# CHAMBER OF DEPUTIES

THE COMMITTEE ON EUROPEAN UNION POLICIES

DOCUMENT APPROVED BY THE COMMITTEE ON EUROPEAN UNION POLICIES WITHIN THE FRAMEWORK OF THE SUBSIDIARITY CHECK REFERRED TO IN ARTICLE 6 OF PROTOCOL 2 ANNEXED TO THE TREATY OF LISBON:

Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) 2021/1119 establishing the framework for achieving climate neutrality (COM (2025) 524 final)

Approved on 18 September 2025

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## DOCUMENT APPROVED BY THE COMMITTEE

The Committee on European Union Policies,

Having examined, for the purposes of verifying compliance with the principle of subsidiarity, the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) 2021/1119 establishing the framework for achieving climate neutrality (COM(2025)524);

Taking cognisance of the report on the proposed regulation forwarded by the Government under the meaning of Article 6, paragraph 5, of Law 234 of 24 December 2012;

#### Whereas:

- Although decarbonisation and combatting climate change are worthy goals, they can pose a risk to industry, especially if pursued without due heed being paid to the costs they entail for companies and their potential to bring about situations of unfair competition at an international level. Setting excessively ambitious standards for EU producers, which entail higher costs, undermines their competitiveness, and only benefits countries with less stringent environmental regulations;
- The EU has already adopted legally binding targets for 2030 and 2050. To set a third binding target would mean to place its own companies at even higher risk of failure than competitors from third countries, which, their far higher CO<sub>2</sub> emission levels notwithstanding, have not committed themselves to comparably stringent measures for their reduction;

# Taking note of the fact that:

- During the examination of the proposal at the institutional level of the EU, widely differing positions among Member States and parliamentary groups came to the fore, clearly as a result of the proposal's deeply divisive nature and the absence of majority support for the framework that the European Commission is proposing;
- In particular, opinion on the contents of the proposal was so sharply divided among Member States in the Council that the Danish Presidency, confronted with the absence of a qualified majority, decided to postpone the definition of the general approach, which had originally been planned to coincide with the Environment Council on 18 September;
- In the European Parliament's ENVI (Environment, Public Health and Food Safety) Committee, even the proposed regulation's own rapporteur, underscoring its ideologically-driven, impractical and harmful nature, proposed that it be rejected and invited the European Commission to withdraw it. The problematic and divisive nature of the proposal is also evidenced by the discussions in the ENVI Committee, which led to several political groups tabling amendments that would significantly alter its content, as well as several proposals for its outright rejection;

In view of the complexity, sensitivity and importance of the question both in relation to its impact on the economy and competitiveness of Europe and in terms of compliance with the obligations arising from the international climate framework, it would be appropriate for the European Council to pronounce on the question;

Noting, as regards compliance with the principle of conferral, that the proposal is correctly based on Article 192, paragraph 1, TFEU, which empowers the European Parliament and the Council to adopt acts aimed at achieving environmental policy objectives;

Considering, however, that the proposal does not comply with the principle of subsidiarity, since neither the need for nor the added value of Union-level legislative action have been adequately

demonstrated. The European Commission's justifications are sorely lacking in the qualitative and quantitative indicators that Article 5 of Protocol No. 2 annexed to the Treaties prescribes as necessary to vindicate the conclusion that a Union objective is better achieved at the Union level. Specifically:

- The proposal comes in the wake of the Communication of 6 February 2024, in which the European Commission, basing its recommendation on a specific impact assessment, announced that Europe's target was a 90% reduction in net greenhouse gas emissions by 2040 compared with 1990. Even though the proposal arrived more than a year after that Communication, it merely refers to its accompanying impact assessment and lacks one of its own;
- The European Commission's decision seems to be without adequate justification because, as a result of the changed global geopolitical landscape which weighs upon the economies of Member States, the impact assessment that it is using must be regarded as an outdated point of reference. As also stated in the Government's report, analyses should be carried out to update the scenarios at EU level in order to bring them more into line with the current global context;
- As the proposal is unaccompanied by any impact assessment or report explaining the need for European-level action, it lacks the substantive indicators making it possible to appraise for compliance with the principle of subsidiarity, such as are required by Article 5 of Protocol 2 annexed to the Treaties;

Noting also that the proposal does not conform to the principle of proportionality because it is ill-suited to squaring climate objectives with a realistic promotion of European economic competitiveness, and does not clearly allow for sufficient flexibility on the part of Member States to develop their own policies and measures. In particular:

- Despite the absence of adequately substantiated elements and an updated appraisal of the new global context, the European Commission states that the proposal is nonetheless consistent with the principle of proportionality;
- Such an ambitious and legally binding target is liable to require a new regulatory framework which, in the run-up to 2040, will only increase the costs and burdens weighing on businesses and the EU economy, and may have grave repercussions for some, especially energy-intensive industries and small and medium-sized enterprises, whereas an appropriate degree of flexibility around the target and the proposed date of its achievement would make it easier to put European climate policy into effect without sacrificing EU competitiveness and cost-efficiency or ignoring the different needs of individual Member States and economic sectors;
- The European Commission needs to leave some room for flexibility when developing its post-2030 strategic framework, but the nature and extent of the flexibility are a matter of concern. Precisely how the proposal will be put into effect and how the flexibility will work remain unclear are issues that need to be addressed more realistically. Unless rectified, the proposed measures could turn out to be counterproductive;
- As the Government report remarks, the negotiations should lead to the adoption of an environmentally, economically and socially sustainable approach that adheres to the principle of technological neutrality and lays stronger emphasis on the need for a just transition and a level playing field for the sake of fair competition with international partners. Not only should the plans for the post-2030 framework be accompanied by an appropriate level of ambition, but they should also take into account all the enabling provisions needed for its realisation;
- The potential use after 2036 of high-quality international credits, as envisaged by the Paris Agreement, is particularly relevant because the credits allow emissions in one country to be offset through projects implemented in another. In the case of Italy, for example, the initiatives contained in the Mattei Plan could thus be leveraged to achieve the 90% reduction target were it not for the fact that the proposal only provides for a maximum threshold of 3% emission reduction compared to 1990, which can be determined by actions implemented in a third country. To meet the ambitious targets

set by the proposal, this threshold will need to be raised and the date from when the international credits may be used will have to be brought forward;

- Further, the revised regulatory framework governing the implementation measures for the proposed target will need to take pro-capita GDP into account for the purposes of setting national reduction targets;

# Also considering that:

- The proposal could significantly increase costs for businesses and society, but, as the Government report notes, an assessment cannot be made until the entire regulatory framework, along with all the related enabling policies and measures, have been put in place;
- In any case, the actions envisioned in the proposal will have to be accompanied by EU-level measures that cater to financing needs and offer investment opportunities, so as to address the social, economic and environmental impacts of the transition. Specific financial instruments will be needed to make the measures feasible, which, in view of the given the exceptional nature of the challenge, will need to include forms of joint funding;

The timing of the adoption of the proposal could affect EU's definition of the next nationally determined contribution (NDC), which instead sets 2035 as the target date;

Emphasising, however, that the urgency of the need to set the next NDC must not lead to the precipitous acceleration of the decision-making process around the proposal. The time taken and methods used must be appropriate to the scope of the proposed actions and their broad socioeconomic repercussions. Hasty negotiations might compromise the general regulatory quality and legal certainty of the measures, especially in light of the difficulties already experienced in reaching the necessary majority at the level of the European institutions;

Observing that a radically modified proposal, one that contemplates a flexible and non-mandatory target, could meet with a favourable opinion regarding its compliance with the principles of subsidiarity and proportionality, as long as it is also accompanied by a rigorous impact assessment,

does hereby express a

## REASONED OPINION

under the meaning of Article 6 of Protocol No 2 annexed to the Treaty on European Union and to the Treaty on the Functioning of the European Union.