## Opinion of the Foreign and European Union Affairs Committee of the Senate of the Republic of Poland on 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 (EU) 2015/757 COM(2021)551 adopted at the sitting held on 23<sup>rd</sup> November 2021

Taking into account the opinion of the Special Committee on Climate adopted at the sitting held on 3-4 November 2021, the Foreign and European Union Affairs Committee delivers the following opinion:

1. The Foreign and European Union Affairs Committee and the Special Committee on Climate (the Committees) support, in principle, the adoption of amendments to the European Union Emissions Trading System (ETS).

2. The Committees urge the Government to adopt ambitious emissions reduction targets and make constructive proposals for ETS reform.

3. The Committees support systematic reductions in the number of emission permits issued, understanding that this is a necessary step to ensure the efficiency of the emissions trading system to systematically reduce emissions.

4. The Committees, while recognising the need to extend the ETS to new areas by creating a trading system for emissions from other sources, such as road transport and building sector (the so-called mini-ETS), do not support the adoption of a unified allowance price throughout the EU. They do, however, support measures aimed at adapting the system to the Polish realities, including the high dependence of households on coal power generation and the high emission intensity of small stationary sources.

5. The Committees are in favour of increasing the resources of the Innovation Fund and the Modernisation Fund. At the same time, in the opinion of the Committees, support from these funds should also be extended to the heating sector.

6. The Committees support the introduction of a building emissions trading system as an opportunity to implement the plans to move away from coal burning in households by 2040 as adopted by the Government in the programme "Energy Policy of Poland until 2040".

7. The Committees recognize the need to find solutions during the negotiations that will do more to support the exit from energy poverty in a manner consistent with the goals of a just transition.