

European Resolution on the "Fit for 55" Package

- ① The Senate,
- ② Having regard to Article 88-4 of the French Constitution,
- ③ Having regard to Articles 91, 100, and in particular Paragraph 2 thereof, 113, 114, 192 and 194 of the Treaty on the Functioning of the European Union (TFEU),
- ④ Having regard to the Paris Agreement adopted on 12 December 2015 and ratified on 5 October 2016,
- ⑤ Having regard to Law no. 2019-1147 of 8 November 2019 on energy and the climate, and in particular Article 1 and Chapter V thereof,
- ⑥ Having regard to the Communication from the European Commission of 11 December 2019 entitled "The European Green Deal", COM(2019) 640 final,
- ⑦ Having regard to the Communication from the European Commission of 14 January 2020 on the Sustainable Europe Investment Plan, COM(2020) 21 final,
- ⑧ Having regard to Senate resolution no. 44 (2019-2020) of 14 January 2020 asking the Government to support a European ecological barrier at the borders,
- ⑨ Having regard to the European Parliament resolution of 15 January 2020 on the European Green Deal (2019/2956(RSP)),
- ⑩ Having regard to the "Long-term low greenhouse gas emission development strategy" of the European Union and its Member States, notified by the European Council on 6 March 2020 to the United Nations Framework Convention on Climate Change (UNFCCC).
- ⑪ Having regard to the Senate European Resolution of a reasoned opinion no. 88 (2019-2020) of 22 May 2020 on compliance with the principle of subsidiarity of the Proposal for a Regulation of the European Parliament and of the Council establishing the framework for achieving climate neutrality and

amending Regulation (EU) 2018/1999 (European Climate Law), COM (2020) 80 final

- ⑫ Having regard to Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088,
- ⑬ Having regard to the Senate report entitled "*Les biocarburants: Un atout pour la transition et l'indépendance énergétiques*" no. 136 (2019-2020) – 20 November 2019 – by Mr Pierre CUYPERS, written on behalf of the Economic Affairs Committee by the joint working group of the Economic Affairs Committee and the European Affairs Committee, on the French biofuel industry.
- ⑭ Having regard to the Senate report entitled "*Pour une transition numérique écologique*" no. 555 (2019-2020) – 24 June 2020 – by Messrs Hervé MAUREY, Patrick CHAIZE, Guillaume CHEVROLLIER and Jean-Michel HOULLEGATTE, written on behalf of the Territorial and Sustainable Development Committee by the fact-finding mission on the environmental footprint of digital technology,
- ⑮ Having regard to the Communication from the European Commission of 08 July 2020 entitled "An EU Strategy for Energy System Integration", COM(2020) 299 final,
- ⑯ Having regard to the Communication from the European Commission of 8 July 2020 entitled "A hydrogen strategy for a climate-neutral Europe", COM(2020) 301 final,
- ⑰ Having regard to the special report from the European Court of Auditors no. 18 of 15 September 2020 entitled "Free allocation of allowances needed better targeting",
- ⑱ Having regard to the impact assessment presented by the European Commission on 17 September 2020 in support of its Communication on "Stepping up Europe's 2030 climate ambition", SWD(2020) 176 final,
- ⑲ Having regard to the European Council conclusions of 10 and 11 December 2020,

- ⑳ Having regard to Council Decision (EU, Euratom) 2020/2053 of 14 December 2020 on the system of own resources of the European Union,
- ㉑ Having regard to the Interinstitutional Agreement of 16 December 2020 between the European Parliament, the Council and the European Commission on budgetary discipline, cooperation, sound financial management and own resources, including a roadmap for introducing new own resources,
- ㉒ Having regard to Council Regulation (EU, Euratom) 2020/2093 of 17 December 2020 laying down the multiannual financial framework for the years 2021 to 2027,
- ㉓ Having regard to Council Regulation (EU, Euratom) 2020/2094 of 17 December 2020 establishing a European Union Recovery Instrument to support the recovery in the aftermath of the COVID-19 crisis,
- ㉔ Having regard to the Senate report entitled "*L'impact économique de la réglementation environnementale 2020 (RE2020) : aider les ménages et les entreprises à renforcer l'efficacité énergétique des logements neufs*" no. 434 (2020-2021) - 10 March 2021 - by Mr Daniel GREMILLET, on behalf of the Economic Affairs Committee, on the economic impact of the 2020 environmental regulation (RE2020),
- ㉕ Having regard to Senate Resolution no. 84 (2020-2021) of 23 March 2021 inviting the Government to study the possibility of making its energy policy consistent with its environmental ambitions,
- ㉖ Having regard to Regulation (EU) 2021/1056 of the European Parliament and of the Council of 24 June 2021 establishing the Just Transition Fund,
- ㉗ Having regard to the Senate report entitled "*Où en est l'application de la loi 'Énergie-Climat' ? Où en est l'atteinte de l'objectif de 'neutralité carbone' ?*" no 553 (2020-2021) - 5 May 2021– by Mr Daniel GREMILLET produced on behalf of the European Affairs Committee,

- ⑳ Having regard to the report of the High Council on Climate entitled "*Renforcer l'atténuation, engager l'adaptation*", published on 30 June 2021,
- ㉑ Having regard to 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")
- ㉒ Having regard to the Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions "Fit for 55': delivering the EU's 2030 Climate Target on the way to climate neutrality," COM(2021) 550 final,
- ㉓ Having regard to the Proposal for a Directive of the European Parliament and of the Council amending Directive 2003/87/EC establishing a system for greenhouse gas emission allowance trading within the Union, Decision (EU) 2015/1814 concerning the establishment and operation of a market stability reserve for the Union greenhouse gas emission trading scheme and Regulation (EU) 2015/757, COM(2021) 551 final,
- ㉔ Having regard to the Proposal for a Directive of the European Parliament and of the Council amending Directive 2003/87/EC as regards aviation's contribution to the Union's economy-wide emission reduction target and appropriately implementing a global market-based measure, COM(552) final,
- ㉕ Having regard to the Proposal for a Regulation of the European Parliament and of the Council amending Regulations (EU) 2018/841 as regards the scope, simplifying the compliance rules, setting out the targets of the Member States for 2030 and committing to the collective achievement of climate neutrality by 2035 in the land use, forestry and agriculture sector, and (EU) 2018/1999 as regards improvement in monitoring, reporting, tracking of progress and review, COM(2021) 554 final,
- ㉖ Having regard to the Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) 2018/842 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to

climate action to meet commitments under the Paris Agreement, COM(2021) 555 final,

③⑤ Having regard to the Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) 2019/631 as regards strengthening the CO₂ emission performance standards for new passenger cars and new light commercial vehicles in line with the Union's increased climate ambition, COM(2021) 556 final,

③⑥ Having regard to the Proposal for a Directive of the European Parliament and of the Council amending Directive (EU) 2018/2001 of the European Parliament and of the Council, Regulation (EU) 2018/1999 of the European Parliament and of the Council and Directive 98/70/EC of the European Parliament and of the Council as regards the promotion of energy from renewable sources, and repealing Council Directive (EU) 2015/652, COM(2021) 557 final,

③⑦ Having regard to the Proposal for a Directive of the European Parliament and of the Council on energy efficiency (recast), COM(2021) 558 final,

③⑧ Having regard to the Proposal for a Regulation of the European Parliament and of the Council on the deployment of alternative fuels infrastructure, and repealing Directive 2014/94/EU of the European Parliament and of the Council, COM(2021) 559 final,

③⑨ Having regard to the Proposal for a Regulation of the European Parliament and of the Council on ensuring a level playing field for sustainable air transport, COM(2021) 561 final,

④⑩ Having regard to the Proposal for a Regulation of the European Parliament and of the Council on the use of renewable and low-carbon fuels in maritime transport and amending Directive 2009/16/EC, COM(2021) 562 final,

④⑪ Having regard to the Proposal for a Council Directive restructuring the Union framework for the taxation of energy products and electricity (recast), COM(2021) 563 final,

④⑫ Having regard to the Proposal for a Regulation of the European Parliament and of the Council establishing a carbon border adjustment mechanism, COM(564) final,

- ④③ Having regard to the Proposal for a Decision of the European Parliament and of the Council amending Directive 2003/87/EC as regards the notification of offsetting in respect of a global market-based measure for aircraft operators based in the Union, COM(2021) 567 final,
- ④④ Having regard to the Proposal for a Regulation of the European Parliament and of the Council establishing a Social Climate Fund, COM(2021) 568 final,
- ④⑤ Having regard to the Proposal for a Decision of the European Parliament and of the Council amending Decision (EU) 2015/1814 as regards the amount of allowances to be placed in the market stability reserve for the Union greenhouse gas emission trading scheme until 2030, COM(2021) 571 final,
- ④⑥ Having regard to the Communication from the European Commission of 14 July 2021 entitled "A strategic rollout plan to outline a set of supplementary actions to support the rapid deployment of alternative fuels infrastructure", COM(2021) 560 final,
- ④⑦ Having regard to the Communication from the European Commission of 16 July 2021 entitled "New EU Forest Strategy for 2030", COM(2021) 572 final,
- ④⑧ Having regard to the report on European firms and climate change 2020/2021 from the European Investment Bank, published on 9 August 2021,
- ④⑨ Having regard to the Sixth Assessment Report from the United Nations' Intergovernmental Panel on Climate Change, especially the report of its Working Group I entitled "Climate Change 2021: The Physical Science Basis", published 9 August 2021,
- ⑤⑩ Having regard to Law no. 2021-1104 of 22 August 2021 supporting the fight against climate change and reinforcing resilience in the face of its effects, particularly Article 1,
- ⑤⑪ Having regard to the European Court of Auditors' special report no. 22 entitled "Sustainable finance: More consistent EU action needed to redirect finance towards sustainable investment",

- ⑤② Having regard to the Senate report entitled "*La méthanisation : au-delà des controverses, quelles perspectives ?*" no. 872 (2020-2021) –29 September 2021 – by Mr Daniel SALMON, written on behalf of the fact-finding mission "*La méthanisation dans le mix énergétique : enjeux et impacts*", chaired by Mr Pierre CUYPERS, on the French biogas industry,
- ⑤③ Having regard to the Communication of the European Commission of 13 October 2021 entitled "Tackling rising energy prices: a toolbox for action and support", COM(2021) 660 final,
- ⑤④ Having regard to the Resolution of the European Parliament of 21 October 2021 on the climate, energy and environmental State aid guidelines, 2021/2923(RSP),
- ⑤⑤ Having regard to the political opinion of the Senate European Affairs Committee of 28 October 2021 on the public consultation initiated by the European Commission entitled "Trade and sustainable development in EU trade agreements: Review of current approach",
- ⑤⑥ Having regard to the Senate Resolution no. 22 (2021-2022) of 2 November 2021 seeking to affirm the need for an ambitious agreement at COP26 in Glasgow to ensure the Paris Climate Agreement is applied effectively,
- ⑤⑦ Having regard to the letter of assignment of 4 November 2021 from the President of the Senate to Mr Louis-Jean de Nicolaÿ, Senator, to represent the Senate at the meeting held by the Interparliamentary Union on 7 November 2021 at COP26 in Glasgow,
- ⑤⑧ Having regard to the Senate European Resolution of a reasoned opinion no. 31 (2021-2022) of 8 November 2021 on the compliance with the principle of subsidiarity of the Proposal for a Regulation of the European Parliament and of the Council amending Regulations (EU) 2018/841 as regards the scope, simplifying the compliance rules, setting out the targets of the Member States for 2030 and committing to the collective achievement of climate neutrality by 2035 in the land use, forestry and agriculture sector, and (EU) 2018/1999 as regards improvement in monitoring, reporting, tracking of progress and review,

- ⑤⑨ Having regard to the Glasgow Climate Pact adopted on 13 November 2021,
- ⑥⑩ Having regard to the Report by the Presidency of the Council of the European Union on the progress of work on the "Fit for 55" package of 22 November 2021,
- ⑥⑪ Having regard to the Report by the Presidency of the Council of the European Union on the progress of five cases related to the environment in the "Fit for 55" package of 06 December 2021,
- ⑥⑫ Having regard to the Senate European Resolution no. 47 (2021-2022) of 7 December 2021 on including nuclear power in the EU's taxonomy of sustainable investments,
- ⑥⑬ Having regard to Senate report no. 279 (2021-2022) – 9 December 2021 – by Messrs Didier MANDELLI, Guillaume CHEVROLLIER and Ronan DANTEC, written on behalf of the Territorial and Sustainable Development Committee, on the results of the Glasgow climate negotiations (COP26),
- ⑥⑭ Having regard to the Proposal for a Directive of the European Parliament and of the Council on the energy performance of buildings (recast), COM(2021) 802 final,
- ⑥⑮ Having regard to the Proposal for a Directive of the European Parliament and of the Council on common rules for the internal markets in renewable and natural gases and in hydrogen, COM(2021) 803 final,
- ⑥⑯ Having regard to the Proposal for a Directive of the European Parliament and of the Council on the internal markets for renewable and natural gases and for hydrogen (recast), COM(2021) 804 final,
- ⑥⑰ Having regard to the Proposal for a Regulation of the European Parliament and of the Council on methane emissions reduction in the energy sector and amending Regulation (EU) 2019/942, COM(2021) 805 final,
- ⑥⑱ Having regard to the Proposal for a Council Decision amending Decision (EU, Euratom) 2020/2053 on the system of own resources of the European Union, COM(2021) 570 final,

- ⑥9 Having regard to the speech given by Ms Christine LAGARDE, President of the European Central Bank, at the meeting of the Presidents of the Conference of Parliamentary Committees for Union Affairs (COSAC) in the Senate on 14 January 2022,
- ⑦0 Having regard to European Court of Auditors Review 01/2022 of 31 January 2022 on energy taxation, carbon pricing and energy subsidies,
- ⑦1 Whereas the multiplication and intensification of extreme climate and weather phenomena caused by global warming, the human-induced nature of which has been widely established by international scientific work and summarised by the Intergovernmental Panel on Climate Change (IPCC),
- ⑦2 Whereas climate change has dramatic consequences, the extent and nature of which are undoubtedly still underestimated in economic, social and cultural terms, as are its consequences on the food supply and public health, for example by facilitating the emergence of illnesses with the potential of becoming pandemics,
- ⑦3 Whereas climate change, in this sense, constitutes an existential threat for humankind and the civilisations that it comprises, as well as for the animal and plant species that populate the planet,
- ⑦4 Whereas it is imperative to implement the Paris Agreement adopted on 12 December 2015 and ratified on 5 October 2016, with a view to containing the rise in the planet's average temperature to well below 2 degrees Celsius compared to pre-industrial levels and to continue efforts to further limit the temperature increase to 1.5 degrees Celsius,
- ⑦5 Whereas the European Green Deal and its operational translation through the European Climate Law and the "Fit for 55" package presented by the European Commission on 14 July 2021 will allow Europe's climate trajectory to be adjusted to the objectives of the Paris Agreement,
- ⑦6 Whereas the interdependence of the proposals presented by the Commission in the "Fit for 55" package and the package's direct links with other legislative measures, especially the Proposal for a

Council Decision amending the Decision on the system of own resources,

- ⑦⑦ Whereas the implementation of the European Green Deal represents a major shift in approach that requires special attention to be paid to its social, economic and territorial effects, the public resources to support the required efforts, the financial ability of the EU's households and businesses to assume the cost of decarbonisation, as well as the implementation of European technological capabilities to tackle the challenges,
- ⑦⑧ Whereas this change in approach requires strong political commitment at all levels to be understood and shared by EU citizens, and it must be socially inclusive,
- ⑦⑨ Whereas this change in approach must lead public policies to encourage a shift to low-carbon methods of transport and to better account for the usages and entire lifecycle of products given the stakes of carbon neutrality,
- ⑧⑩ Whereas it would therefore be beneficial to develop suitable indicators for both public and private accounting,
- ⑧⑪ Whereas the potential effects of the "Fit for 55" package and the spike in energy prices encourage us to reform Europe's electricity market,
- ⑧⑫ Whereas Article 194 of TFEU recognises that the measures taken in the domain of energy must not infringe on a Member State's right to determine the conditions under which its energy resources are used, its choices between different energy sources, and the general structure of its energy supply,
- ⑧⑬ Whereas it is necessary to further preserve and reinforce the competitiveness of EU businesses while offering them the necessary perspectives to allow them to adjust to the challenges of decarbonisation, taking into account the potential effects of reorganising economic industries, especially on employment,
- ⑧⑭ Whereas there are economic opportunities offered by the climate transition and the need to speed up the development of European low-cost industries to make Europe an industrial spearhead in the field,

- ⑧⑤ - *Regarding the general objectives and the negotiation method of the "Fit for 55" package:*
- ⑧⑥ Renews its support for the objectives of reducing greenhouse gas emissions by at least 55% by 2030, compared to 1990, and achieving carbon neutrality by 2050;
- ⑧⑦ Reiterates the need for France to comply with these commitments, which are set out in Article 1 of Law no. 2019-1147 of 8 November 2019 on energy and the climate and, at the initiative of the Senate, in Article 1 of Law no. 2021-1104 of 22 August 2021 on fighting climate change and strengthening resilience to its effects;
- ⑧⑧ Invites the Government, as part of the French Presidency of the Council of the European Union, to encourage the Council to adopt general guidelines on the "Fit for 55" package by the end of the first half of 2022, which is also the period the European Parliament has chosen to establish its negotiating position, so that the trilogues phase can be opened quickly; stresses the urgency of achieving a clear and sustainable framework for households, businesses and territories, given the considerable ambitions for 2030;
- ⑧⑨ Notes the difficulty of understanding the "Fit for 55" package in view of the interactions between the various proposed measures; insists on the need to preserve the package's overall coherence to effectively reach the target of a 55% reduction in greenhouse gas emissions by 2030, compared to 1990 levels; urges the European Commission to submit updated impact studies during the negotiations, incorporating sectoral and territorial approaches, as well as additional financial estimates, to ensure that the proposed measures are capable of reaching the objectives set and to assess their impact on EU households, businesses and local authorities;
- ⑨⑩ Considers it necessary to establish suitable methods to involve national parliaments in the negotiations and then when the measures are implemented, given their budgetary impact on Member States as well as their social, economic and territorial impacts; reiterates in this regard that, to come into force, the Council Decision amending Decision (EU, Euratom) 2020/2053 on the system of own resources of the European Union, which

includes aspects of the "Fit for 55" package, can only come into force after ratification by national parliaments;

- ⑨① Expresses reservations about the criteria used by the European Commission for the implementation of certain measures, which lead to insufficient consideration of cost-effectiveness; calls for a reassessment of this issue;
- ⑨② Recalls that the Member States have sovereignty in determining the general structure of their energy supply; calls for appropriate account to be taken of Member States' varying situations with regard to the challenge of decarbonising their economies when implementing the package's measures; considers that Member States whose electricity production is already largely decarbonised must be able to use this strategy to enhance their commitment to reducing greenhouse gas emissions and that diversification objectives that are not suited to their energy system must not be imposed on them; calls for complete technological neutrality to be guaranteed between the processes, technologies or research and innovation projects that contribute in an equivalent way to decarbonising the economy;
- ⑨③ Considers that Member States must have enough room for manoeuvre to reach the objectives set, in particular in regards to the structure of their economy and their current level of decarbonisation; considers it important that the European Commission ensures the various Member States respect and do not circumvent the objectives that are assigned to them so that the EU as a whole reaches its objectives; calls on the European Commission to implement tracking mechanisms that do not involve a disproportionate administrative workload;
- ⑨④ Reiterates the need for stable standards and clear perspectives to increase investment into the transition to a zero-carbon economy; invites the European Commission to avoid European legislative instability, especially in energy;

- ⑨⑤ Asserts that the transition to a zero-carbon economy must not be synonymous with degrowth; highlights the need to reconcile the fight against climate change, sustainable development, economic development and social inclusion; reiterates that the EU must not deprive itself of any technology that could help it reach the ambitious targets it has set for itself, especially in terms of climate neutrality and energy efficiency, and that it must foster the development of a circular economy, especially in the car industry, for example by repurposing vehicles or reusing spare parts;
- ⑨⑥ Underscores the risk of social protests or a breakdown in how the EU's actions are perceived that would result from a poor assessment of the ability of households, businesses and local authorities to absorb the proposed measures and the speed with which they are rolled out; considers that the risk of an increase in inequality due to the proposed measures must be considered; urges the Council to make sure that the measures are socially, economically and territorially acceptable and to anticipate the necessary provisions to support and make this transition socially inclusive; calls for an optimal balance between market measures, regulatory measures, budgetary support and tax incentives both at the EU and Member State levels;
- ⑨⑦ Considers in this regard that the particularly high level of investment required to reach the 2030 objectives and then carbon neutrality by 2050 must lead to further thought on how to share public and private financing and urgent action on completing the green taxonomy, as well as a plan for adjusting the rules of the Stability and Growth Pact; invites the European Commission to clarify the financial stakes related to the climate transition; worries whether the resources are sufficient to meet the needs, particularly given the current and future levels of own resources, which are well below planned spending and calls on the Commission to present a global financing strategy that meets the challenges and, if need be, to consider grouping together the various contributing funds; recalls that new own resources must be allocated to paying off the shared bond issuance to fund the Next Generation EU recovery instrument;
- ⑨⑧ Reiterates the importance of a local approach and asks that the European Commission presents a global financing strategy that is suitable to local authorities' capabilities and opportunities for action; considers that the mobilisation and coherence of the various

structural funds, European investment funds and financial support programmes for local authorities is a necessary condition to achieving the 2030 objectives and carbon neutrality in 2050;

⑨⑨ Considers that the transition to a zero-carbon economy presents real opportunities for economic development, but that the EU's displayed ambition requires it to show leadership in the economy and sustainable development, as well as to be a prescriber of sustainability standards; feels that it is essential that this transition contributes to improving the resiliency of the EU's economy and reinforcing the EU's energy independence and sovereignty with a view to asserting its strategic autonomy; hopes that it also allows for a green 'reindustrialisation' of the EU; nevertheless highlights the need to accompany the most vulnerable economic players, households and local areas to allow for a fair transition and to preserve European economic players' ability to innovate so that it does not deprive itself of any potential technological advance that could help achieve the EU's climate ambitions or meet the needs of third countries' markets in this field;

⑩⑩ Is concerned about the carbon footprint of digital technology, which already accounts for 2% of greenhouse gas emissions in France and could rise to 6.7% by 2040; calls on the Commission and the Member States to tackle this issue and to ensure that the carbon footprint of digital technology is kept under control as part of the digital transition;

⑩① - *Regarding the Effort Sharing Regulation:*

⑩② Observes that the European Commission proposes to maintain the scope of the Effort Sharing Regulation while it also proposes to extend the scope of the sectors covered by the EU Emissions Trading System (EU ETS); approves maintaining the scope of the Effort Sharing Regulation at this stage; also notes that the new interactions between this regulation and the Regulation amending Regulation (EU) 2018/841 as regards the scope of application, setting objectives for Member States for 2030, and the commitment to collectively achieving climate neutrality by 2035 in the land use, forestry and agriculture sector, and Regulation (EU) 2018/1999 as regards improved monitoring, reports, progress tracking and review;

- ⑩③ Welcomes the balance proposed between the 2030 emissions reduction objective assigned to the sectors covered by the Effort Sharing Regulation and the objective assigned to sectors covered by the EU ETS;
- ⑩④ Notes that the calculation method used to set national objectives remains based on GDP per capita, with a limited number of target corrections applied to respond to concerns about the effectiveness in regards to the cost; considers that the cost-effectiveness ratio was insufficiently taken into account; notes, therefore, the significant discrepancy between the objectives assigned to Member States, with emission reductions in 2030 compared to 2005 ranging between 10% and 50% for the sectors covered by the Effort Sharing Regulation; recalls that all Member States must commit to an ambitious zero-carbon trajectory to allow the EU to reach carbon neutrality by 2050; calls for appropriate use of the flexibilities provided for in the draft regulation;
- ⑩⑤ Considers that a mechanism of sanctions, possibly financial, could be implemented should Member States manifestly and deliberately not comply with the objectives under the Effort Sharing Regulation in order to ensure that all Member States are determined to honour the trajectories assigned to them and add credibility to Europe's objective to reduce greenhouse gas emissions by 55% in 2030 compared to 1990;
- ⑩⑥ *- Regarding taking into account land use, changes in land use, and forestry:*
- ⑩⑦ Notes that the "Fit for 55" package sets a carbon absorption level at 310 million CO₂ equivalent tonnes in 2030, shared by the Member States as constraining objectives, and sets a target of climate neutrality of land by 2035; notes that non-CO₂ emissions from the agricultural sector would be taken into account from 2031;
- ⑩⑧ Considers that this is an ambitious objective given that CO₂ absorption has decreased in the land sector in recent years;
- ⑩⑨ Insists on the need for precise impact assessments of the proposed trajectory on agricultural activity;

- ⑪⑩ *- Regarding the EU Emissions Trading System (EU ETS) currently in place in the energy, manufacturing and air transport sectors (ETS-1):*
- ⑪⑪ Duly notes the assessments of the European Commission on the results of the Emissions Trading System; considers nevertheless that this calls for a deep and contradictory evaluation given the low price for a tonne of CO₂ during the period, with energy decarbonation and energy efficiency policies probably heavily weighing on this result;
- ⑪⑫ Welcomes the proposals to reform the current Emissions Trading System in the energy, manufacturing and air transport sectors (ETS-1), especially by increasing the linear reduction factor that seeks to adjust the decarbonisation trajectory to the objective to reduce emissions by 61% by 2030 compared to 2005 assigned to these sectors or by a better targeting of free quotas to industries exposed to a risk of carbon offshoring that are not protected by the Carbon Border Adjustment Mechanism;
- ⑪⑬ Considers relevant the proposal to consolidate the Market Stability Reserve (MSR) to reinforce the price stability of a tonne of CO₂ on the ETS;
- ⑪⑭ Welcomes the European Commission's proposal that Member States dedicate all revenues from auctioning EU ETS-1 allowances to spending on their climate policies, following the model implemented by France;

- ⑪⑤ *- Regarding the proposal to create a new emissions trading system for the building and road transport sectors and create a social climate fund:*
- ⑪⑥ Notes that the creation of a new emissions trading system for the building and road transport sectors raises concerns about the risk of higher energy prices for households and small and medium businesses; observes that most private journeys are forced in areas where there is no alternative to private cars and that purchasing a lower-emissions vehicle can be difficult for certain households, especially for financial reasons; observes that the emissions trading system under consideration from 2026 implies a price of carbon set at a particularly high level in the hopes of significantly reducing emissions by the end of the decade;
- ⑪⑦ Considers, therefore, given the balance between the social consequences and its uncertain benefits for the climate, that this proposal is not acceptable in its current state; considers insufficient the supporting elements provided by the Commission for the social impact of this measure and the ability of the new social climate fund to meet the needs for support, given the EU provisions set up within the 2021-2027 Multiannual Financial Framework and the Next Generation EU recovery instrument;
- ⑪⑧ Notes, nevertheless, the need to implement ambitious public policies to reduce the emissions specific to the building and transport sectors, which represent nearly half of Europe's emissions;
- ⑪⑨ Asserts that guarantees and compensations must be provided should the proposal to create an emissions trading system for the building and road sectors be maintained; especially considers that these guarantees could consist in excluding private individuals from the system and in setting a ceiling price for this market;
- ⑪⑩ Considers it essential, should this system be maintained for private individuals, that additional resources should be allocated to the creation of an emissions trading system for the building and road transport sectors to accompany the most vulnerable households in renovating their homes and in accessing low carbon means of transport, especially in rural areas; consequently calls on the Commission to offer suitable proposals as the negotiations progress;

- ⑫① Considers it in any case essential that the system under consideration, whatever its end scope, remains separate from the current emissions trading system in place for the energy, manufacturing and air transport sectors;
- ⑫② Considers it necessary that research and development should have greater financial support to help decarbonise Europe's economy and accompany the continent's green reindustrialisation, for example by allocating a share of the new emissions trading system's revenue to the Innovation Fund;
- ⑫③ Notes that any changes to the system being negotiated should be taken into account in the negotiations on the social climate fund and the Council's amendment Decision on own resources;
- ⑫④ *- Regarding the application of EU ETS to air and sea transport:*
- ⑫⑤ Observes that the proposal to phase out free allowances for air transport by 2027 is in line with the legislative will expressed in Article 142 of the Law of 22 August 2021 on fighting climate change and strengthening resilience, which aims to introduce appropriate carbon pricing with priority given to its implementation at the European level;
- ⑫⑥ Invites the European Commission, should risks of carbon offshoring arise from removing free allowances in air transport, to study the suitability in the future of adequate and proportionate protective measures, for example based on the Carbon Border Adjustment Mechanism;
- ⑫⑦ Stresses the need for additional measures to speed up the shift to rail transport, especially by changing EU regulations for a minimum price for plane tickets, in accordance with the legislative will expressed in Article 144 of the Law of 22 August 2021 on fighting climate change and strengthening resilience,
- ⑫⑧ Expresses its desire that the increased resources of the Innovation Fund benefit research and development into decarbonising air transport, especially by supporting the development of a biofuel industry;

- ⑫⁹ Welcomes the proposed extension of the emissions trading scheme to maritime transport to support the sector in decarbonising its activities;
- ⑬⁰ - *Regarding the Carbon Border Adjustment Mechanism:*
- ⑬¹ Welcomes the European Commission's proposal to introduce a carbon border adjustment mechanism, which France and especially the Senate have supported for many years, in order to prevent the risk of carbon offshoring, to ensure fairness in international trade relations, and to reconcile the fight against climate disruption, sustainable development, economic development and social inclusion;
- ⑬² Especially hopes that this mechanism will contribute to effectively protecting European industries in the relevant sectors in their decarbonisation efforts and allow for the free allowances under ETS-1 to be phased out gradually without risking carbon offshoring, which would encourage these activities to move outside the EU; considers the proposed mechanism to be incomplete in this respect;
- ⑬³ Therefore, considers that emissive base commodities exposed to a risk of carbon offshoring should be covered by the adjustment mechanism where the carbon intensity of imported products can be assessed; also considers that, in light of this criterion and subject to an in-depth impact assessment, additional commodities could be included in the mechanism through a review clause planned by the European Commission in 2026;
- ⑬⁴ Notes that, as things stand, European exporters would lose competitiveness as a result of an increase in the price of commodities covered by the Carbon Border Adjustment Mechanism and impacted by the gradual phasing-out of free allowances under ETS-1; stresses that this situation is not acceptable; considers it essential to find a solution that complies with World Trade Organization (WTO) rules so as not to penalise European exporters and, between now and the 2026 review clause and subject to the same rules of WTO compatibility, to study the advisability of extending the Carbon Border Adjustment Mechanism to certain finished products exposed to a risk of carbon offshoring;

- ⑬⑤ Raises questions about the appropriateness of the speed of reducing free allowances until they expire in 2036, given that it is essential to accelerate the decarbonisation of European industries over this decade and that there is a desire to encourage the development of innovative industrial sectors that would contribute to a green reindustrialisation of Europe;
- ⑬⑥ Invites the Commission to check the conditions of compatibility with WTO rules, which could lead to prohibiting the cumulation of trade protections in the Carbon Border Adjustment Mechanism, on the one hand, and free allowances, on the other;
- ⑬⑦ Considers that the Carbon Border Adjustment Mechanism can and should be a tool for the EU's climate diplomacy in the upcoming United Nations Framework Convention on Climate Change negotiations, especially the 27th Conference of the Parties planned for 2023; in this regard, to encourage third countries to step up their climate ambitions, invites the European Commission to use the transition period before the mechanism comes into force in 2026 to bring EU ETS closer to equivalent emissions trading systems; to this end, also considers that adjustments could be made for less advanced countries, particularly in Africa, in order to ease the crisis of confidence observed at COP26 between developed and developing countries, which risks paralysing climate negotiations sustainably; considers it wise to take into account the effects of this adjustment mechanism on EU candidate countries as well as EU Customs Union members under the European Neighbourhood Policy or the Eastern Partnership and, if need be, to support them in their decarbonisation policies;
- ⑬⑧ - *Regarding vehicle emissions standards:*
- ⑬⑨ Notes that the European Commission is proposing an end to the sale of new internal combustion vehicles within the European market in 2035, based on the recommendations made by the International Energy Agency (IEA) for reaching carbon neutrality by 2050;
- ⑬⑩ Considers, given the acceleration in the transition to electric engines made by French and European carmakers and the adaptation measures seen in the car sector, that this perspective seems ambitious and cannot be brought forward; calls for the

establishment of a temporary exemption for the first commercialisation of hybrid vehicles until 2040;

- ①41 Judges it necessary to support the car sector through support for professional training or redeployment for employees who could be impacted by this transition;
- ①42 - *Regarding the taxation of energy:*
- ①43 Considers it necessary to take into account the crisis in energy prices and its impact on households and businesses;
- ①44 Calls for the reinforcement of tax incentives for energy-intensive companies;
- ①45 Asks that technological neutrality be applied between renewable and low-carbon hydrogen and between renewable and low-carbon electricity in the electricity taxation; calls for simple and incentive-based tax treatment of biofuels, biogas, low-carbon gas and wood energy;
- ①46 Calls for consideration to be given to the specific circumstances of local and regional authorities and their groupings as energy distribution organisation authorities (*Autorités Organisatrices de la Distribution d'Énergie, AODE*) by giving them appropriate tax treatment and involving them in negotiations on electricity taxation;
- ①47 Draws attention to the fact that defining those energy-vulnerable households that can receive tax support must be a competence of Member States;
- ①48 - *Regarding the promotion of energy from renewable sources:*
- ①49 Considers it necessary to account for the economic and climate characteristics of the energy mix by setting general, realistic and appropriate diversification objectives; calls for consideration to be given to the impact of these objectives on the balance and performance of the energy system, especially energy prices, as well as the balance, steering, storing and carbon balance of these energies;
- ①50 Considers that Member States must be fully sovereign in setting their energy mix, especially the extent and timeline for diversification; draws attention to the need to avoid imposing

inappropriate diversification objectives on Member States whose electricity production is already largely decarbonised;

- ①51 Notes that biofuels already meet sustainability criteria; calls for the promotion of biofuels of all generations, taking care to exclude those with a high carbon balance risk, particularly as regards changes in land use, such as biofuels from palm oil and soja;
- ①52 Calls for a better inclusion of biogas and low-carbon gas, especially those from waste without conflicts of use, heat and cooling networks, and cogeneration;
- ①53 Asks that technological neutrality be applied between renewable and low-carbon hydrogen in the decarbonisation of industry;
- ①54 Calls for the sustainability criteria for biomass not to be destabilised, in particular with regard to the cascade principle, capacity thresholds, emission levels and the framework for wood energy;
- ①55 Asks that the obligation of information, planned for manufactured products, be extended from renewable energy to low-carbon energy;
- ①56 Calls for consideration to be given to the specific circumstances of local and regional authorities and their groupings as energy distribution organisation authorities (*Autorités Organisatrices de la Distribution d'Énergie*, AODE) by increasing their involvement in the implementation of renewable energy projects;
- ①57 - *Regarding energy efficiency:*
- ①58 Considers that Member States must be fully sovereign in applying the energy primacy principle, and thus be able to add a carbon efficiency principle and take energy efficiency initiatives for energy-vulnerable households;
- ①59 Calls for special consideration to be given to public landlords in determining the obligation to reduce energy consumption by applying an appropriate legal status to them;

- ①60 Considers that the specificity of electricity, gas, heating and cooling networks must also be taken into consideration in this assessment;
- ①61 Considers that local and regional authorities and their groupings as energy distribution organisation authorities (*Autorités Organisatrices la Distribution d'Énergie*, AODE) should be more involved in implementing energy efficiency initiatives;
- ①62 Considers that the use of energy performance contracts and public order criteria for energy efficiency should be encouraged;
- ①63 - *Regarding the energy performance of buildings:*
- ①64 Considers that the implementation of new energy performance standards for builders, owners (whether private or public landlords, single or joint owners) and renters must be accompanied by financial support;
- ①65 Calls for special consideration to be given to public landlords in determining the obligation to reduce energy consumption by applying an appropriate legal status to them;
- ①66 Considers that the specificity of tertiary buildings must also be taken into consideration in this assessment;
- ①67 Considers that an appropriate, ambitious and gradual emissions threshold must be applied for fossil fuels used for heating and cooling, rather than a sudden prohibition;
- ①68 Asks that technological neutrality be applied between renewable and low-carbon energy and between on-site and network renewable energy, especially when defining low-emissions buildings;
- ①69 Asks that an experiment for a biogas power system for buildings be planned;
- ①70 Calls for a good interaction between national and EU standards to be maintained;
- ①71 - *Regarding the initiative to incorporate sustainable fuels in the aviation industry:*

- ①72 Calls for a fine-tuning of deadlines, compensation of additional costs, and encouragement for investments in implementing the objective to incorporate sustainable fuels in the aviation sector;
- ①73 Asks that technological neutrality be applied between renewable and low-carbon hydrogen and between renewable and low-carbon energy in this incorporation;
- ①74 Considers it necessary to better integrate the various synthetic and biofuels;
- ①75 - *Regarding the initiative to integrate sustainable fuels in the shipping industry:*
- ①76 Wishes to increase the limits on the intensity of the greenhouse gas emissions from the energy used onboard to increase the use of sustainable fuels in the shipping industry;
- ①77 Asks that support be provided for local and regional authorities and their groupings as energy distribution organisation authorities (*Autorités Organisatrices la Distribution d'Énergie*, AODE) to help compensate for the additional costs of electrification at the docks;
- ①78 Calls for the use of guarantees of origin to be allowed to encourage the use of bio-LNG and LNG;
- ①79 Considers it necessary to better integrate the various synthetic and biofuels;
- ①80 - *Regarding the rollout of an infrastructure for alternative fuels:*
- ①81 Calls for stronger restrictive objectives for the rollout of charging infrastructure for all transport methods, at least for the electric infrastructure for light utility vehicles;
- ①82 Considers it necessary to further integrate LNG, CNG, bio-LNG and bio-CNG as well as various synthetic and biofuels;
- ①83 Calls for a reinforcement and anticipation of the planned objective and for the hydrogen charging infrastructure;

- ①84 Asks that technological neutrality be applied between renewable and low-carbon hydrogen and between renewable and low-carbon energy in this incorporation;
- ①85 *- Regarding the integration of hydrogen, biogas and low-carbon gas:*
- ①86 Asks that technological neutrality be applied between renewable and low-carbon hydrogen in establishing emission thresholds;
- ①87 Calls for vigilance as to the emissions thresholds and criteria of additionality and correlation planned for hydrogen, which will be set out in a delegated act by the European Commission;
- ①88 Argues that the injection of hydrogen into natural gas networks should be a limited outlet;
- ①89 Calls for a place to be made for biogas and low-carbon gas, alongside hydrogen, in the decarbonisation of the gas sector;
- ①90 *- Regarding the issues in common to the aviation and shipping sectors:*
- ①91 Welcomes the proposals to reduce the carbon intensity of fuels in the shipping sector and to require the incorporation of biofuels in air transport, which will give these sectors visibility on the decarbonisation trajectory to take to reach carbon neutrality by the middle of the century;
- ①92 Is keen to ensure that this obligation does not lead to distortions of competition which could weaken the attractiveness of EU hubs or ports and the competitiveness of European companies in these sectors, or to carbon offshoring outside European borders;
- ①93 Nevertheless, observes that the requirement to refuel to at least 90% in European airports should avoid the risk of distortion of competition that could arise from applying the biofuel incorporation rules;
- ①94 Argues that, with the current state of technology, the reduction of CO₂ emissions from aviation relies to a large extent on the use of sustainable aviation fuels (SAF) and supports the development of a European market and international certification for SAFs;

- ①95 Stresses the need to invest in the various production technologies for alternative sustainable fuels and to have production industries able to meet the ambitions for decarbonising economic sectors;
- ①96 Notes that ending exemptions for kerosene for air transport and heavy petrol for maritime shipping will speed up the transition in these sectors and encourage the use of lower-carbon technological solutions; considers it necessary to maintain the exemption for the fishing sector;
- ①97 Reiterates the need to finish implementing the Single European Sky and speed up the digitisation of air traffic control, which should help to reduce the aviation sector's environmental impact;
- ①98 - *Regarding the European Union's role in fighting and leading on climate change:*
- ①99 Recalls that the fight against climate change is a global issue and that the European Union, which represents less than 8% of the world's greenhouse gas emissions, cannot tackle this challenge alone;
- ②00 Considers that the linear "Fit for 55" package must be a pillar of the EU's climate diplomacy by serving as leverage to increase third countries' ambitions, especially major developed and emerging countries, while allowing for adjustments and adaptations for less advanced countries, particularly in Africa;
- ②01 Considers it essential that the EU makes all its policies coherent in regards to the objectives of the European Green Deal in order to use all the means at its disposal to act as a driving force in the world, based on its norms and values, by paying special attention to the work done within certain international sector organisations or standard-setting bodies; considers it necessary to fully account for the effects of the "Fit for 55" package on third countries that have a special connection with the EU, especially candidate countries, member countries of the European Union Customs Union, countries with special economic agreements, or countries included in the EU Neighbourhood Policy or Eastern Partnership, by studying the possibility for special support measures if need be;

202 Insists on the fact that the European Union constitutes the world's largest trading bloc and has a broad network of trade agreements, which, if it gives itself the means to do so, allows it to see its standards, values and sustainability frameworks implemented and to use trade policy to support its geopolitical objectives;

203 Welcomes the fact that the European Union is working to encourage sustainable development and inclusive growth by incorporating a chapter on sustainable trade and development into its trade agreements, specifically committing the signatories to implement the multilateral environmental agreements to which they are party and to ratify and implement the fundamental conventions of the International Labour Organization (ILO); nevertheless observes that implementing this type of chapter proves to be complex, which must lead the EU to give itself suitable means to ensure that signatories' effectively fulfil their commitments; considers that the 15-point action plan drawn up in February 2018 by the Commission's staff reflects outdated thinking given the debates of recent years, which should lead the EU to step up its ambitions for the content of these chapters, particularly regarding the fight against climate change, preserving biodiversity, fighting deforestation, and encouraging responsible behaviour from companies;

204 Considers that the World Trade Organization (WTO) must include sustainable development issues in its work and adjust its rules to the imperatives of the fight against climate change, since it also has a significant role to play in helping fulfil United Nations sustainable development objectives pertaining to decent working conditions and gender equality; supports the Commission's desire to modernise how the WTO operates within a wider international framework, with a particular view to modernising subsidy rules by stepping up transparency and notification requirements and clarifying the rules that apply to horizontal industrial subsidies; calls for a solution to be found quickly to resume work at the Appellate Body for the WTO's dispute settlement system;

205 Reiterates that the EU's internal market is a fundamental advantage, and its integrity must be preserved;

206 Invites the Government to put forward this position in the negotiations in the Council.