

Amendment 13**Jacek Ozdoba**

on behalf of the ECR Group

Report**A10-0276/2026****Adam Jarubas**Revised heat and fuel benchmark values for 2026-2030
(COM(2026)0619 – C10-0189/2026 – 2026/0211(COD))**Proposal for a regulation****Article 1 – paragraph 1 – point -1**

Directive 2003/87/EC

Article 10a – paragraph 1 – subparagraph 6

*Present text**Amendment*

Allowances that are not allocated due to a reduction of free allocation in accordance with the third and fifth subparagraphs of this paragraph shall be used *to exempt installations from the adjustment in accordance with* paragraph 5 of this Article. *Where any such allowances remain, 50 % of those allowances shall be made available to support innovation in accordance with paragraph 8 of this Article. The other 50 % of those allowances shall* be auctioned in accordance with Article 10(1) of this Directive and Member States should use the respective revenues to address any residual risk of carbon leakage in the sectors covered by Annex I to Regulation (EU) 2023/956, supporting the transition and promoting their decarbonisation in accordance with State aid rules.

(-1) in Article 10a, paragraph 1, subparagraph 6 is replaced by the following:

"Allowances that are not allocated due to a reduction of free allocation in accordance with the third and fifth subparagraphs of this paragraph shall be used *as follows*:

(a) one third for the purposes of paragraph 2a of this Article;

(b) one third to be auctioned in accordance with Article 10 and the revenues generated from the auctioning to be transferred to the Modernisation Fund referred to in Article 10d, with priority being given to support investments aimed

***at the modernisation and decarbonisation
of district heating systems;***

***(c) one third to be transferred to the
Innovation Fund referred to in paragraph
8 of this Article.';"***

Or. en

(02003L0087-20240301)

Justification

District heating is a socially sensitive sector with a direct impact on the affordability and security of heat supply for citizens. Its social function justifies treating it differently from industrial production sectors. Prioritising part of the investments financed through the Modernisation Fund for district heating would support the decarbonisation and modernisation of district heating installations while helping to avoid excessive cost increases for final consumers, which is particularly important in the current context of rising living costs across Europe.