgren, Jan Huitema, Yannick Jadot, Petros Kokkalis, Ewa Kopacz, Joanna Kopcińska, Peter Liese, César Luena, Liudas Mažylis, Marina Measure, Tilly Metz, Silvia Modig, Dolores Montserrat, Alessandra Moretti, Ville Niinistö, Jessica Polfjärd, Nicola Procaccini, Frédérique Ries, Silvia Sardone, Christine Schneider, Günther Sidl, Ivan Vilibor Sinčić, Nils Torvalds, Edina Tóth, Véronique Trillet-Lenoir, Alexandr Vondra, Mick Wallace, Pernille Weiss, Michal Wiezik, Tiemo Wölken, Anna Zalewska	
Substitutes present for the final vote	Michael Bloss, Biljana Borzan, Asger Christensen, Matthias Ecke, Radan Kanev, Ondřej Knotek, João Pimenta Lopes, Christel Schaldemose, Sarah Wiener	
Substitutes under Rule 209(7) present for the final vote	Abir Al-Sahlani, Attila Ara-Kovács, Krzysztof Hetman, Niklas Nienaaß	

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

48	+
PPE	Bartosz Arłukowicz, Hildegard Bentele, Alexander Bernhuber, Agnès Evren, Krzysztof Hetman, Radan Kanev, Ewa Kopacz, Esther de Lange, Peter Liese, Liudas Mažylis, Dolores Montserrat, Jessica Polfjärd, Christine Schneider, Pernille Weiss
RENEW	Abir Al-Sahlani, Pascal Canfin, Asger Christensen, Martin Hojsík, Jan Huitema, Frédérique Ries, Nils Torvalds, Véronique Trillet-Lenoir, Michal Wiezik
S&D	Attila Ara-Kovács, Marek Paweł Balt, Simona Bonafè, Biljana Borzan, Delara Burkhardt, Sara Cerdas, Mohammed Chahim, Matthias Ecke, Helène Fritzon, César Luena, Alessandra Moretti, Christel Schaldemose, Günther Sidl, Tiemo Wölken
THE LEFT	Petros Kokkalis, Silvia Modig
VERTS/ALE	Michael Bloss, Bas Eickhout, Malte Gallée, Pär Holmgren, Yannick Jadot, Tilly Metz, Niklas Nienaa, Ville Niinistö, Sarah Wiener

15	-
ECR	Sergio Berlato, Pietro Fiocchi, Joanna Kopcińska, Alexandr Vondra, Anna Zalewska
ID	Mathilde Androuët, Simona Baldassarre, Aurélie Beigneux, Catherine Griset, Silvia Sardone
NI	Edina Tóth
RENEW	Ondřej Knotek
THE LEFT	Marina Mesure, João Pimenta Lopes, Mick Wallace

4	0
ECR	Nicola Procaccini
NI	Ivan Vilibor Sinčić
RENEW	Andreas Glück
THE LEFT	Anja Hazekamp

Key to symbols:

+ : in favour

- : against

0 : abstention

19.10.2022

OPINION OF THE COMMITTEE ON INDUSTRY, RESEARCH AND ENERGY

for the Committee on Budgets

on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) 2021/241 as regards REPowerEU chapters in recovery and resilience plans and amending Regulation (EU) 2021/1060, Regulation (EU) 2021/2115, Directive 2003/87/EC and Decision (EU) 2015/1814 (COM(2022)0231 – C9-0183/2022 – 2022/0164(COD))

Rapporteur for opinion: Dan Nica

(*) Associated committee – Rule 57 of the Rules of Procedure

SHORT JUSTIFICATION

The context of the Proposal

The war in Ukraine and its repercussion on economies and citizens and the need to take urgent measures is the justification for including a RepowerEU chapter in the Recovery and Resilience Facility and in consequence including this in the national plans.

In view of the objective of Repower EU to become energy independent by Russian gas by 2030, the Commission asked the ENTSOG to assess to what extent infrastructure bottlenecks exist in the European gas network in case of an end to Russian gas flows. The assessment shows that it will be possible to fully compensate the end to Russian gas imports by a combination of demand reductions as envisaged by the Commission's fit for 55 package, a ramp up of domestic production of biogas and fossil-free hydrogen in particular, and rather limited additions of gas infrastructure beyond what is already included in the current 5th PCI list.

In order to close the bottlenecks identified by the ENTSOG, the proposal of the Commission is to offer financial means within the framework of the RRF by allowing higher flexibility to transfer resources allocated to them both under the Common Provisions Regulation and the CAP strategic plans as well as by allocating funding from the auctioning of allowances of the Emissions Trading System ('ETS').

Main proposals by the ITRE Rapporteur:

- General and specific objectives (Art 4(1) of RRF): The amendment of the Art. 4 (1) of existing RRF defines the REPowerEU objectives which aims- in the ITRE rapporteur proposal- increasing the resilience, security and sustainability of the Union energy system through a decrease of dependence on fossil fuels and through increasing the uptake of renewables, energy efficiency and storage capacity and diversification of energy supplies at Union level. Adding

the sustainability dimension is essential as the uptake of renewables and energy efficiency measures contributes to make the Union's energy system more decentralised, independent and resilient.

- The REPowerEU chapter in the recovery and resilience plans (Art. 21 (c)):

- The emergency situation requires an accelerated process to increase EU's energy security and reduce strategic dependencies. The fast uptake of renewables and energy efficiency measures may largely contribute in this regard. As storage is key for enhancing the security of supply, appropriate support, including financial, should be provided for increasing the storage for both gas and electricity and withdrawal capacities in order to ensure an increased level of preparedness and response to risks in the security of gas supply;
- A specific line on biomethane that will enable reaching the 2030 target is added to the opinion. This is in line with the Biomethane Action Plan launched in the RepowerEU Communication from the 8th of March 2022;

- Definitions (Art. 2 of RRF): The ITRE Rapporteur proposes to include two definitions that will serve for the purpose of the amendments. A definition on the “**energy security**” and a definition on the “**energy poverty**”. The current challenges require a broader and more comprehensive definition of energy security that should encompass the constant flow of energy as well as the protection of the system against external factor such as climate change and cybersecurity threats or dangerous energy dependencies. The definition is based on the Foreign Affairs Council conclusions of the 25th January 2021. As the rapporteur includes requirements for the Commission to assess how the measures outlined in the RepowerEU chapter may contribute to address energy poverty and vulnerable consumers in the energy sector, a definition of the “energy poverty” is proposed in line with the definition agreed in the Energy Efficiency Directive.

- DNSH principle applies to all measures under the RRF, including REPowerEU measures. However, one exemption is envisaged: Derogation will be possible to address the EU's immediate energy security needs for oil and gas infrastructure and facilities (to reduce dependency from fossil fuels). The ITRE Raporteur expands the derogation to renewables, energy efficiency and storage. The uptake of renewables and energy efficiency measures together with increased storage capacity also contributes to strengthen the Union's energy security by reducing energy dependencies vis-à-vis third countries and fossil fuel dependencies.

- Amendment of the Member State's recovery and resilience plan (Art. 21 of RRF)

The war in Ukraine and the repercussions on economies and citizens and the need to take urgent measures is the justification for including a REPowerEU chapter in the RRF. This should also allow, under very specific and justified cases, the possibility to amend the existing RRFs. This flexibility could allow to reconsider existing measures that could be aligned with the RePowerEU chapter.

- Annex I: The Commisison proposal does not provide with a list of projects to be financed. The projects have to be proposed by the Member States using the ENTSOG assessment as guidelines to identify the needs. In this sense the ITRE opinion includes in the Annex I an indicative and non exhaustive list of projects, assessed by ENTSOG. This list should be in line with the scope of this Regulation, as it is addressing existing bottlenecks, by avoiding

unnecessary investments in stranded assets. The list of projects is also part of Annex III of the RepowerEU Communication of the 18th of March.

AMENDMENTS

The Committee on Industry, Research and Energy calls on the Committee on Budgets, as the committee responsible, to take into account the following amendments:

Amendment 1

Proposal for a regulation

Recital 3

Text proposed by the Commission

(3) The Versailles Declaration of 10-11 March 2022 of the Heads of States and Governments invited the Commission to propose by the end of May a REPowerEU plan to phase out the dependency on Russian fossil fuel imports, which was subsequently reiterated in the European Council Conclusions of 24-25 March 2022. This should be done well before 2030 in a way that is consistent with the EU's Green Deal and the climate objectives for 2030 and 2050 enshrined in the European Climate Law. Regulation (EU) 2021/241 should therefore be amended to enhance its ability to support reforms and investments dedicated to diversifying energy supplies, in particular fossil fuels, thereby strengthening the strategic autonomy of the Union alongside an open economy. Support should also be given to reforms and investments increasing the energy efficiency of the Member States' economies.

Amendment

(3) The Versailles Declaration of 10-11 March 2022 of the Heads of States and Governments invited the Commission to propose by the end of May a REPowerEU plan to phase out the dependency on Russian fossil fuel imports, which was subsequently reiterated in the European Council Conclusions of 24-25 March 2022. This should be done well before 2030 in a way that is consistent with the EU's Green Deal and the climate objectives for 2030 and 2050 enshrined in the European Climate Law. Regulation (EU) 2021/241 should therefore be amended to enhance its ability to support reforms and investments dedicated to diversifying energy supplies, in particular fossil fuels, ***as well as to make the energy system more secure, affordable, accessible and sustainable, in particular with the uptake of renewables, energy efficiency and increased energy storage capacity***, thereby strengthening the strategic autonomy of the Union alongside an open economy. Support should also be given to reforms and investments increasing the energy efficiency ***and energy savings*** of the Member States' economies ***through better coherence with the Renewable Energy Directive, the Energy Efficiency Directive, the Energy Performance Buildings Directive and the Ecodesign for Sustainable Products Regulation***.

Amendment 2
Proposal for a regulation
Recital 3 a (new)

Text proposed by the Commission

Amendment

(3a) The phasing out of the dependency on Russian fossil fuel imports should lead to a reduction of the overall energy dependency of the Union. In line with Regulation (EU) 2021/241, the REPowerEU chapters should contribute to increasing and strengthening the strategic autonomy of the Union.

Amendment 3
Proposal for a regulation
Recital 3 b (new)

Text proposed by the Commission

Amendment

(3b) Reducing the Union's dependency on fossil fuels imports should not lead to an increase of its dependency on raw materials imports from third countries, therefore REPowerEU should aim to reduce Union's dependency on primary critical raw materials.

Amendment 4
Proposal for a regulation
Recital 4

Text proposed by the Commission

Amendment

(4) To maximise complementarity, consistency and coherence of policies and actions taken by the Union and Member States to foster independence **and** security of the Union's energy supply, these energy-related reforms and investments should be established through a dedicated 'REPowerEU chapter' of the recovery and resilience plans.

(4) To maximise complementarity, consistency and coherence of policies and actions taken by the Union and Member States to foster independence, security **accessibility and sustainability** of the Union's energy supply, these energy-related reforms and investments should be established through a dedicated 'REPowerEU chapter' of the recovery and resilience plans.

Amendment 5
Proposal for a regulation
Recital 5

Text proposed by the Commission

(5) To maximise the scope of the Union's response, all Member States submitting a recovery and resilience plan after the entry into force of this Regulation should be required to include a REPowerEU chapter in their plan. This requirement should apply, in particular, to revised plans submitted by Member States from 30 June 2022 to take into account the updated maximum financial contribution.

Amendment

(5) To maximise the scope of the Union's response, all Member States submitting a recovery and resilience plan after the entry into force of this Regulation should be required to include a REPowerEU chapter in their plan. ***Member States should be encouraged to draft a RepowerEU chapter before submitting a revised recovery and resilience plan and receive assistance to perform that task.*** This requirement should apply, in particular, to revised plans submitted by Member States from 30 June 2022 to take into account the updated maximum financial contribution.

Amendment 6
Proposal for a regulation
Recital 6

Text proposed by the Commission

(6) The REPowerEU chapter should include new reforms and investments contributing to the REPowerEU aims. Furthermore, that chapter should contain an outline of other measures, financed from sources other than the Recovery and Resilience Facility, contributing to the energy-related objectives outlined in recital (3). The outline should cover measures whose implementation should take place between 1 February 2022 to 31 December 2026, the period during which the objectives set by this Regulation are to be achieved. As regards natural gas infrastructure, the investments and reforms of the REPowerEU chapters to diversify supply away from Russia should build on the needs currently identified through the assessment conducted and agreed by the European Network of Transmission

Amendment

(6) The REPowerEU chapter should include new reforms ***and investments*** contributing to the REPowerEU aims ***and tackling the crisis effect caused by the Russian military aggression against Ukraine.*** ***Furthermore,*** that chapter should contain an outline of other measures, financed from sources other than the Recovery and Resilience Facility, contributing to the energy-related objectives outlined in recital (3). The outline should cover measures whose implementation should take place between 1 February 2022 to 31 December 2026, the period during which the objectives set by this Regulation are to be achieved. ***It is imperative to swiftly increase investments in energy efficiency measures, such as the uptake of sustainable and efficient heating and cooling solutions, that***

System Operators for Gas (ENTSOG), established in the spirit of solidarity as regards security of supply and take into account the reinforced preparedness measures taken to adapt to new geopolitical threats. Finally, the REPowerEU chapters should provide an explanation and a quantification of the effects of the combination of the reforms and investments financed by the Recovery and Resilience Facility and the other measures financed by other sources than the Recovery and Resilience Facility.

present a sustainable and effective way to address some of the most pressing challenges of energy supply and energy cost, as well as to support energy-poor and vulnerable consumers. As regards natural gas infrastructure, the investments and reforms of the REPowerEU chapters to diversify supply away from Russia should build on the needs currently identified through the assessment conducted and agreed by the European Network of Transmission System Operators for Gas (ENTSOG), established in the spirit of solidarity as regards security of supply and take into account the reinforced preparedness measures, *including gas storage*, taken to adapt to new geopolitical threats *as well as make a long term input into the green transition by being hydrogen-ready.* Furthermore, additional support could be ensured by *complimentary recommendations for possible cross-border and transnational projects granting added Union value. A non-exhaustive indicative list with identified projects for natural gas infrastructures should be included in Annex Ia to Regulation (EU) 2021/241.* Finally, the REPowerEU chapters should provide an explanation and a quantification of the effects of the combination of the reforms and investments financed by the Recovery and Resilience Facility and the other measures financed by other sources than the Recovery and Resilience Facility.

Amendment 7
Proposal for a regulation
Recital 7

Text proposed by the Commission

(7) An appropriate assessment criterion should be added to serve as a basis for the Commission to assess reforms and investments included in the REPowerEU chapter sand to ensure that reforms and investments are fit for achieving the

Amendment

(7) An appropriate *and technologically neutral* assessment criterion should be added to serve as a basis for the Commission to assess reforms and investments included in the REPowerEU chapter sand to ensure that reforms and

specific REPowerEU-related objectives. An A rating should be required under this new assessment criterion for the relevant recovery and resilience plan to be positively assessed by the Commission.

investments are fit for achieving the specific REPowerEU-related objectives. ***with a special focus on energy storage capacities.*** An A rating should be required under this new assessment criterion for the relevant recovery and resilience plan to be positively assessed by the Commission.

Amendment 8
Proposal for a regulation
Recital 8

Text proposed by the Commission

(8) Investments in infrastructure and technologies alone are not sufficient to ensure a reduction of dependency from fossil fuels. Resources should be dedicated to the reskilling and upskilling of people, to further equip the workforce with **green** skills. This is in line with the objective of the European Social Fund Plus, which aims at supporting Member States in achieving a skilled and resilient workforce ready for the future world of work. In light of this, resources transferred from the European Social Fund Plus should help support measures for the reskilling and upskilling of the workforce. The Commission will assess whether the measures included in the REPowerEU chapters significantly contribute to supporting a requalification of the workforce towards **green skills**.

Amendment

(8) Investments in infrastructure and technologies alone are not sufficient to ensure a reduction of dependency from fossil fuels. ***Given the current crisis, it reveals the critical needs of qualified professionals in energy sectors.*** Resources should be dedicated to the reskilling and upskilling of people, to further equip the workforce with **energy transition** skills. This is in line with the objective of the European Social Fund Plus, which aims at supporting Member States in achieving a skilled and resilient workforce ready for the future world of work. In light of this, resources transferred from the European Social Fund Plus should help support measures for the reskilling and upskilling of the workforce. The Commission will assess whether the measures included in the REPowerEU chapters significantly contribute to supporting a requalification of the workforce towards **the energy transition**.

Amendment 9
Proposal for a regulation
Recital 10

Text proposed by the Commission

(10) The recovery and resilience plan, including the REPowerEU chapter, should

Amendment

(10) The recovery and resilience plan, including the REPowerEU chapter, should

contribute to effectively addressing all or a significant subset of the challenges identified in the relevant country-specific recommendations, including the country-specific recommendations to be adopted under the 2022 Semester cycle which refer inter alia to the energy challenges that Member States are facing.

contribute to effectively addressing all or a significant subset of the challenges identified in the relevant country-specific recommendations, **taking into account the specificities of the energy mix of each Member State** including the country-specific recommendations to be adopted under the 2022 Semester cycle which refer inter alia to the energy challenges that Member States are facing.

Amendment 10
Proposal for a regulation
Recital 12

Text proposed by the Commission

(12) Pursuant to Article 18(4) point (q) of Regulation (EU) 2021/241, the Member States should also provide a **summary** of the consultation process of local and regional authorities and other relevant stakeholders, including, as relevant, from the agricultural sector, for reforms and investments included in the REPowerEU chapter. Such **summaries** should explain the outcome of those consultations and outline how the input received was reflected in REPowerEU chapters.

Amendment

(12) Pursuant to Article 18(4) point (q) of Regulation (EU)2021/241, the Member States should also provide a **report** of the consultation process of local and regional authorities and other relevant stakeholders, including, as relevant, from the agricultural sector, for reforms and investments included in the REPowerEU chapter. Such **reports** should explain the outcome of those consultations and outline how the input received **during those consultations** was reflected in REPowerEU chapters **and how sustainable alternatives to building new fossil fuel infrastructure were prioritised**.

Amendment 11
Proposal for a regulation
Recital 13

Text proposed by the Commission

(13) The application of the ‘do no significant harm’ principle is essential to ensure that the investments and reforms undertaken as part of the recovery from the pandemic are implemented in a sustainable manner. It should continue to apply to the reforms and investments supported by the

Amendment

(13) The application of the ‘do no significant harm’ principle is essential to ensure that the investments and reforms undertaken as part of the recovery from the pandemic are implemented in a sustainable manner. It should continue to apply to the reforms and investments supported by the

Facility, with **one** targeted exemption to safeguard the EU' immediate energy security concerns. Considering the objective of diversifying energy supplies away from Russian suppliers, the reforms and investments set out in those REPowerEU chapters which aim to improve energy infrastructure and facilities to meet immediate security of supply needs for oil and gas should not be required to comply with the principle of 'do no significant harm' and should therefore be exempted from such assessment.

Facility, with **the** exemption to safeguard the EU' immediate energy security concerns. Considering the objective of diversifying energy supplies away from Russian suppliers, **and to make the energy system more sustainable and secure**, the reforms and investments set out in those REPowerEU chapters which aim to improve energy infrastructure **and to ensure that that infrastructure is hydrogen-ready**, and facilities to meet immediate security of supply needs for oil and gas, **as well as reforms, investments and measures which aim to boost the uptake of renewables and energy efficiency and to increase energy storage capacity**, should not be required to comply with the principle of 'do no significant harm' and should therefore be exempted from such assessment. **Member States should explain how measures are expected to contribute to the REPowerEU objectives and to what extent such measures could harm the achievement of Union's environmental objectives. Besides contributing to achieve climate neutrality, measures concerning renewables, storage and energy efficiency are essential to promote a more autonomous energy system and, in turn, to increase the Union energy security.**

Amendment 12
Proposal for a regulation
Recital 14

Text proposed by the Commission

(14) Further incentives should be provided for Member States to request loans, through **the clarification of the** loan allocation procedure. In accordance with Regulation (EU) 2021/241, Member States may request loans until 31 August 2023. An intention to submit a loan request should be communicated to the Commission 30 days after the entry into force of this Regulation so that the

Amendment

(14) Further incentives should be provided for Member States to request loans, through **a quick, accessible and unburdensome** loan allocation procedure **while ensuring compliance with the principles of equal treatment, proportionality, solidarity and transparency**. In accordance with Regulation (EU) 2021/241, Member States may request loans until 31 August 2023. An

redistribution of the remaining funds can be conducted in an orderly manner.

intention to submit a loan request should be communicated to the Commission 30 days after the entry into force of this Regulation so that the redistribution of the remaining funds can be conducted in an orderly manner. ***In order to ensure that the RepowerEU objectives are implemented coherently and fully, the Commission should establish procedures for the Member States who have reached the maximum loan envelope. Where needed, the Commission could also grant technical support to the Member States for faster and more targeted implementation.***

Amendment 13
Proposal for a regulation
Recital 14 a (new)

Text proposed by the Commission

Amendment

(14a) The Commission should submit to the European Parliament an overview of the projects and of loan proposals put forward by the Member States and of suggested distribution of funds.

Amendment 14
Proposal for a regulation
Recital 15

Text proposed by the Commission

Amendment

(15) In addition, to incentivise a high level of ambition for reforms and investments to be included in the REPowerEU chapter, new dedicated funding sources should be provided.

(15) In addition, to incentivise a high level of ambition for reforms and investments to be included in the REPowerEU chapter, new dedicated funding sources should be provided ***to secure better and more effective use of the loans of the Members States, as well as more efficient and flexible mobilising of the existing funds.***

Amendment 15
Proposal for a regulation
Recital 21

Text proposed by the Commission

(21) The Commission should monitor the implementation of reforms and investments outlined in the REPowerEU chapter and their contribution to the REPowerEU objectives, as established in Regulation (EU) 2021/241.

Amendment

(21) The Commission should monitor the implementation of reforms and investments outlined in the REPowerEU chapter and their contribution to the REPowerEU objectives, as established in Regulation (EU)2021/241. ***In particular, the Commission should assess how the recovery and resilience plans and their REPowerEU chapters contribute to upward economic and social convergence and prioritise energy poor and vulnerable consumers, also taking into account social and regional inequalities.***

Amendment 16
Proposal for a regulation
Recital 22

Text proposed by the Commission

(22) Recent geopolitical events have affected prices of energy and construction materials and have also caused shortages in the global supply chains. These developments may have a direct impact on the capacity to implement some investments included in the recovery and resilience plans. To the extent that Member States can demonstrate that such developments make a specific milestone or target, either totally or partially, no longer achievable, such situations may be invoked as objective circumstances under Article 21. These developments cannot constitute objective circumstances for revising reforms, as reforms are generally not cost dependent. In addition, no request for amendments should undermine the overall implementation of the recovery and resilience plans.

Amendment

(22) Recent geopolitical events have affected prices of ***commodities, including*** energy and construction materials and have also caused shortages in the global supply chains. These developments may have a direct impact on the capacity to implement some investments included in the recovery and resilience plans. To the extent that Member States can demonstrate that such developments, ***due to the Russian military aggression against Ukraine,*** make a specific milestone or target, either totally or partially, no longer achievable, such situations may be invoked as objective circumstances under Article 21. These developments cannot constitute objective circumstances for revising reforms, as reforms are generally not cost dependent. In addition, no request for amendments should undermine the overall implementation of the recovery and

resilience plans.

Amendment 17

Proposal for a regulation

Article 1 – paragraph 1 – point -1 (new)

Regulation (EU) 2021/241

Article 2 – point 1 a (new)

Text proposed by the Commission

Amendment

(-1) In Article 2, the following point is inserted:

‘(1a) ‘energy security’ means the continuous and uninterrupted availability of energy, security of supply and technical safety achievable by increasing efficiency and interoperability of transmission and distribution networks, promoting system flexibility, avoiding congestions, ensuring resilient supply chains, cybersecurity and the protection and climate adaptation of all infrastructure, in particular, the critical one while reducing strategic energy dependencies;’

Amendment 18

Proposal for a regulation

Article 1 – paragraph 1 – point -1 (new)

Regulation (EU) 2021/241

Article 2 – point 1 b (new)

Text proposed by the Commission

Amendment

(1b) ‘energy poverty’ means a household’s inability, linked to non affordability, to meet its basic energy supply needs and a lack of access to essential energy services to guarantee basic levels of comfort and health, a decent standard of living and health, including adequate heating, hot water, cooling, lighting, and energy to power appliances, in the relevant national context, existing social policy and other relevant policies, caused by one or a combination of the following factors:

insufficient disposable income, high energy expenditures and poor energy efficiency of homes;

Amendment 19

Proposal for a regulation

Article 1 – paragraph 1 – point 1

Regulation (EU) 2021/241

Article 4 – paragraph 1

Text proposed by the Commission

1. In line with the six pillars referred in Article 3 of this Regulation, the coherence and synergies they generate, and in the context of the COVID-19 crisis, the general objective of the Facility shall be to promote the Union's economic, social and territorial cohesion by improving the resilience, crisis preparedness, adjustment capacity and growth potential of the Member States, by mitigating the social and economic impact of that crisis, in particular on women, by contributing to the implementation of the European Pillar of Social Rights, by supporting the green transition, by contributing to the achievement of the Union's 2030 climate targets set out in point (11) of Article 2 of Regulation (EU) 2018/1999, **and** by complying with the objective of EU climate neutrality by 2050 and of the digital transition, by increasing the resilience of the Union energy system through a decrease of dependence on fossil fuels and diversification of energy supplies at Union level ('REPowerEU objectives') thereby contributing to the upward economic and social convergence, restoring and promoting sustainable growth and the integration of the economies of the Union, fostering high quality employment creation, and contributing to the strategic autonomy of the Union alongside an open economy and generating European added value.

Amendment

1. In line with the six pillars referred in Article 3 of this Regulation, the coherence and synergies they generate, and in the context of the COVID-19 crisis, the general objective of the Facility shall be to promote the Union's economic, social and territorial cohesion by improving the resilience, crisis preparedness, adjustment capacity and growth potential of the Member States, by mitigating the social and economic impact of that crisis, in particular on women, **vulnerable groups and small and medium-sized enterprises** by contributing to the implementation of the European Pillar of Social Rights, by supporting the green transition, by contributing to the achievement of the Union's 2030 climate targets set out in point (11) of Article 2 of Regulation (EU) 2018/1999, **and of the Union's 2030 renewable energy and energy efficiency targets set out in the Renewable Energy Directive and Energy Efficiency Directive** by complying with the objective of EU climate neutrality by 2050 and of the digital transition, by increasing the resilience, **security and sustainability** of the Union energy system through a **significant** decrease of dependence on fossil fuels **and through increasing the uptake of renewables, energy efficiency and energy storage capacity** and diversification of energy supplies at Union level ('REPowerEU objectives') thereby contributing to the upward economic and social convergence, restoring and promoting sustainable growth **compatible**

with the European Green deal and the integration of the economies of the Union, fostering high quality employment creation, and contributing to the strategic autonomy of the Union alongside an open economy and generating European added value.

Amendment 20

Proposal for a regulation

Article 1 – paragraph 1 – point 3

Regulation (EU) 2021/241

Article 18 – paragraph 4 – point q

Text proposed by the Commission

(q) for the preparation and, where available, for the implementation of the recovery and resilience plan, a **summary** of the consultation process, conducted in accordance 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 recovery and resilience plan; in particular, the **summary of** the consultation process shall explain the outcome of the consultations with local and regional authorities and other relevant stakeholders on reforms and investments included in the REPowerEU chapter and outline how the input received was reflected in the REPowerEU chapter;

Amendment

(q) for the preparation and, where available, for the implementation of the recovery and resilience plan, a **report** of the consultation process, conducted in accordance 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 recovery and resilience plan; in particular, the **report on** the consultation process shall explain **the timeline and** the outcome of the consultations with local and regional authorities, and other relevant stakeholders **such as experts and civil society representatives** on reforms and investments included in the REPowerEU chapter and outline how the input received was reflected in the REPowerEU chapter;'

Amendment 21

Proposal for a regulation

Article 1 – paragraph 1 – point 4

Regulation (EU) 2021/241

Article 19 – paragraph 3 – point da

Text proposed by the Commission

(da) whether the reforms and

Amendment

(da) whether the reforms and

investments referred to in Article 21c(1) effectively contribute towards the diversification of the Union’s energy supply *or* reduction of dependence on fossil fuels before 2030.;

investments referred to in Article 21c(1) effectively contribute towards **energy security**, the diversification of the Union’s energy supply, **increase of energy storage capacities or significant** reduction of dependence on fossil fuels before 2030, **towards the Union’s 2030 targets including energy efficiency and renewable energy and towards the Union’s climate neutrality objective**;

Amendment 22

Proposal for a regulation

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

Regulation (EU) 2021/241

Article 21 – paragraph 1

Present text

1. Where the recovery and resilience plan ***including relevant milestones and targets is*** no longer achievable, either partially or totally, by the Member State concerned because of objective circumstances, the Member State concerned may make a reasoned request to the Commission to ***make*** a proposal to amend or replace the Council implementing decisions referred to in Article 20(1) and (3). To that end, the Member State may propose an amended or a new recovery and resilience plan. Member States may request technical support for the preparation of such proposal under the Technical Support Instrument.

Amendment

(4a) In Article 21, paragraph 1 is replaced by the following:

‘1. Where ***certain milestones and targets from*** the recovery and resilience plan ***are*** no longer achievable, either partially or totally, by the Member State concerned because of objective circumstances, ***including the crisis caused by Russian military aggression against Ukraine or, where new investments and reforms are relevant to combat the effects of the Ukraine crisis,*** the Member State concerned may make a reasoned request to the Commission to ***adopt*** a proposal to amend or replace the Council implementing decisions referred to in Article 20(1) and (3). To that end, that Member State may propose an amended or a new recovery and resilience plan. Member States may request technical support for the preparation of such proposal under the Technical Support Instrument.’

Amendment 23

Proposal for a regulation

Article 1 – paragraph 1 – point 6

Text proposed by the Commission

(1) EUR 20 000 000 000 in current prices shall be available, in line with Article 10e(4) of Directive 2003/87/EC, for implementation under this Regulation to increase the resilience of the Union energy system through a decrease of dependence on fossil fuels and diversification of energy supplies at Union level. That amount shall be made available in the form of external assigned revenue within the meaning of Article 21(5) of the Financial Regulation.

Amendment

(1) EUR 20 000 000 000 in current prices shall be available, in line with Article 10e(4) of Directive 2003/87/EC, for implementation under this Regulation to increase the resilience, ***security and sustainability as well as affordability*** of the Union energy system through a ***significant*** decrease of dependence on fossil fuels and diversification of energy supplies, ***increase energy storage capacities*** at Union level ***and by boosting investments in energy efficiency and renewable energy generation***. That amount shall be made available in the form of external assigned revenue within the meaning of Article 21(5) of the Financial Regulation.

Amendment 24

Proposal for a regulation

Article 1 – paragraph 1 – point 6

Regulation (EU) 2021/241

Article 21a – paragraph 5

Text proposed by the Commission

(5) Each Member State may submit to the Commission a request for allocation of an amount not exceeding its share, by including in its plan the reforms and investments described in Article 21c(1) and indicating their estimated costs.

Amendment

(5) Each Member State may submit to the Commission a request for allocation of an amount not exceeding its share, by including in its plan ***its commitment to climate neutrality goal by 2050***, the reforms and investments described in Article 21c(1) and indicating their estimated costs.

Amendment 25

Proposal for a regulation

Article 1 – paragraph 1 – point 6

Regulation (EU) 2021/241

Article 21c – paragraph 1 – point a

Text proposed by the Commission

(a) improving energy infrastructure and facilities to meet immediate security of supply needs for oil and gas, notably to enable diversification of supply in the interest of the Union as a whole,

Amendment

(a) improving energy infrastructure and facilities to meet immediate security of supply needs for oil and gas, notably to ***reduce Union's dependency on fossil fuels and overall energy imports as well as to reduce vulnerabilities during the nearest winter seasons of 2022 and 2023, to*** enable diversification of supply ***and swift rollout of renewable energy*** in the interest of the Union as a whole, ***including by upgrading the energy grid to enable the upscale of renewable energy and by ensuring that the relevant infrastructures are hydrogen-ready;***

Amendment 26

Proposal for a regulation

Article 1 – paragraph 1 – point 6

Regulation (EU) 2021/241

Article 21c – paragraph 1 – point b

Text proposed by the Commission

(b) boosting energy efficiency in buildings, decarbonising industry, increasing production and uptake of ***sustainable biomethane and renewable or fossil-free*** hydrogen and increasing the share of renewable energy,

Amendment

(b) boosting energy efficiency in buildings ***and energy savings and on-site electricity generation***, decarbonising industry, ***increasing storage capacity, increasing production and uptake of renewable and low-carbon*** hydrogen and increasing the share of renewable ***and low-carbon*** energy ***in all sectors identified in the Renewable Energy Directive, with adequate priority for the needs of energy-poor and vulnerable consumers;***

Amendment 27

Proposal for a regulation

Article 1 – paragraph 1 – point 6

Regulation (EU) 2021/241

Article 21c – paragraph 1 – point ba (new)

Text proposed by the Commission

Amendment

(ba) boosting low-carbon energy sources production within the Union;

Amendment 28

Proposal for a regulation

Article 1 – paragraph 1 – point 6

Regulation (EU) 2021/241

Article 21 c – paragraph 1 – point bb (new)

Text proposed by the Commission

Amendment

(bb) increasing production and uptake of sustainable biomethane to achieve the objective of 35bcm production by 2030;

Amendment 29

Proposal for a regulation

Article 1 – paragraph 1 – point 6

Regulation (EU) 2021/241

Article 21c – paragraph 1 – point c

Text proposed by the Commission

Amendment

(c) addressing internal and cross-border energy transmission bottlenecks and supporting zero emission transport and its infrastructure, including railways,

(c) addressing internal and cross-border energy ***interconnectors and*** transmission bottlenecks, ***where appropriate, as identified in Annex Ia*** and supporting zero emission transport and its infrastructure, including railways,

Amendment 30

Proposal for a regulation

Article 1 – paragraph 1 – point 6

Regulation (EU) 2021/241

Article 21c – paragraph 1 – point ca (new)

Text proposed by the Commission

Amendment

(ca) supporting frontloading measures to fully implement the current energy efficiency framework through capacity building and financial support, including

by upscaling existing energy savings tools;

Amendment 31

Proposal for a regulation

Article 1 – paragraph 1 – point 6

Regulation (EU) 2021/241

Article 21c – paragraph 1 – point cb (new)

Text proposed by the Commission

Amendment

(cb) incentivising energy efficiency measures through allocating targeted support to the Energy Efficiency First principle for all investment decisions including in design, implementation and monitoring, in particular buildings, including in heating and cooling sectors with the aim of structural changes towards just and affordable energy transition;

Amendment 32

Proposal for a regulation

Article 1 – paragraph 1 – point 6

Regulation (EU) 2021/241

Article 21c – paragraph 1 – point d

Text proposed by the Commission

Amendment

(d) supporting the objectives *in points (a), (b) and (c)* through an accelerated requalification of the workforce towards *green skills, as well as support of the value chains in key materials and technologies linked to the green* transition.

(d) supporting the objectives *of this paragraph* through an accelerated requalification of the workforce towards *the energy* transition;

Amendment 33

Proposal for a regulation

Article 1 – paragraph 1 – point 6

Regulation (EU) 2021/241

Article 21c – paragraph 1 – point da

Text proposed by the Commission

Amendment

(da) supporting the value chains in key materials and technologies linked to the energy transition, broadening the use of sustainable construction materials and products and reducing dependency on primary critical raw materials.

Amendment 34

Proposal for a regulation

Article 1 – paragraph 1 – point 6

Regulation (EU) 2021/241

Article 21c – paragraph 2 – point c

Text proposed by the Commission

Amendment

(c) an explanation on how the combination of the measures referred to in paragraph 1 and points (a) and (b) of this paragraph is coherent, effective and expected to contribute to the REPowerEU objectives, including a quantification of the energy savings.

(c) an explanation on how the combination of the measures referred to in paragraph 1 and points (a) and (b) of this paragraph is coherent, effective and expected to contribute to the REPowerEU objectives, including ***the Union's 2030 energy efficiency and renewable energy targets, the gas storage target and the contribution for electricity storage as well as a quantification of the energy savings in the different sectors such as buildings, industry and transport;***

Amendment 35

Proposal for a regulation

Article 1 – paragraph 1 – point 6

Regulation (EU) 2021/241

Article 21c – paragraph 2 – point ca (new)

Text proposed by the Commission

Amendment

(ca) an explanation on how the measures referred to in paragraph 1 are to contribute to addressing energy poverty and to supporting vulnerable consumers.

Amendment 36
Proposal for a regulation
Article 1 – paragraph 1 – point 6
Regulation (EU) 2021/241
Article 21c – paragraph 4

Text proposed by the Commission

(4) By way of derogation from Articles 5(2), 17(4), 18(4) point (d) and 19(3) points (d), the principle of “do no significant harm” within the meaning of Article 17 of Regulation (EU) 2020/852 shall not apply to the reforms and investments expected to contribute to the REPowerEU objectives under paragraph 1, **point (a)** of this Article.

Amendment

(4) By way of derogation from Articles 5(2), 17(4), 18(4) point (d) and 19(3) points (d), the principle of “do no significant harm” within the meaning of Article 17 of Regulation (EU) 2020/852 shall not apply to the reforms and investments expected to contribute to the REPowerEU objectives under paragraph 1, of this Article. ***The REPowerEU chapter shall contain an explanation as to why the measures expected to contribute to the REPowerEU objectives under paragraph 1 of this Article principle are the most adequate to reach those objectives and, where relevant, how and to what extent the measures could harm the achievement of Union's environmental objectives.***

Amendment 37
Proposal for a regulation
Article 1 – paragraph 1 – point 6
Regulation (EU) 2021/241
Article 21d – paragraph 1

Text proposed by the Commission

(1) The Commission shall monitor the implementation of the measures outlined in the REPowerEU chapter and their contribution to the REPowerEU objectives.

Amendment

(1) The Commission shall monitor the implementation of the measures outlined in the REPowerEU chapter and their contribution to the REPowerEU objectives, ***including the Union's 2030 energy efficiency and renewable energy targets, the gas storage target and the contribution for electricity storage as well as a quantification of the energy savings in the different sectors such as buildings, industry and transport.***

Amendment 38
Proposal for a regulation
Article 1 – paragraph 1 – point 6
Regulation (EU) 2021/241
Article 21d – paragraph 1a (new)

Text proposed by the Commission

Amendment

(1a) The Commission shall assess how the measures outlined in the RepowerEU chapter prioritised the support for energy poor and vulnerable consumers and how they address energy poverty.

Amendment 39
Proposal for a regulation
Annex I – paragraph 1 – point a
Regulation (EU) 2021/241
Annex V – section 2 – point 12 – subparagraph 1

Text proposed by the Commission

Amendment

The measures referred to in Article 21c (1) and (2) are expected to effectively contribute towards the Union's security of supply for the Union as a whole, notably through a diversification of energy supply or reduction of dependence on fossil fuels before 2030.

The measures referred to in Article 21c (1) and (2) are expected to effectively contribute towards the Union's security of supply for the Union as a whole, notably through a diversification of energy supply or **significant** reduction of dependence on fossil fuels before 2030, **increasing storage capacities or towards the Union's 2030 objectives of energy efficiency and renewable energy. In particular, the targets for energy storage will enable the Union to become independent from gas power plants, which are currently used in case of renewable energy shortfall.**

Amendment 40
Proposal for a regulation
Annex I – paragraph 1 – point a
Regulation 2021/241
Annex V – section 2 – point 12 – subparagraph 2 – indent 1

Text proposed by the Commission

Amendment

— the implementation of the

— the implementation of the

envisaged measures is expected to significantly contribute to the improvement of energy infrastructure and facilities to meet immediate security of supply needs for oil and gas, notably to enable diversification of supply in the interest of the Union as a whole,

envisaged measures is expected to significantly contribute to the improvement of energy infrastructure and facilities to meet immediate **and temporary** security of supply needs for oil and gas, notably to **reduce Union's dependency to and overall energy imports as well as to reduce vulnerabilities, to enable diversification of supply and swift renewable energy rollout** in the interest of the Union as a whole, **including by upgrading the energy grid to enable the upscale of renewable energy and by ensuring that the relevant infrastructures are hydrogen-ready;**

Amendment 41

Proposal for a regulation

Annex I – paragraph 1 – point a

Regulation (EU) 2021/241

Annex V – section 2 – point 12 – subparagraph 2 – indent 2

Text proposed by the Commission

— the implementation of the envisaged measures is expected to significantly contribute to boosting energy efficiency in buildings, decarbonising industry, increasing **production and uptake of sustainable biomethane and renewable or fossil free** hydrogen and increasing the share of renewable energy,

Amendment

— the implementation of the envisaged measures is expected to significantly contribute to boosting energy efficiency in buildings **and energy savings and on-site electricity generation**, decarbonising industry, increasing **storage capacity or fossil-free and low-carbon** hydrogen and increasing the share of renewable **and low-carbon** energy **in all sectors identified in the Renewable Energy Directive, with adequate priority for the needs of energy-poor and vulnerable consumers**,

Amendment 42

Proposal for a regulation

Annex I – paragraph 1 – point a

Regulation (EU) 2021/241

Annex V – section 2 – point 12 – subparagraph 2 – indent 2a

Text proposed by the Commission

Amendment

— **the implementation of the**

envisaged measures is expected to increase production and uptake of sustainable biomethane to achieve the objective of 35bcm production by 2030;

Amendment 43

Proposal for a regulation

Annex I – paragraph 1 – point a

Regulation (EU) 2021/241

Annex V – section 2 – point 12 – subparagraph 2 – indent 3

Text proposed by the Commission

— the implementation of the envisaged measures is expected to address energy infrastructure bottlenecks, in particular by constructing cross-border links with other Member States, or supports zero-emission transport and its infrastructure, including railways,

Amendment

— the implementation of the envisaged measures is expected to address energy infrastructure bottlenecks, *such as as outlined below in this Annex*, in particular by constructing cross-border links *and interconnectors* with other Member States, or supports zero-emission transport and its infrastructure, including railways, *or*

Amendment 44

Proposal for a regulation

Annex I – paragraph 1 – point a

Regulation (EU) 2021/241

Annex V – section 2 – point 12 – subparagraph 2 – indent 3a

Text proposed by the Commission

— the implementation of the envisaged measures is expected to address energy infrastructure bottlenecks, in particular by constructing cross-border links with other Member States, or supports zero-emission transport and its infrastructure, including railways,

Amendment

— *the implementation of the envisaged measures is expected to fully implement the current energy efficiency framework through capacity building and financial support, including by upscaling existing energy savings tools that are already in place; or*

Amendment 45

Proposal for a regulation

Annex I – paragraph 1 – point a

Regulation (EU) 2021/241

Annex V – section 2 – point 12 – subparagraph 2 – indent 3b

Text proposed by the Commission

Amendment

— *the implementation of the envisaged measures is expected to incentivise energy efficiency measures through allocating targeted support to the Energy Efficiency First principle for all investment decisions including in design, implementation and monitoring, notably in buildings, including in heating and cooling sectors with the aim of structural changes towards just and affordable energy transition;*

Amendment 46

Proposal for a regulation

Annex I – paragraph 1 – point a

Regulation (EU) 2021/241

Annex V – section 2 – point 12 – subparagraph 2 – indent 4

Text proposed by the Commission

Amendment

— the implementation of the envisaged measures is expected to significantly contribute to supporting a requalification of the workforce towards **green skills, as well as supporting** value chains in key materials and technologies linked to the green transition,

— the implementation of the envisaged measures is expected to significantly contribute to supporting a requalification of the workforce towards **the energy transition or**

— *the implementation of the envisaged measures is expected to significantly support* value chains in key materials and technologies linked to the **energy transition, broadening the use of sustainable construction materials and products and reducing dependency on primary critical raw materials;**

Amendment 47

Proposal for a regulation

Annex I – paragraph 1 – point a

Regulation (EU) 2021/241

Annex V – section 2 – point 12 – subparagraph 2 – indent 5

Text proposed by the Commission

— whether the measures and explanation, provided under Article 21c (1) are complementary to each other and significantly contribute, together with measures under Article 21c(2), points (a) and (b), to achieve the Union’s diversification of energy supply or reduction of dependence on fossil fuels before 2030.’

Amendment

— whether the measures and explanation, provided under Article 21c (1) are complementary to each other and significantly contribute, together with measures under Article 21c(2), points (a) and (b), to achieve the Union’s **energy security**, diversification of energy supply or reduction of dependence on fossil fuels before 2030.’

Amendment 48

Proposal for a regulation

Annex I – paragraph 1 – point a

Regulation (EU) 2021/241

Annex V – section 2 – point 12 – subparagraph 2 – indent 5a

Text proposed by the Commission

Amendment

— ***whether the measures prioritise support for energy-poor and vulnerable consumers.***

Amendment 49

Proposal for a regulation

Annex Ia

Regulation (EU) 2021/241

Annex Va

Text proposed by the Commission

Amendment

The following Annex Va is inserted in Regulation 2021/241:

‘Annex Va

As regards the scope of projects addressing energy infrastructure bottlenecks, and in particular gas infrastructure bottlenecks, Member States may take into account the following non-exhaustive indicative list of projects:

Balticsea region:

- floating storage regasification unit (FSRU) involving Finland, Estonia and Latvia-

- a second LNG terminal in Poland

Western Europe:

- deodorisation unit enabling gas flows from West to East between France and Germany

- gas infrastructure reinforcements to increase export capacity from Belgium to Germany

- additional LNG terminal in Germany

- hydrogen-ready cross-border infrastructure project on the Iberian Peninsula South and Eastern Europe:

- expansion of the capacity of the LNG terminal in Krk with combined with the enhancement of the Croatian transmission grid towards Slovenia and Hungary

- upgrade of TAP with additional infrastructure capacity in the Italian transmission grid (Adriatica Line and Mattagiola)

- expansion of Interconnector Greece - Bulgaria (IGB phase II).'

PROCEDURE – COMMITTEE ASKED FOR OPINION

Title	Amending Regulation (EU) 2021/241 as regards REPowerEU chapters in recovery and resilience plans and amending Regulation (EU) 2021/1060, Regulation (EU) 2021/2115, Directive 2003/87/EC and Decision (EU) 2015/1814	
References	COM(2022)0231 – C9-0183/2022 – 2022/0164(COD)	
Committees responsible Date announced in plenary	BUDG 6.6.2022	ECON 6.6.2022
Opinion by Date announced in plenary	ITRE 6.6.2022	
Associated committees - date announced in plenary	15.9.2022	
Rapporteur for the opinion Date appointed	Dan Nica 14.6.2022	
Rule 58 – Joint committee procedure Date announced in plenary	15.9.2022	
Discussed in committee	1.9.2022	
Date adopted	13.10.2022	
Result of final vote	+: 42 –: 10 0: 3	
Members present for the final vote	Andrus Ansip, François-Xavier Bellamy, Hildegard Bentele, Tom Berendsen, Vasile Blaga, Michael Bloss, Paolo Borchia, Cristian-Silviu Buşoi, Ignazio Corrao, Nicola Danti, Pilar del Castillo Vera, Martina Dlabajová, Christian Ehler, Valter Flego, Niels Fuglsang, Lina Gálvez Muñoz, Claudia Gamon, Nicolás González Casares, Christophe Grudler, Henrike Hahn, Ivars Ijabs, Romana Jerković, Łukasz Kohut, Andrius Kubilius, Miapetra Kumpula-Natri, Iskra Mihaylova, Alin Mituța, Dan Nica, Angelika Niebler, Ville Niinistö, Mauri Pekkarinen, Tsvetelina Penkova, Markus Pieper, Clara Ponsati Obiols, Manuela Ripa, Dominique Riquet, Sara Skytvedal, Riho Terras, Grzegorz Tobiszowski, Patrizia Toia, Marie Toussaint, Pernille Weiss	
Substitutes present for the final vote	Tiziana Beghin, Damian Boeselager, Franc Bogovič, Damien Carême, Jakop G. Dalunde, Elena Lizzi, Dominique Riquet, Angelika Winzig	
Substitutes under Rule 209(7) present for the final vote	Alessandra Basso, Rosanna Conte, Andrzej Halicki, Maria-Manuel Leitão-Marques, Colm Markey	

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

42	+
ECR	Grzegorz Tobiszowski
ID	Alessandra Basso, Paolo Borchia, Rosanna Conte, Elena Lizzi
PPE	François-Xavier Bellamy, Hildegard Bentele, Tom Berendsen, Vasile Blaga, Franc Bogovič, Cristian-Silviu Buşoi, Pilar del Castillo Vera, Christian Ehler, Andrzej Halicki, Andrius Kubilius, Colm Markey, Angelika Niebler, Markus Pieper, Sara Skyttedal, Riho Terras, Pernille Weiss, Angelika Winzig
RENEW	Andrus Ansip, Nicola Danti, Martina Dlabajová, Valter Flego, Christophe Grudler, Ivars Ijabs, Alin Mituța, Mauri Pekkarinen, Dominique Riquet
S&D	Biljana Borzan, Niels Fuglsang, Lina Gálvez Muñoz, Nicolás González Casares, Romana Jerković, Łukasz Kohut, Miapetra Kumpula-Natri, Maria-Manuel Leitão-Marques, Dan Nica, Tsvetelina Penkova, Patrizia Toia

10	-
NI	Tiziana Beghin
VERTS/ALE	Michael Bloss, Damian Boeselager, Damien Carême, Ignazio Corrao, Jakob G. Dalunde, Henrike Hahn, Ville Niinistö, Manuela Ripa, Marie Toussaint

3	0
NI	Clara Ponsatí Obiols
RENEW	Claudia Gamon, Iskra Mihaylova

Key to symbols:

+ : in favour

- : against

0 : abstention

10.10.2022

OPINION OF THE COMMITTEE ON REGIONAL DEVELOPMENT

for the Committee on Economic and Monetary Affairs and the Committee on Budgets

on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) 2021/241 as regards REPowerEU chapters in recovery and resilience plans and amending Regulation (EU) 2021/1060, Regulation (EU) 2021/2115, Directive 2003/87/EC and Decision (EU) 2015/1814 (COM(2022)0231 – C9-0183/2022 – 2022/0164(COD))

Rapporteur for opinion(*): Pascal Arimont

(*) Associated committee – Rule 57 of the Rules of Procedure

AMENDMENTS

The Committee on Regional Development calls on the Committee on Economic and Monetary Affairs and the Committee on Budgets, as the committees responsible, to take into account the following amendments:

Amendment 1

Proposal for a regulation Citation 5 a (new)

Text proposed by the Commission

Amendment

Having regard to the joint analysis of the European Committee of the Regions and the Council of European Municipalities and Regions (CEMR) on the involvement of municipalities, cities and regions in the preparation of the national Recovery and Resilience Plans, and the results of their targeted consultation of 27 April 2022 entitled ‘Implementation of the Recovery and Resilience Facility: the perspective of local and regional authorities’,

Justification

This amendment is taken from the European Parliament resolution of 23 June 2022 on the implementation of the Recovery and Resilience Facility, in accordance with Article 26 of the Regulation.

Amendment 2

Proposal for a regulation

Recital 1

Text proposed by the Commission

(1) Since the adoption of Regulation (EU) 2021/241 of the European Parliament and of the Council establishing the Recovery and Resilience Facility,³ unprecedented geopolitical events and their direct and indirect socio-economic consequences have considerably affected the Union's society and economy. In particular, it has become clearer than ever that the Union's energy security **is indispensable** for a successful, sustainable and inclusive recovery from the COVID-19 crisis, as it is also a major factor contributing to the resilience of the European economy.

³ Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Facility (OJ L 57, 18.2.2021, p. 17).

Amendment

(1) Since the adoption of Regulation (EU) 2021/241 of the European Parliament and of the Council establishing the Recovery and Resilience Facility³, unprecedented geopolitical events and their direct and indirect socio-economic consequences have considerably affected the Union's society and economy. In particular, it has become clearer than ever that the Union's energy security **and rapid reduction of dependence on fossil fuels is essential** for a successful, sustainable and inclusive recovery from the COVID-19 crisis, as it is also a major factor contributing to the resilience of the European economy.

³ Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Facility (OJ L 57, 18.2.2021, p. 17).

Amendment 3

Proposal for a regulation

Recital 2

Text proposed by the Commission

(2) Due to the direct links between a sustainable recovery, building the Union's

Amendment

(2) Due to the direct links between a sustainable recovery, building the Union's

resilience and the Union's energy security, and its role for a just and inclusive transition, the Recovery and Resilience Facility *is a* well-suited *instrument* to contribute to the Union's response to these newly emerging challenges.

resilience and the Union's energy security, and its role for a just, *green, digital* and inclusive transition, the Recovery and Resilience Facility *and the Cohesion Policy Funds are* well-suited *instruments* to contribute to the Union's response to these newly emerging challenges *and severe difficulties*.

Amendment 4

Proposal for a regulation Recital 3

Text proposed by the Commission

(3) The Versailles Declaration of 10-11 March 2022 of the Heads of States and Governments invited the Commission to propose by the end of May a REPowerEU plan to phase out the dependency on Russian fossil fuel imports, which was subsequently reiterated in the European Council Conclusions of 24-25 March 2022. This should be done well before 2030 in a way that is consistent with the EU's Green Deal and the climate objectives for 2030 and 2050 enshrined in the European Climate Law. Regulation (EU) 2021/241 should therefore be amended to enhance its ability to support reforms and investments dedicated to diversifying energy supplies, *in particular* fossil fuels, thereby strengthening the strategic autonomy of the Union alongside an open economy. Support should also be given to reforms and investments increasing the energy efficiency of the Member States' economies.

Amendment

(3) The Versailles Declaration of 10-11 March 2022 of the Heads of States and Governments invited the Commission to propose by the end of May a REPowerEU plan to phase out the dependency on Russian fossil fuel imports, which was subsequently reiterated in the European Council Conclusions of 24-25 March 2022. This should be done well before 2030 in a way that is consistent with the EU's Green Deal and the climate objectives for 2030 and 2050 enshrined in the European Climate Law. Regulation (EU) 2021/241 should therefore be amended to enhance its ability to support reforms and investments dedicated to diversifying energy supplies *and rapidly reducing the Union's dependence on* fossil fuels, thereby strengthening the strategic autonomy of the Union alongside an open economy. Support should also be given to reforms and investments increasing the *decarbonisation and* energy efficiency of the Member States' economies *as well as interconnections capacities between Member States, reducing energy consumption and supporting the most vulnerable households and micro-, small and medium enterprises suffering from the consequences of the increase in energy prices*.

Amendment 5

Proposal for a regulation Recital 4

Text proposed by the Commission

(4) To maximise complementarity, consistency and coherence of policies and actions taken by the Union and Member States to foster independence and security of the Union's energy supply, these energy-related reforms and investments should be established through a dedicated 'REPowerEU chapter' of the recovery and resilience plans.

Amendment

(4) To maximise complementarity, consistency and coherence of policies and actions taken by the Union and Member States to foster independence and security of the Union's energy supply, these energy-related reforms and investments should be established through a dedicated 'REPowerEU chapter' of the recovery and resilience plans ***and specific investments of the European Structural and Investment Funds within 2014-2020 and 2021-2027 programming period. In order to promote the objectives of the TFEU related to the economic, social and territorial cohesion, RepowerEU should support all regions. To provide balanced and gradual support and reflect the level of economic and social development, Member States shall ensure an appropriate allocation of resources among the categories of region listed in Article. 108(2) of Regulation (EU) 2021/1060 when deciding on the internal distribution of funding under the RepowerEU Initiative.***

Amendment 6

Proposal for a regulation Recital 4 a (new)

Text proposed by the Commission

Amendment

(4a) Insists that Cohesion Policy programmes 2021 - 2027 which, with implementation run until 2030, should be started as soon as possible, as they are a valuable instrument to tackle the unprecedented energy crisis which we are

experiencing.

Amendment 7

Proposal for a regulation

Recital 6

Text proposed by the Commission

(6) The REPowerEU chapter should include new reforms and investments contributing to the REPowerEU aims. Furthermore, that chapter should contain an outline of other measures, financed from sources other than the Recovery and Resilience Facility, contributing to the energy-related objectives outlined in recital (3). The outline should cover measures whose implementation should take place between 1 February 2022 to 31 December 2026, the period during which the objectives set by this Regulation are to be achieved. As regards natural gas infrastructure, the investments and reforms of the REPowerEU chapters to diversify supply away from Russia should build on the needs currently identified through the assessment conducted and agreed by the European Network of Transmission System Operators for Gas (ENTSOG), established in the spirit of solidarity as regards security of supply and take into account the reinforced preparedness measures taken to adapt to new geopolitical threats. Finally, the REPowerEU chapters should provide an explanation and a quantification of the effects of the combination of the reforms and investments financed by the Recovery and Resilience Facility and the other measures financed by other sources than the Recovery and Resilience Facility.

Amendment

(6) The REPowerEU chapter should include new reforms and investments contributing to the REPowerEU aims, ***which should be consistent with EU's Green Deal objectives***. Furthermore, that chapter should contain an outline of other measures, financed from sources other than the Recovery and Resilience Facility, contributing to the energy-related objectives outlined in recital (3). The outline should cover measures whose implementation should take place between 1 February 2022 to 31 December 2026, the period during which the objectives set by this Regulation are to be achieved. As regards natural gas infrastructure, the investments and reforms of the REPowerEU chapters to diversify supply away from Russia should build on the needs currently identified through the assessment conducted and agreed by the European Network of Transmission System Operators for Gas (ENTSOG), established in the spirit of solidarity as regards security of supply and take into account the reinforced preparedness measures taken to adapt to new geopolitical threats. Finally, the REPowerEU chapters should provide an explanation and a quantification of the effects of the combination of the reforms and investments financed by the Recovery and Resilience Facility and the other measures financed by other sources than the Recovery and Resilience Facility.

Amendment 8

Proposal for a regulation

Recital 7

Text proposed by the Commission

(7) An appropriate assessment criterion should be added to serve as a basis for the Commission to assess reforms and investments included in the REPowerEU chapter sand to ensure that reforms and investments are fit for achieving the specific REPowerEU-related objectives. An A rating should be required under this new assessment criterion for the relevant recovery and resilience plan to be positively assessed by the Commission.

Amendment

(7) An appropriate assessment criterion should be added to serve as a basis for the Commission to assess reforms and investments included in the REPowerEU chapter sand to ensure that reforms and investments are fit for achieving the specific REPowerEU-related objectives ***in consistency with EU's Green Deal objectives***. An A rating should be required under this new assessment criterion for the relevant recovery and resilience plan to be positively assessed by the Commission.

Amendment 9

Proposal for a regulation

Recital 8

Text proposed by the Commission

(8) Investments in infrastructure and technologies alone are not sufficient to ensure a reduction of dependency from fossil fuels. Resources should be dedicated to the reskilling and upskilling of people, to further equip the workforce with ***green*** skills. This is in line with the objective of the European Social Fund Plus, which aims at supporting Member States in achieving a skilled and resilient workforce ready for the future world of work. In light of this, resources ***transferred*** from the European Social Fund Plus should help support measures for the reskilling and upskilling of the workforce. The Commission will assess whether the measures included in the REPowerEU chapters significantly contribute to supporting a requalification of the workforce towards green skills.

Amendment

(8) Investments in infrastructure and technologies alone are not sufficient to ensure a ***rapid*** reduction of dependency from fossil fuels. Resources should be dedicated to the reskilling and upskilling of people, to further equip the workforce with ***adequate skills, including green and digital skills, particularly in areas subject to economic depression and social decline, in peripheral urban areas and rural, remote, mountain, coastal, islands and sparsely populated areas and outermost regions***. This is in line with the objective of the European Social Fund Plus, which aims at supporting Member States ***and regions*** in achieving a skilled and resilient workforce ready for the future world of work. In light of this, resources ***requested*** from the European Social Fund Plus ***envelope to support the objectives of REPowerEU*** should help support measures for the reskilling and upskilling of the

workforce. The Commission will assess whether the measures included in the REPowerEU chapters significantly contribute to supporting a requalification of the workforce towards *adequate skills, including green and digital* skills.

Amendment 10

Proposal for a regulation

Recital 11

Text proposed by the Commission

(11) An effective transition towards green energy and *a* reduction of energy dependency involves significant digital investments. In light of Regulation (EU) 2021/241, Member States should provide an explanation of how the measures in the recovery and resilience plan, including those included in the REPowerEU chapter, are expected to contribute to the digital transition or the challenges resulting therefrom and whether they account for an amount contributing to the digital target based on the methodology for digital tagging. However, given the unprecedented urgency and importance of energy challenges faced by the Union, reforms and investments included in the REPowerEU chapter should not be taken into account when calculating the plan's total allocation for the purpose of applying the digital target requirement set by Regulation (EU) 2021/241.

Amendment

(11) An effective transition towards green energy and *rapid* reduction of energy dependency *should take into account the newly emerging challenges faced by households and micro-, small and medium enterprises, especially the most vulnerable ones,* and involves significant digital investments. In light of Regulation (EU) 2021/241, Member States should provide an explanation of how the measures in the recovery and resilience plan, including those included in the REPowerEU chapter, are expected to contribute to the digital transition or the challenges resulting therefrom and whether they account for an amount contributing to the digital target based on the methodology for digital tagging. However, given the unprecedented urgency and importance of energy challenges faced by the Union, reforms and investments included in the REPowerEU chapter should not be taken into account when calculating the plan's total allocation for the purpose of applying the digital target requirement set by Regulation (EU) 2021/241.

Amendment 11

Proposal for a regulation

Recital 12

Text proposed by the Commission

Amendment

(12) Pursuant to Article 18(4) point (q) of Regulation (EU) 2021/241, ***the Member States should also*** provide a summary of ***the consultation*** process of local and regional authorities and other relevant stakeholders, including, as relevant, from the agricultural sector, for reforms and investments included in the REPowerEU chapter. ***Such summaries should explain the outcome of those consultations and outline how the input received*** was reflected in REPowerEU chapters.

(12) ***Member States should organise and implement a mandatory consultation process and,*** pursuant to Article 18(4) point (q) of Regulation (EU) 2021/241, provide a summary of ***this*** process ***explaining the outcome of those consultations and outlining how the input received from*** local and regional authorities, ***civil society organisations, economic and social partners*** and other relevant stakeholders, including, as relevant, from the agricultural sector, for reforms and investments included in the REPowerEU chapter was reflected in REPowerEU chapters.

Amendment 12

Proposal for a regulation

Recital 13

Text proposed by the Commission

Amendment

(13) ***The application of the ‘do no significant harm’ principle is essential to ensure that the investments and reforms undertaken as part of the recovery from the pandemic are implemented in a sustainable manner. It should continue to apply to the reforms and investments supported by the Facility, with one targeted exemption to safeguard the EU’ immediate energy security concerns. Considering the objective of diversifying energy supplies away from Russian suppliers, the reforms and investments set out in those REPowerEU chapters which aim to improve energy infrastructure and facilities to meet immediate security of supply needs for oil and gas should not be required to comply with the principle of ‘do no significant harm’ and should therefore be exempted from such assessment.***

deleted

Amendment 13

Proposal for a regulation

Recital 15

Text proposed by the Commission

(15) In addition, to incentivise a high level of ambition for reforms and investments to be included in the REPowerEU chapter, new dedicated funding sources *should* be provided.

Amendment

(15) In addition, to incentivise a high level of ambition for reforms and investments to be included in the REPowerEU chapter, new dedicated funding sources *could* be provided.

Amendment 14

Proposal for a regulation

Recital 17

Text proposed by the Commission

(17) Regulation (EU) 2021/1060 of the European Parliament and of the Council⁶ should be amended to provide for the possibility to *transfer* up to 7.5% of resources *of* shared management programmes *governed by that Regulation to the Facility for the achievement of* the REPowerEU objectives, in addition to the existing transfer possibility of up to 5%. Such *a* possibility is justified by the need to cover REPowerEU objectives, providing Member States with additional flexibility to address those urgent needs. *Furthermore, the Facility allows for a fast disbursement of funds, making it particularly well suited for financing of urgent energy-related measures. Such transfers* should be justified by a higher financial need linked to additional *reforms and* investments included in the REPowerEU chapter.

Amendment

(17) *In order to provide Member States and regions with sufficient flexibility in addressing the newly emerging challenges*, Regulation (EU) 2021/1060 of the European Parliament and of the Council⁶ should be amended to provide for the possibility to *request* up to 7.5% of resources *under* shared management programmes *to contribute to* the REPowerEU objectives *as established in Regulation (EU) 2021/241 by supporting measures referred to in Article 21c(1)(b) thereof with the exception of fossil-free hydrogen, in Article 21c(1)(c) thereof with the exception of facilities dedicated to transport fossil fuels, and in Article 21c(1)(d) thereof while simplifying procedural requirements linked to programme implementation*, in addition to the existing transfer possibility of up to 5%, *provided that the latter is fully exhausted*. Such possibility is justified by the need to cover REPowerEU objectives, providing Member States *and regions* with additional flexibility *that is crucial* to address those urgent needs *and* should be

justified by a higher financial need linked to additional investments included in the REPowerEU chapter *of Regulation (EU) 2021/241*.

⁶ 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).

⁶ 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).

Amendment 15

Proposal for a regulation Recital 17 a (new)

Text proposed by the Commission

Amendment

(17a) In order to provide an immediate response to the impact of the crisis, expenditure for operations for fostering energy crisis response capacities and support for vulnerable households and micro-, small and medium enterprises should be eligible as of 1 February 2022.

Amendment 16

Proposal for a regulation Recital 17 b (new)

Text proposed by the Commission

Amendment

(17b) In order to provide additional flexibility to Member States for the reallocation of resources with a view to

providing tailor-made responses to the energy crisis, the European Commission should assess the possibility to allow financial transfers under the Investment for growth and jobs goal between the ERDF, the ESF and the Cohesion Fund for both programming periods.

Amendment 17

Proposal for a regulation

Recital 19

Text proposed by the Commission

(19) Disbursements under REPowerEU shall be made following the rules of the Recovery and Resilience Facility until the end of 2026. Payments in relation to the resources ***transferred from shared management funds*** shall be subject to the availability of funds approved in the annual EU budget.

Amendment

(19) Disbursements under REPowerEU shall be made following the rules of the Recovery and Resilience Facility until the end of 2026. Payments in relation to the resources ***requested under Article 26a of Regulation (EU) 2021/1060 shall be made following the rules of Regulation (EU) 2021/1060 and the respective fund-specific regulations and*** shall be subject to the availability of funds approved in the annual EU budget.

Amendment 18

Proposal for a regulation

Recital 20

Text proposed by the Commission

(20) A request for a dedicated funding for REPowerEU measures, including allocation from the Market Stability Reserve, ***transfers from the funds governed by*** Regulation (EU) 2021/1060 and allocated from European Agricultural Fund for Rural Development, submitted in a plan, should be justified by a higher financial need linked to additional reforms and investments included in the REPowerEU chapter.

Amendment

(20) A request for a dedicated funding for REPowerEU measures, including allocation from the Market Stability Reserve, ***resources requested under Article 26a of*** Regulation (EU) 2021/1060 and allocated from European Agricultural Fund for Rural Development, submitted in a plan, should be justified by a higher financial need linked to additional reforms and investments included in the REPowerEU chapter.

Amendment 19

Proposal for a regulation Recital 21

Text proposed by the Commission

(21) The Commission should monitor the implementation of reforms and investments outlined in the REPowerEU chapter **and** their contribution to the REPowerEU objectives, as established in Regulation (EU) 2021/241.

Amendment

(21) The Commission should monitor **and report on** the implementation of reforms and investments outlined in the REPowerEU chapter, their contribution to the REPowerEU **and their consistency with the EU Green Deal** objectives, as established in Regulation (EU) 2021/241.

Amendment 20

Proposal for a regulation Recital 22

Text proposed by the Commission

(22) Recent geopolitical events have affected prices of energy and construction materials **and have also** caused shortages in the global supply chains. These developments may have a direct impact on the capacity to implement some investments included in the recovery and resilience plans. To the extent that Member States can demonstrate that such developments make a specific milestone or target, either totally or partially, no longer achievable, such situations may be invoked as objective circumstances under Article 21. These developments cannot constitute objective circumstances for revising reforms, as reforms are generally not cost dependent. In addition, no request for amendments should undermine the overall implementation of the recovery and resilience plans.

Amendment

(22) Recent geopolitical events have affected prices of energy and **other resources like** construction materials, **which** caused shortages in the global supply chains. These developments may have a direct impact on the capacity to implement some investments included in the recovery and resilience plans. To the extent that Member States can demonstrate that such developments make a specific milestone or target, either totally or partially, no longer achievable, such situations may be invoked as objective circumstances under Article 21. These developments cannot constitute objective circumstances for revising reforms, as reforms are generally not cost dependent. In addition, no request for amendments should undermine the overall implementation of the recovery and resilience plans. **Member States should also ensure that proposals to amend their recovery and resilience plans respond to challenges that have arisen from current dramatic changes in the geopolitical situation, while preparing the future to be**

able to tackle new challenges.

Amendment 21

Proposal for a regulation

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

Regulation (EU) 2021/241

Article 7 – title and paragraph 1

Present text

Resources from shared management programmes and use of resources

1. Resources allocated to Member States under shared management may, at their request, be transferred to the Facility subject to the conditions set out in *the relevant provisions of the Common Provisions Regulation for 2021-2027*. The Commission shall implement those resources directly in accordance with point (a) of the first subparagraph of Article 62(1) of the Financial Regulation. Those resources shall be used exclusively for the benefit of the Member State concerned.

Amendment

(1 a) The title and the first paragraph of Article 7 are replaced by the following:

"Transferred resources from shared management programmes and use of *those* resources

1. Resources allocated to Member States under shared management may, at their request, be transferred to the Facility subject to the conditions set out in *Article 26 of Regulation (EU) 2021/1060*. The Commission shall implement those resources directly in accordance with point (a) of the first subparagraph of Article 62(1) of the Financial Regulation. Those resources shall be used exclusively for the benefit of the Member State concerned."

(<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32021R0241>)

Amendment 22

Proposal for a regulation

Article 1 – paragraph 1 – point 3

Regulation (EU) 2021/241

Article 18 – paragraph 4 – point q

Text proposed by the Commission

(q) for the preparation and, where available, for the implementation of the recovery and resilience plan, a summary of the consultation process, conducted in accordance with the national legal framework, of local and regional

Amendment

(q) for the preparation and, where available, for the implementation of the recovery and resilience plan, a summary of the *mandatory* consultation process, *which shall be* conducted in accordance with the national legal framework, of local and

authorities, social partners, civil society organisations, youth organisations and other relevant stakeholders, and how the input of the stakeholders is reflected in the recovery and resilience plan; in particular, the summary of the consultation process shall explain the outcome of the consultations with local and regional authorities and other **relevant** stakeholders on reforms and investments included in the REPowerEU chapter **and** outline how the input received was reflected in the REPowerEU chapter;

regional authorities, **economic and** social partners, civil society organisations, youth organisations and other relevant stakeholders, and how the input of the stakeholders is reflected in the recovery and resilience plan; in particular, the summary of the consultation process shall explain the outcome of the consultations with local and regional authorities and other stakeholders **relevant to reach the REPowerEU objectives** on reforms and investments included in the REPowerEU chapter, outline how the input received was reflected in the REPowerEU chapter **as well as how these stakeholders will be involved in the implementation of the REPowerEU chapter and its monitoring**;

Amendment 23

Proposal for a regulation

Article 1 – paragraph 1 – point 4

Regulation (EU) 2021/241

Article 19 – paragraph 3 – point da

Text proposed by the Commission

(da) whether the reforms and investments referred to in Article 21c(1) effectively contribute towards the diversification of the Union’s energy supply or reduction of dependence on fossil fuels before 2030.;

Amendment

(da) whether the reforms and investments referred to in Article 21c(1) effectively contribute towards the diversification of the Union’s energy supply or **rapid** reduction of dependence on fossil fuels before 2030.;

Amendment 24

Proposal for a regulation

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

Regulation (EU) 2021/241

Article 19 – paragraph 3 – point k a (new)

Text proposed by the Commission

Amendment

(4 a) In Article 19(3), the following point is inserted:

(ka) whether the consultation process as referred to in Article 18(4)(q) related to the measures referred to in Article 21c(1) is adequate and the pertinent input from the relevant stakeholders is properly reflected in the substance of the REPowerEU chapter;

Amendment 25

Proposal for a regulation

Article 1 – paragraph 1 – point 6

Regulation (EU) 2021/241

Article 21a – paragraph 1

Text proposed by the Commission

(1) EUR 20 000 000 000 in current prices shall be available, in line with Article 10e(4) of Directive 2003/87/EC, for implementation under this Regulation to increase the resilience of the Union energy system through a decrease of dependence on fossil fuels and diversification of energy supplies at Union level. That amount shall be made available in the form of external assigned revenue within the meaning of Article 21(5) of the Financial Regulation.

Amendment

(1) EUR 20 000 000 000 in current prices shall be available, in line with Article 10e(4) of Directive 2003/87/EC, for implementation under this Regulation to increase the resilience of the Union energy system through a **rapid** decrease of dependence on fossil fuels and diversification of energy supplies at Union level. That amount shall be made available in the form of external assigned revenue within the meaning of Article 21(5) of the Financial Regulation.

Amendment 26

Proposal for a regulation

Article 1 – paragraph 1 – point 6

Regulation (EU) 2021/241

Article 21b – paragraph 1

Text proposed by the Commission

(1) Resources allocated to **Member States** under shared management may, **at their request, be transferred or allocated to the Facility** subject to the conditions set out in Article 26a of Regulation (EU) 2021/1060 and Article 81a of Regulation (EU) 2021/2115. Those resources shall be

Amendment

(1) **Within the** resources allocated to **them** under shared management **Member States** may request **to support measures referred to in Article 21c(1)(b) of this Regulation with the exception of fossil-free hydrogen, in Article 21c(1)(c) of this Regulation with the exception of facilities**

used exclusively for the benefit of the Member State concerned.

dedicated to transport fossil fuels, and in Article 21c(1)(d) of this Regulation subject to the conditions set out in Article 26a of Regulation (EU) 2021/1060 and Article 81a of Regulation (EU) 2021/2115. Those resources shall be used exclusively for the benefit of the Member State concerned.

Amendment 27

Proposal for a regulation

Article 1 – paragraph 1 – point 6

Regulation (EU) 2021/241

Article 21b – paragraph 1 – point a

Text proposed by the Commission

(a) Resources may be ***transferred*** under Article 26a of Regulation (EU) 2021/1060 to support measures referred to in Article 21c(1) of this Regulation, provided that the Member State has already requested transfers from a given Fund up to the ceiling of 5% in accordance with the first and second sub-paragraphs of Article 26(1).

Amendment

(a) Resources may be ***requested*** under Article 26a of Regulation (EU) 2021/1060 to support measures referred to in ***Article 21c(1)(b) of this Regulation with the exception of fossil-free hydrogen, in Article 21c(1)(c) of this Regulation with the exception of facilities dedicated to transport fossil fuels, and in Article 21c(1)(d) of this Regulation***, provided that the Member State has already requested transfers from a given Fund up to the ceiling of 5% in accordance with the first and second sub-paragraphs of Article 26(1).

Amendment 28

Proposal for a regulation

Article 1 – paragraph 1 – point 6

Regulation (EU) 2021/241

Article 21b – paragraph 2

Text proposed by the Commission

(2) Payments shall be made in accordance with Article ***24 of this Regulation*** ***and*** subject to available funding.

Amendment

(2) ***Requested resources under paragraph 1 shall be implemented in accordance with the provisions set out in Regulation (EU) 2021/1060 and the fund-***

specific regulation of the respective shared management fund. Related payments shall be made in accordance with Article 91 of Regulation (EU) 2021/1060 subject to available funding.

Amendment 29

Proposal for a regulation

Article 1 – paragraph 1 – point 6

Regulation (EU) 2021/241

Article 21b – paragraph 3

Text proposed by the Commission

(3) The Commission shall implement those resources **directly** in accordance with Article 62(1), first subparagraph, point **(a)** of the Financial Regulation.

Amendment

(3) The Commission shall implement those resources **under shared management** in accordance with Article 62(1), first subparagraph, point **(b)** of the Financial Regulation.

Amendment 30

Proposal for a regulation

Article 1 – paragraph 1 – point 6

Regulation (EU) 2021/241

Article 21c – paragraph 1 – point d

Text proposed by the Commission

(d) supporting the objectives in points (a), (b) and (c) through an accelerated requalification of the workforce towards green skills, as well as support of the value chains in key materials and technologies linked to the green transition.

Amendment

(d) supporting the objectives in points (a), (b) and (c) through an accelerated requalification of the workforce towards green **and digital** skills, as well as support of the value chains in key materials and technologies linked to the green **and just** transition.

Amendment 31

Proposal for a regulation

Article 1 – paragraph 1 – point 6

Regulation (EU) 2021/241

Article 21c – paragraph 2 – point c a (new)

Text proposed by the Commission

Amendment

(ca) for Members States with Outermost Regions (as listed in Article 349 TFEU), islands (of NUTS 2 and/or NUTS 3 level), mountainous regions and/or sparsely populated regions, a detailed description of the investments that will be undertaken with REPowerEU in these regions for their energy independence and transition

Amendment 32

Proposal for a regulation

Article 1 – paragraph 1 – point 6

Regulation (EU) 2021/241

Article 21c – paragraph 4

Text proposed by the Commission

Amendment

(4) By way of derogation from Articles 5(2), 17(4), 18(4) point (d) and 19(3) points (d), the principle of “do no significant harm” within the meaning of Article 17 of Regulation (EU) 2020/852 shall not apply to the reforms and investments expected to contribute to the REPowerEU objectives under paragraph 1, point (a) of this Article.

deleted

Amendment 33

Proposal for a regulation

Article 1 – paragraph 1 – point 6

Regulation (EU) 2021/241

Article 21c – paragraph 5

Text proposed by the Commission

Amendment

(5) The provisions of this Regulation shall be applicable mutatis mutandis to the reforms and investments of the REPowerEU chapter, *unless provided otherwise*.

(5) The provisions of this Regulation shall be applicable mutatis mutandis to the reforms and investments of the REPowerEU chapter, *except for investments of the REPowerEU chapter financed by requested resources under*

Article 26a of Regulation (EU) 2021/1060 to support measures referred to in Article 21c(1)b of this Regulation with the exception of fossil-free hydrogen, in Article 21c(1)(c) of this Regulation with the exception of facilities dedicated to transport fossil fuels, and in Article 21c(1)(d) of this Regulation for which Regulation (EU) 2021/1060 and the fund-specific rules apply.

Amendment 34

Proposal for a regulation

Article 1 – paragraph 1 – point 6

Regulation (EU) 2021/241

Article 21d – paragraph 1

Text proposed by the Commission

(1) The Commission shall monitor the implementation of the measures outlined in the REPowerEU chapter **and** their contribution to the REPowerEU objectives.

Amendment

(1) The Commission shall monitor **and report on** the implementation of the measures outlined in the REPowerEU chapter, their contribution to the REPowerEU **and on their consistency with the EU Green Deal** objectives.

Amendment 35

Proposal for a regulation

Article 2 – paragraph 1 – point 1

Regulation (EU) 2021/1060

Article 11 – paragraph 1 – point e

Text proposed by the Commission

(e) where applicable, the breakdown of financial resources by category of region drawn up in accordance with Article 108(2) and the amounts of allocations proposed to be transferred pursuant to **Articles 26, 26a and 111**, including a justification **for such transfers**;

Amendment

(e) where applicable, the breakdown of financial resources by category of region drawn up in accordance with Article 108(2) and the amounts of allocations proposed to be **requested pursuant to Article 26a or to be transferred pursuant to Article 26, or pursuant to Article 111**, including a justification;

Amendment 36

Proposal for a regulation

Article 2 – paragraph 1 – point 2

Regulation (EU) 2021/1060

Article 22 – paragraph 3 – point g – point i

Text proposed by the Commission

(i) a table specifying the total financial allocations for each of the Funds and, where applicable, for each category of region for the whole programming period and by year, including any amounts transferred pursuant to Article 26, Article **26a or 27**;

Amendment

(i) a table specifying the total financial allocations for each of the Funds and, where applicable, for each category of region for the whole programming period and by year, including any amounts ***requested pursuant to Article 26a or*** transferred pursuant to Article 26 ***or pursuant to*** Article 27;

Amendment 37

Proposal for a regulation

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

Regulation (EU) 2021/1060

Article 24 – paragraph 7 a (new)

Text proposed by the Commission

Amendment

(2a) In Article 24, the following paragraph is added:

7a. For programmes supported by the ERDF, Cohesion Fund or ESF+, the Member State or the managing authority may request, until 31 December 2025, an amount of up to 7.5% of the budget of the initial national allocation to be contributed for the financing of measures supporting the objectives of the REPowerEU as referred to in Article 21c(1)(b) of Regulation (EU) 2021/241 with the exception of fossil-free hydrogen, in Article 21c(1)(c) of Regulation (EU) 2021/241 with the exception of facilities dedicated to transport fossil fuels, and in Article 21c(1)(d) of Regulation (EU) 2021/241. For programmes supported by the ERDF, Cohesion Fund or ESF+, such contributions shall only be made within

the same programme and shall require a Commission decision amending the programme. They shall comply with all regulatory requirements and shall be approved in advance by the monitoring committee. The Member State or the managing authority shall communicate the revised financial tables and the revised programme to the Commission.

Amendment 38

Proposal for a regulation

Article 2 – paragraph 1 – point 3

Regulation (EU) 2021/1060

Article 26 – paragraph 1

Text proposed by the Commission

Where the Partnership Agreement has been approved and one or more programmes have not yet been adopted, a transfer to the Recovery and Resilience Facility in accordance with **Regulation (EU) 2021/241** may be requested through notification of a revision of the information referred to in Article 11(1) points (c), (e) and (h) in accordance with Article 69(9).

Amendment

Where the Partnership Agreement has been approved and one or more programmes have not yet been adopted, a transfer to the Recovery and Resilience Facility in accordance with **this Article** may be requested through notification of a revision of the information referred to in Article 11(1) points (c), (e) and (h) in accordance with Article 69(9).

Amendment 39

Proposal for a regulation

Article 2 – paragraph 1 – point 4

Regulation (EU) 2021/1060

Article 26 – paragraph 1 – point 2

Text proposed by the Commission

2. By way of derogation from Article 40(2), point (d) and the paragraph above, the monitoring committee shall be consulted on the programme amendment, where such amendment is strictly limited to what is necessary for the purposes of the transfer to the Recovery and Resilience Facility.

Amendment

deleted

Amendment 40

Proposal for a regulation

Article 2 – paragraph 1 – point 5

Regulation (EU) 2021/1060

Article 26a – title

Text proposed by the Commission

Transfer to the Recovery and Resilience Facility

Amendment

Support for the REPowerEU objectives

Amendment 41

Proposal for a regulation

Article 2 – paragraph 1 – point 5

Regulation (EU) 2021/1060

Article 26a – paragraph 1

Text proposed by the Commission

(1) Member States submitting to the Commission a recovery and resilience plan containing a REPowerEU chapter in accordance with Regulation (EU) 2021/241 may request ***the transfer of*** up to 7.5% of their initial national allocation of each Fund to the ***Recovery and Resilience Facility***, provided that the Member State has already requested transfers from that specific Fund up to the ceiling of 5% in accordance with the first and second subparagraphs of Article 26(1). ***The transfer*** request shall be made either in the Partnership Agreement, including through the notification of a revision of the information referred to in Article 11(1) points (c), (e) and (h) in accordance with Article 69(9) or in a request for an amendment of a programme. Where the request ***for transfer*** concerns an amendment of a programme, only resources of future calendar years may be ***transferred***. ***Such transfers*** shall be additional to the possibility of transfer of resources envisaged under Article 26 of

Amendment

(1) Member States submitting to the Commission a recovery and resilience plan containing a REPowerEU chapter in accordance with Regulation (EU) 2021/241 may request ***that*** up to 7.5% of their initial national allocation of each Fund ***be contributed*** to the ***REPowerEU objectives as established in Regulation (EU) 2021/241 by supporting measures referred to in Article 21c(1)(b) thereof with the exception of fossil-free hydrogen, in Article 21c(1)(c) thereof with the exception of facilities dedicated to transport fossil fuels, and in Article 21c(1)(d) thereof***, provided that the Member State has already requested transfers from that specific Fund up to the ceiling of 5% in accordance with the first and second sub-paragraphs of Article 26(1). ***Where the Partnership Agreement has not yet been approved***, the request ***for supporting REPowerEU objectives*** shall be made either in the Partnership Agreement, including through the notification of a revision of the information

this Regulation.

referred to in Article 11(1) points (c), (e) and (h) in accordance with Article 69(9) or in a request for an amendment of a programme. Where the request concerns an amendment of a programme, only resources of future calendar years may be ***requested***. ***The possibility of such a request*** shall be additional to the possibility of transfer of resources envisaged under Article 26 of this Regulation.

Amendment 42

Proposal for a regulation

Article 2 – paragraph 1 – point 5

Regulation (EU) 2021/1060

Article 26a – paragraph 2

Text proposed by the Commission

(2) Transferred resources shall be implemented in accordance with the provisions of Regulation (EU) 2021/241 ***and*** shall be used for the benefit of the Member State concerned.

Amendment

(2) Transferred resources ***under Article 26 of this Regulation*** shall be implemented in accordance with the provisions of Regulation (EU) 2021/241. ***Requested resources under Article 26a of this Regulation*** shall be ***implemented in accordance with Regulation (EU) 2021/1060 and the provisions set out in the fund-specific regulation of the respective shared management fund***. ***Transferred resources from or requested resources supporting REPowerEU objectives shall be exclusively*** used for the benefit of the Member State concerned.

Amendment 43

Proposal for a regulation

Article 2 – paragraph 1 – point 5

Regulation (EU) 2021/1060

Article 26a – paragraph 3

Text proposed by the Commission

(3) Where the Partnership Agreement

Amendment

(3) Where the Partnership Agreement

has been approved, and the **transfer is requested** before the approval of one or more programmes, the resulting inconsistency between the Partnership Agreement and the programmes shall not be taken into account when assessing the programme pursuant to Article 23(1). In such cases the Member State concerned shall submit a revision of the information referred to in Article 11(1) points (c), (e) and (h), which shall constitute a request for **transfer** within the meaning of this Article.

has been approved, and the **request for supporting REPowerEU objectives is submitted** before the approval of one or more programmes, the resulting inconsistency between the Partnership Agreement and the programmes shall not be taken into account when assessing the programme pursuant to Article 23(1). In such cases the Member State concerned shall submit a revision of the information referred to in Article 11(1) points (c), (e) and (h), **including a summary of a mandatory consultation with partners in line with Article 8(1)**, which shall constitute a request for **supporting REPowerEU objectives** within the meaning of this Article.

Amendment 44

Proposal for a regulation

Article 2 – paragraph 1 – point 5

Regulation (EU) 2021/1060

Article 26a – paragraph 3 a (new)

Text proposed by the Commission

Amendment

(3a) By way of derogation from Article 13, approved Partnership Agreements shall not be amended and amendments to the programmes shall not entail the amendment of the approved Partnership Agreements.

Amendment 45

Proposal for a regulation

Article 2 – paragraph 1 – point 5

Regulation (EU) 2021/1060

Article 26a – paragraph 4

Text proposed by the Commission

Amendment

(4) Where a programme **need** to be amended for the purpose of **transfers** set out in this Article, by way of derogation

(4) Where a programme **needs** to be amended for the purpose of **a request for supporting REPowerEU objectives** set out

from Article 24(2) and (4), the Commission shall adopt or refuse the amendment as regards **the transfer** and the resulting changes to the programme within one month after the date of submission of the programme by the Member State. **By way of derogation from Article 40(2), point (d), the monitoring committee shall be consulted on the programme amendment.** Requests for an amendment of a programme shall set out the total amount **transferred** for each year by Fund and by category of region, where applicable.

in this Article, by way of derogation from Article 24(2) and (4), the Commission shall adopt or refuse the amendment as regards **this request** and the resulting changes to the programme within one month after the date of submission of the programme by the Member State. Requests for an amendment of a programme shall set out the total amount **contributed to the achievement of the REPowerEU objectives** for each year by Fund and by category of region, where applicable.

Amendment 46

Proposal for a regulation

Article 2 – paragraph 1 – point 5

Regulation (EU) 2021/1060

Article 26a – paragraph 5

Text proposed by the Commission

(5) JTF resources, including any resources transferred from the ERDF and the ESF+ in accordance with Article 27, shall not be transferable to the Recovery and Resilience Facility pursuant to this Article.

Amendment

(5) JTF resources, including any resources transferred from the ERDF and the ESF+ in accordance with Article 27, shall not be transferable to the Recovery and Resilience Facility **and shall not be requested for supporting REPowerEU objectives** pursuant to this Article.

Amendment 47

Proposal for a regulation

Article 2 – paragraph 1 – point 5

Regulation (EU) 2021/1060

Article 26a – paragraph 6

Text proposed by the Commission

(6) **Where the Commission has not entered into a legal commitment for resources transferred in accordance with paragraph 1, the corresponding uncommitted resources may be**

Amendment

deleted

transferred back to the Fund from which they have been initially transferred and allocated to one or more programmes, in accordance with the provisions in Article 26(7), 26(8) and 26(9).

Amendment 48

Proposal for a regulation

Article 2 – paragraph 1 – point 5

Regulation (EU) 2021/1060

Article 26a – paragraph 6 a (new)

Text proposed by the Commission

Amendment

(6a) Expenditure incurred and paid for measures referred to in Article 21c(1)(b) of Regulation (EU) 2021/241 with the exception of fossil-free hydrogen, in Article 21c(1)(c) thereof with the exception of facilities dedicated to transport fossil fuels, and in Article 21c(1)(d) thereof shall be counted towards the share of the climate targets and the climate adjustment mechanism in accordance with Article 6 of this Regulation.

Amendment 49

Proposal for a regulation

Article 2 – paragraph 1 – point 5 a (new)

Regulation (EU) 2021/1060

Article 112 – paragraph 6 a (new)

Text proposed by the Commission

Amendment

(5a) In Article 112, the following paragraph is added:

6a. Where a Member States decides to request resources under Article 26a of this Regulation, by way of derogation from Article 112 (3) and (4) a co-financing rate of up to 100 % may be applied to expenditure declared in payment applications in the accounting

years starting on 1 July 2022 and ending on 30 June 2026 for one or more priority axes in a programme supported by the ERDF, the ESF+ or the Cohesion Fund, for the financing of measures supporting the objectives of REPowerEU referred to in Article 21c(1)(b) of Regulation (EU)2021/241 with the exception of fossil-free hydrogen, in Article 21c(1)(c) of that Regulation with the exception of facilities dedicated to transport fossil fuels, and in Article 21c(1)(d) of that Regulation.

A request for a modification of the co-financing rate shall be submitted as amendment of a programme in accordance with Article 24 and shall be accompanied by a revised programme.

Amendment 50

Proposal for a regulation

Article 2 a (new)

Regulation (EU) No 1303/2013

Article 60 – paragraph 2 a (new) and 2 b (new)

Text proposed by the Commission

Amendment

Article 2a

Regulation (EU) No 1303/2013, is amended as follows:

In Article 60, the following paragraphs are added:

2a. By way of derogation from Article 60(1) and the first and fourth subparagraphs of Article 120(3) at the request of a Member State, a co-financing rate of 100 % may be applied to expenditure for fostering energy crisis response capacities in accordance with the "REPowerEU objectives" and support for vulnerable households and micro-, small and medium enterprises from 1 February 2022 for one or more priority axes in a programme supported by the ERDF, the ESF or the Cohesion Fund.

Requests for modification of the co-financing rate shall be submitted in accordance with the procedure for the amendment of programmes set out in Article 30 and shall be accompanied by a revised programme or programmes.

The co-financing rate of 100 % shall apply only if the relevant amendment of the operational programme is approved by the Commission before the submission of the final application for an interim payment in accordance with Article 135(2).

2b. In response to the energy crisis derived from the Russian aggression towards Ukraine, the resources available for programming period 2014-2020 for the Investment for growth and jobs goal may, at the request of a Member State, be transferred between the ERDF, the ESF and the Cohesion Fund, irrespective of the percentages referred to in points (a) to (d) of Article 92(1). For the purpose of those transfers, the requirements laid down in Article 92(4) shall not apply.

Resources transferred between the ERDF, the ESF and the Cohesion Fund under this paragraph shall be implemented in accordance with the rules of the Fund to which the resources are transferred.

Amendment 51

Proposal for a regulation

Annex II – point 1

Regulation (EU) 2021/1060

Annex II – paragraph 4.2

Text proposed by the Commission

Amendment

(1) In paragraph 4.2 of Annex II of Regulation (EU) 2021/1060, the following is inserted:

deleted

Reference: Articles 26(1) and 26a CPR

Amendment 52

Proposal for a regulation

Annex II – point 2

Regulation (EU) 2021/1060

Annex V – paragraph 3.1 – table 1

Present text

Programme amendment related to	<input type="checkbox"/>	contribution to InvestEU
	<input type="checkbox"/>	transfer to instruments under direct or indirect management
	<input type="checkbox"/>	transfer between ERDF, ESF+, Cohesion Fund or to another Fund or Funds

Amendment

In paragraph 3.1 of Annex V of Regulation (EU) 2021/1060, the first table is amended as follows:

Programme amendment related to	<input type="checkbox"/>	contribution to InvestEU
	<input type="checkbox"/>	transfer to instruments under direct or indirect management
	<input type="checkbox"/>	transfer between ERDF, ESF+, Cohesion Fund or to another Fund or Funds
	<input checked="" type="checkbox"/>	support for REPowerEU objectives

(<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32021R1060>)

Amendment 53

Proposal for a regulation

Annex II – point 3

Regulation (EU) 2021/1060

Annex V – paragraph 3.1 – footnote 1

Text proposed by the Commission

Applicable only to programme amendments in accordance with Articles 14, 26, and 26a except complementary transfers to the JTF in accordance with Article 27 CPR. ***Transfers shall not affect the annual breakdown of financial***

Amendment

Applicable only to programme amendments in accordance with Articles 14, 26, and 26a except complementary transfers to the JTF in accordance with Article 27 CPR.

*appropriations at the MFF level for a
Member State.*

PROCEDURE – COMMITTEE ASKED FOR OPINION

Title	Amending Regulation (EU) 2021/241 as regards REPowerEU chapters in recovery and resilience plans and amending Regulation (EU) 2021/1060, Regulation (EU) 2021/2115, Directive 2003/87/EC and Decision (EU) 2015/1814
References	COM(2022)0231 – C9-0183/2022 – 2022/0164(COD)
Committees responsible Date announced in plenary	BUDG ECON 6.6.2022 6.6.2022
Opinion by Date announced in plenary	REGI 6.6.2022
Associated committees - date announced in plenary	15.9.2022
Rapporteur for the opinion Date appointed	Pascal Arimont 12.7.2022
Rule 58 – Joint committee procedure Date announced in plenary	15.9.2022
Discussed in committee	15.9.2022
Date adopted	6.10.2022
Result of final vote	+: 29 -: 1 0: 10
Members present for the final vote	Matteo Adinolfi, François Alfonsi, Pascal Arimont, Isabel Benjumea Benjumea, Tom Berendsen, Erik Bergkvist, Stéphane Bijoux, Franc Bogovič, Vlad-Marius Botoș, Rosanna Conte, Christian Doleschal, Matthias Ecke, Chiara Gemma, Krzysztof Hetman, Manolis Kefalogiannis, Ondřej Knotek, Cristina Maestre Martín De Almagro, Nora Mebarek, Martina Michels, Alin Mituța, Dan-Ștefan Motreanu, Andželika Anna Możdżanowska, Niklas Nienaaß, Andrey Novakov, Younous Omarjee, Alessandro Panza, Tsvetelina Penkova, Maxette Pirbakas, Caroline Roose, Marcos Ros Sempere, André Rougé, Susana Solís Pérez, Valdemar Tomaševski, Monika Vana
Substitutes present for the final vote	Katalin Cseh, Stelios Kypourouopoulos, Ana Miranda, Rovana Plumb, Peter Pollák
Substitutes under Rule 209(7) present for the final vote	Pietro Fiocchi

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

29	+
NI	Chiara Gemma, Maxette Pirbakas
PPE	Pascal Arimont, Isabel Benjumea Benjumea, Tom Berendsen, Franc Bogovič, Christian Doleschal, Krzysztof Hetman, Manolis Kefalogiannis, Stelios Kypouropoulos, Andrey Novakov, Peter Pollák
RENEW	Katalin Cseh, Alin Mituța, Susana Solís Pérez
S&D	Erik Bergkvist, Matthias Ecke, Cristina Maestre Martín De Almagro, Nora Mebarek, Tsvetelina Penkova, Rovana Plumb, Marcos Ros Sempere
THE LEFT	Martina Michels, Younous Omarjee
VERTS/ALE	François Alfonsi, Ana Miranda, Niklas Nienäb, Caroline Roose, Monika Vana

1	-
RENEW	Ondřej Knotek

10	0
ECR	Pietro Fiocchi, Andželika Anna Mozdżanowska, Valdemar Tomaševski
ID	Matteo Adinolfi, Rosanna Conte, Alessandro Panza, André Rougé
PPE	Dan-Ștefan Motreanu
RENEW	Stéphane Bijoux, Vlad-Marius Botoș

Key to symbols:

+ : in favour

- : against

0 : abstention

04.10.2022

OPINION OF THE COMMITTEE ON AGRICULTURE AND RURAL DEVELOPMENT

for the Committee on Economic and Monetary Affairs and the Committee on Budgets

on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) 2021/241 as regards REPowerEU chapters in recovery and resilience plans and amending Regulation (EU) 2021/1060, Regulation (EU) 2021/2115, Directive 2003/87/EC and Decision (EU) 2015/1814 (COM(2022)0231 – C9-0183/2022 – 2022/0164(COD))

Rapporteur for opinion(*): Peter Jahr

(*) Associated committee – Rule 57 of the Rules of Procedure

AMENDMENTS

The Committee on Agriculture and Rural Development calls on the Committee on Economic and Monetary Affairs and the Committee on Budgets, as the committees responsible, to take into account the following amendments:

Amendment 1

Proposal for a regulation

Recital 18

Text proposed by the Commission

Amendment

<i>(18) Regulation (EU) 2021/2115 of the European Parliament and of the Council⁷ should also be amended to allow for a possibility to deliver up to 12.5% of the European Agricultural Fund for Rural Development through the Recovery and Resilience Facility. Such method of delivery is justified by complementarity and synergies between these instruments with regard to the objectives of reducing the use of synthetic fertilisers, or increasing production of sustainable biomethane or renewable energy, in accordance with the objectives of the Common Agricultural Policy set out in</i>	<i>deleted</i>
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Article 39 of TFEU. The delivery via the Recovery and Resilience Facility should accelerate the disbursement of funds to beneficiaries from the agricultural sector which is vital considering the urgency of the energy-related objectives.

⁷ *Regulation (EU) 2021/2115 of the European Parliament and of the Council of 2 December 2021 establishing rules on support for strategic plans to be drawn up by Member States under the common agricultural policy (CAP Strategic Plans) and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) and repealing Regulations (EU) No 1305/2013 and (EU) No 1307/2013 (OJ L 435, 6.12.2021, p. 1).*

Amendment 2

Proposal for a regulation Recital 20

Text proposed by the Commission

(20) A request for a dedicated funding for REPowerEU measures, including allocation from the Market Stability Reserve, *transfers from the funds governed by Regulation (EU) 2021/1060 and allocated from European Agricultural Fund for Rural Development, submitted in a plan*, should be justified by a higher financial need linked to additional reforms and investments included in the REPowerEU chapter.

Amendment

(20) A request for a dedicated funding for REPowerEU measures, including allocation from the Market Stability Reserve, should be justified by a higher financial need linked to additional reforms and investments included in the REPowerEU chapter.

Amendment 3

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

Regulation (EU) 2021/241
Article 21b – paragraph 1 – introductory part

Text proposed by the Commission

(1) Resources allocated to Member States under shared management may, at their request, be transferred or allocated to the Facility subject to the conditions set out in Article 26a of Regulation (EU) 2021/1060 **and Article 81a of Regulation (EU) 2021/2115**. Those resources shall be used exclusively for the benefit of the Member State concerned.

Amendment

(1) Resources allocated to Member States under shared management may, at their request, be transferred or allocated to the Facility subject to the conditions set out in Article 26a of Regulation (EU) 2021/1060. Those resources shall be used exclusively for the benefit of the Member State concerned.

Amendment 4

Proposal for a regulation

Article 1 – paragraph 1 – point 6

Regulation (EU) 2021/241

Article 21b – paragraph 1 – point b

Text proposed by the Commission

(b) Resources allocated under Article 81a of Regulation (EU) 2021/2115 shall support measures in Article 21c(1)(b) of this Regulation for farm investments for the benefit of farmers or groups of farmers, in particular to contribute reducing the use of synthetic fertilisers, increasing production of renewable energy and sustainable biomethane, and boosting energy efficiency.

Amendment

deleted

Amendment 5

Proposal for a regulation

Article 3

Text proposed by the Commission

[...]

Amendment

deleted

PROCEDURE – COMMITTEE ASKED FOR OPINION

Title	Amending Regulation (EU) 2021/241 as regards REPowerEU chapters in recovery and resilience plans and amending Regulation (EU) 2021/1060, Regulation (EU) 2021/2115, Directive 2003/87/EC and Decision (EU) 2015/1814
References	COM(2022)0231 – C9-0183/2022 – 2022/0164(COD)
Committees responsible Date announced in plenary	BUDG ECON 6.6.2022 6.6.2022
Opinion by Date announced in plenary	AGRI 6.6.2022
Associated committees - date announced in plenary	15.9.2022
Rapporteur for the opinion Date appointed	Peter Jahr 14.6.2022
Rule 58 – Joint committee procedure Date announced in plenary	15.9.2022
Discussed in committee	31.8.2022
Date adopted	3.10.2022
Result of final vote	+: 44 –: 0 0: 0
Members present for the final vote	Mazaly Aguilar, Clara Aguilera, Atidzhe Alieva-Veli, Attila Arakovács, Carmen Avram, Benoît Biteau, Mara Bizzotto, Daniel Buda, Isabel Carvalhais, Asger Christensen, Angelo Ciocca, Dacian Cioloş, Ivan David, Paolo De Castro, Jérémy Decerle, Salvatore De Meo, Herbert Dorfmann, Dino Giarrusso, Francisco Guerreiro, Martin Häusling, Martin Hlaváček, Jarosław Kalinowski, Elsi Katainen, Camilla Laureti, Gilles Lebreton, Norbert Lins, Chris MacManus, Colm Markey, Marlene Mortler, Ulrike Müller, Maria Noichl, Juozas Olekas, Eugenia Rodríguez Palop, Bronis Ropė, Bert-Jan Ruissen, Petri Sarvamaa, Simone Schmiedtbauer, Annie Schreijer-Pierik, Marc Tarabella, Veronika Vrecionová, Sarah Wiener, Juan Ignacio Zoido Álvarez
Substitutes present for the final vote	Peter Jahr, Tom Vandenkendelaere

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

44	+
ECR	Mazaly Aguilar, Bert-Jan Ruissen, Veronika Vrecionová
ID	Mara Bizzotto, Angelo Ciocca, Ivan David, Gilles Lebreton
NI	Dino Giarrusso
PPE	Daniel Buda, Salvatore De Meo, Herbert Dorfmann, Peter Jahr, Jarosław Kalinowski, Norbert Lins, Colm Markey, Marlene Mortler, Petri Sarvamaa, Simone Schmiedtbauer, Annie Schreijer-Pierik, Tom Vandenkendelaere, Juan Ignacio Zoido Álvarez
RENEW	Atidzhe Alieva-Veli, Asger Christensen, Dacian Cioloș, Jérémy Decerle, Martin Hlaváček, Elsi Katainen, Ulrike Müller
S&D	Clara Aguilera, Attila Ara-Kovács, Carmen Avram, Isabel Carvalhais, Paolo De Castro, Camilla Laureti, Maria Noichl, Juozas Olekas, Marc Tarabella
THE LEFT	Chris MacManus, Eugenia Rodríguez Palop
VERTS/ALE	Benoît Biteau, Francisco Guerreiro, Martin Häusling, Bronis Ropè, Sarah Wiener

0	-

0	0

Key to symbols:

+ : in favour

- : against

0 : abstention

PROCEDURE – COMMITTEE RESPONSIBLE

Title	Amending Regulation (EU) 2021/241 as regards REPowerEU chapters in recovery and resilience plans and amending Regulation (EU) 2021/1060, Regulation (EU) 2021/2115, Directive 2003/87/EC and Decision (EU) 2015/1814			
References	COM(2022)0231 – C9-0183/2022 – 2022/0164(COD)			
Date submitted to Parliament	19.5.2022			
Committees responsible Date announced in plenary	BUDG 6.6.2022	ECON 6.6.2022		
Committees asked for opinions Date announced in plenary	ENVI 6.6.2022	ITRE 6.6.2022	REGI 6.6.2022	AGRI 6.6.2022
Associated committees Date announced in plenary	AGRI 15.9.2022	ENVI 15.9.2022	ITRE 15.9.2022	REGI 15.9.2022
Rapporteurs Date appointed	Eider Gardiazabal Rubial 21.6.2022	Siegfried Mureşan 21.6.2022	Dragoş Pîslaru 21.6.2022	
Rule 58 – Joint committee procedure Date announced in plenary	15.9.2022			
Date adopted	25.10.2022			
Result of final vote	+ : 80 - : 6 0 : 4			
Members present for the final vote	Rasmus Andresen, Anna-Michelle Asimakopoulou, Pietro Bartolo, Gunnar Beck, Isabel Benjumea Benjumea, Stefan Berger, Gilles Boyer, Engin Eroglu, Markus Ferber, José Manuel Fernandes, Jonás Fernández, Frances Fitzgerald, Eider Gardiazabal Rubial, Alexandra Geese, Vlad Gheorghe, Claude Gruffat, José Gusmão, Enikő Győri, Valérie Hayer, Eero Heinäluoma, Niclas Herbst, Michiel Hoogeveen, Danuta Maria Hübner, Stasys Jakeliūnas, France Jamet, Billy Kelleher, Moritz Körner, Ondřej Kovařík, Joachim Kuhs, Zbigniew Kuźmiuk, Georgios Kyrtos, Aurore Lalucq, Pierre Larrourou, Janusz Lewandowski, Aušra Maldeikienė, Margarida Marques, Pedro Marques, Costas Mavrides, Eric Minardi, Silvia Modig, Csaba Molnár, Siegfried Mureşan, Caroline Nagtegaal, Victor Negrescu, Luděk Niedermayer, Andrey Novakov, Dimitrios Papadimoulis, Piernicola Pedicini, Lídia Pereira, Kira Marie Peter-Hansen, Eva Maria Poptcheva, Evelyn Regner, Karlo Ressler, Dorien Rookmaker, Bogdan Rzońca, Alfred Sant, Joachim Schuster, Ralf Seekatz, Pedro Silva Pereira, Nicolae Ştefănuţă, Irene Tinagli, Nils Torvalds, Ernest Urtasun, Nils Ušakovs, Inese Vaidere, Rainer Wieland, Stéphanie Yon-Courtin, Marco Zanni			
Substitutes present for the final vote	Nicola Beer, Damian Boeselager, Lefteris Christoforou, Rosa D'Amato, Ilan De Basso, Tamás Deutsch, Bas Eickhout, Agnès Evren, Jan Olbrycht, Jessica Polfjärd, Clara Ponsatí Obiols, René Repasi, Jörgen Warborn			

Substitutes under Rule 209(7) present for the final vote	Alessandra Basso, Alexander Bernhuber, Vasile Blaga, Włodzimierz Cimoszewicz, Estrella Durá Ferrandis, Gabriel Mato, Javier Moreno Sánchez, Grace O'Sullivan, Vera Tax
Date tabled	27.10.2022

FINAL VOTE BY ROLL CALL IN COMMITTEE RESPONSIBLE

80	+
ID	Alessandra Basso, Marco Zanni
NI	Clara Ponsatí Obiols
PPE	Anna-Michelle Asimakopoulou, Isabel Benjumea Benjumea, Stefan Berger, Alexander Bernhuber, Vasile Blaga, Lefteris Christoforou, Agnès Evren, Markus Ferber, José Manuel Fernandes, Frances Fitzgerald, Niclas Herbst, Danuta Maria Hübner, Janusz Lewandowski, Aušra Maldeikienė, Gabriel Mato, Siegfried Mureşan, Luděk Niedermayer, Andrey Novakov, Jan Olbrycht, Lídia Pereira, Jessica Polfjård, Karlo Ressler, Ralf Seekatz, Inese Vaidere, Jörgen Warborn, Rainer Wieland
RENEW	Nicola Beer, Gilles Boyer, Engin Eroglu, Vlad Gheorghe, Valérie Hayer, Billy Kelleher, Moritz Körner, Ondřej Kovařík, Georgios Kyrtos, Caroline Nagtegaal, Eva Maria Poptcheva, Nicolae Ştefănuţă, Nils Torvalds, Stéphanie Yon-Courtin
S&D	Pietro Bartolo, Włodzimierz Cimoszewicz, Ilan De Basso, Estrella Durá Ferrandis, Jonás Fernández, Eider Gardiazabal Rubial, Eero Heinäluoma, Aurore Lalucq, Pierre Larroustourou, Margarida Marques, Pedro Marques, Costas Mavrides, Csaba Molnár, Javier Moreno Sánchez, Victor Negrescu, Evelyn Regner, René Repasi, Alfred Sant, Joachim Schuster, Pedro Silva Pereira, Vera Tax, Irene Tinagli, Nils Ušakovs
THE LEFT	José Gusmão, Silvia Modig, Dimitrios Papadimoulis
VERTS/ALE	Rasmus Andresen, Damian Boeselager, Rosa D'Amato, Bas Eickhout, Alexandra Geese, Claude Gruffat, Stasys Jakeliūnas, Grace O'Sullivan, Piernicola Pedicini, Kira Marie Peter-Hansen, Ernest Urtasun

6	-
ECR	Michiel Hoogeveen, Dorien Rookmaker
ID	Gunnar Beck, Joachim Kuhs
NI	Tamás Deutsch, Enikő Győri

4	0
ECR	Zbigniew Kuźmiuk, Bogdan Rzońca
ID	France Jamet, Eric Minardi

Key to symbols:

+ : in favour

- : against

0 : abstention