



**COUNCIL OF  
THE EUROPEAN UNION**

**Brussels, 11 December 2013**

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#### **INFORMATION NOTE**

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from: General Secretariat  
to: Permanent Representatives Committee / Council  
Subject: Proposal for a Decision of the European Parliament and of the Council amending Directive 2003/87/EC clarifying provisions on the timing of auctions of greenhouse gas allowances  
– Outcome of the European Parliament's first reading  
(Strasbourg, 9 to 12 December 2013)

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#### **I. INTRODUCTION**

On 16 April 2013, the Parliament in plenary voted to reject the Commission's proposal for a Decision, asked the Commission to withdraw the proposal, and referred the matter back to the Parliament's Committee on the Environment, Public Health and Food Safety <sup>1</sup>.

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<sup>1</sup> Doc. 8431/13

On 3 July 2013, the Parliament in plenary adopted one amendment, but did not adopt its legislative resolution - thus not bringing to a close its first reading. The plenary instead referred the matter back to the Committee on the Environment, Public Health and Food Safety for reconsideration with a view to starting negotiations for a first-reading agreement <sup>1</sup>.

On 9 November 2013, the Committee of Permanent Representatives mandated the Presidency to seek a first-reading agreement with the Parliament. Such an agreement was subsequently reached during a discussion between the Presidency and the Rapporteur, without the need for a trilogue. This agreement consisted in the Commission's proposal as amended by the amendment adopted by the plenary on 3 July 2013. The Committee of Permanent Representatives approved this agreement on 20 November 2013.

## **II. VOTE**

When it voted on 10 December 2013, the plenary adopted its legislative resolution (as set out in the annex hereto), in which it adopted a first-reading position that included the amendment adopted on 3 July 2013. The Commission's proposal as amended by this amendment constitutes the Parliament's first-reading position.

The Parliament's position reflects what had been previously agreed between the institutions. The Council should therefore be in a position to approve the Parliament's position.

The act would then be adopted in the wording which corresponds to the Parliament's position.

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<sup>1</sup> Doc. 11679/13

## Timing of auctions of greenhouse gas allowances \*\*\*I

**European Parliament legislative resolution of 10 December 2013 on the proposal for a decision of the European Parliament and of the Council amending Directive 2003/87/EC clarifying provisions on the timing of auctions of greenhouse gas allowances (COM(2012)0416 – C7-0203/2012 – 2012/0202(COD))**

**(Ordinary legislative procedure: first reading)**

*The European Parliament,*

- having regard to the Commission proposal to Parliament and the Council (COM(2012)0416),
  - having regard to Article 294(2) and Article 192(1) of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C7-0203/2012),
  - 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 14 November 2012<sup>1</sup>,
  - after consulting the Committee of the Regions,
  - having regard to its resolution of 15 March 2012 on a Roadmap for moving to a competitive low carbon economy in 2050<sup>2</sup>,
  - having regard to the undertaking given by the Council representative by letter of 20 November 2013 to approve Parliament's position, in accordance with Article 294(4) of the Treaty on the Functioning of the European Union,
  - having regard to Rule 55 of its Rules of Procedure,
  - having regard to the report of the Committee on the Environment, Public Health and Food Safety and the opinion of the Committee on Industry, Research and Energy (A7-0046/2013),
1. Adopts its position at first reading hereinafter set out<sup>3</sup>;
  2. Calls on the Commission to refer the matter to Parliament again if it intends to amend its proposal substantially or replace it with another text;
  3. Instructs its President to forward its position to the Council, the Commission and the national

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<sup>1</sup> OJ C 11, 15.1.2013, p. 87.

<sup>2</sup> OJ C 251 E, 31.8.2013, p. 75.

<sup>3</sup> This position corresponds to the amendment adopted on 3 July 2013 (Texts Adopted, P7\_TA(2013)0310).

parliaments.

**Position of the European Parliament adopted at first reading on 10 December 2013 with a view to the adoption of Decision No .../2013/EU of the European Parliament and of the Council amending Directive 2003/87/EC clarifying provisions on the timing of auctions of greenhouse gas allowances**

(Text with EEA relevance)

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 192(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 Committee<sup>1</sup>,

After consulting the Committee of the Regions,

Acting in accordance with the ordinary legislative procedure<sup>2</sup>,

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<sup>1</sup> OJ C 11, 15.01.2013, p. 87.

<sup>2</sup> Position of the European Parliament of 10 December 2013.

Whereas:

- (1) Article 10(4) of Directive 2003/87/EC of the European Parliament and of the Council<sup>1</sup> does not specify how volumes of greenhouse gas emission allowances to be auctioned are to be distributed over the trading period.
- (2) For the purposes of legal certainty and market predictability, it should be clarified that, in order to ensure the orderly functioning of the market, the Commission is able in exceptional circumstances to adapt the auction timetable pursuant to Article 10(4) of Directive 2003/87/EC.

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<sup>1</sup> 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 (OJ L 275, 25.10.2003, p. 32).

(3) Directive 2003/87/EC should therefore be amended accordingly,

HAVE ADOPTED THIS DECISION:

*Article 1*

In the first subparagraph of Article 10(4) of Directive 2003/87/EC the following sentences are added:

***"Where an assessment shows for the individual industrial sectors that no significant impact on sectors or subsectors exposed to a significant risk of carbon leakage is to be expected, the Commission may, in exceptional circumstances, adapt the timetable for the period referred to in Article 13(1) beginning on 1 January 2013 so as to ensure the orderly functioning of the market. The Commission shall make no more than one such adaptation for a maximum number of 900 million allowances."***

*Article 2*

This Decision is addressed to the Member States.

Done at ...,

*For the European Parliament*

*The President*

*For the Council*

*The President*