**SPECIAL LEGISLATIVE procedure – First reading**

**Follow up to the European Parliament legislative resolution on the proposal for a Council decision amending Decision 2008/376/EC on the adoption of the Research Programme of the Research Fund for Coal and Steel and on the   
multiannual technical guidelines for this programme**

**1. Rapporteur:** Cristian-Silviu BUŞOI (EPP / RO)

**2. Reference numbers:** 2020/0141 (NLE) / A9-0102/2021 / P9\_TA-PROV(2021)0237

**3. Date of adoption of the resolution:** 19 May 2021

**4. Legal basis:** Second paragraph of Article 2 of Protocol No 37, annexed to the Treaty on European Union and to the Treaty on the Functioning of the European Union

**5. Competent Parliamentary Committee:** Committee on Industry, Research and Energy (ITRE)

**6. Commission's position:** Accepts some amendments.

The 26 amendments (AM) adopted by the Parliament are presented below divided in two groups: (A.) amendments to be supported or partially supported and (B.) amendments not to be supported.

1. **Amendments to be supported or partially supported:**

AM 3 (on Recital 6 a): this new recital could be accepted as follows:

***“(6a) The Research Programme should pay particular attention to research on raw materials deriving from coal wastes given their high potential for developing highly advanced products in strategic value chains, such as battery anodes or carbon fibres, and in the chemistry industry.”***

The Commission should avoid exposing the Research Fund for Coal and Steel(RFCS) unnecessarily in the sense of the WTO (World Trade Organisation) Agreement on Subsidies and Countervailing Measures (ASCM). While already the RFCS legal basis does not identify any specific type of beneficiaries, the suggested references to industry or specific industries would unnecessarily expose the RFCS under the ASCM definitions of actionable subsidies.

AM 6 (on Article 4 paragraph 1): could be partially accepted as follows:

“Research projects shall ***contribute to the achievement of the Union 2030 climate targets and*** support ***industry in the process of*** the transition towards a climate-neutral Union economy by 2050, with the objective to support the phasing out of fossil fuels, to develop alternative activities on former mine ***or coal power plant*** sites and avoid or restore environmental damage of coal mines in the process of closure, formerly operating coal mines and their surroundings. ***Without prejudice to Article 191 TFEU,*** projects shall in particular focus on:”

An explicit mention to the industrial sector only (“support ***industry****”*) would be against the RFCS legal basis, which does not identify any specific type of beneficiaries. Considering its nature as research programme, RFCS beneficiaries also include research centres, academia, SMEs, etc.

In addition, as said above, the Commission should avoid exposing the RFCS unnecessarily in the sense of the WTO Agreement on Subsidies and Countervailing Measures. While already the RFCS legal basis does not identify any specific type of beneficiaries, the suggested references to industry or specific industries would unnecessarily expose the RFCS under the ASCM definitions of actionable subsidies.

A specific reference to Article 191 of the Treaty on the Functioning of the European Union (TFEU) (“***Without prejudice to Article 191 TFEU,***”) may be unnecessary and redundant.

AM 8 (on Article 4 paragraph 1): could be partially accepted as follows:

“(b) ***development and use of clean*** energy ***in*** former coal sites, ***paying particular attention to energy efficiency and security of supply, including the exploitation of geothermal resources, energy storage, e-fuels, and hydrogen from renewable sources***;”

The additional inserted specifications would be better included in the RFCS annual work programmes and in the RFCS Information Packages also laying out the rules for participation for beneficiaries.

AM 10 (on Article 4 paragraph 1): could be partially accepted as follows:

“(c) non-energetic uses and the production of raw materials from mining wastes and residues from formerly operating coal mines or ***those in* *the* *process* *of closure***, duly assessing that their climate, environmental and health impact is minimised and lower than alternative solutions ***in line with the circular economy approach***;”

AM 13 (on Article 6 – title): could be partially accepted.

***“Preventing and*** minimising the environmental impacts of ***coal mines*** ***sector*** in transition”

AM 23 (on Article 10 – paragraph 1 – point a): could be accepted as follows:

“(a) techniques for recycling ***and upcycling of*** obsolete steel and by-product from various sources and improvement of the quality of steel scrap***, with special attention to avoiding downgrading of steel quality due to contamination with other metals, such as copper***;”

Reference to improvement of the quality of steel is already contained in the article. The last insertion is therefore redundant.

1. **Amendments not to be supported:**

AM 1 (on Recital 1): the proposed specifications inserted in Recital 1 are redundant and do not add value to the initial text.

AM 2 (on Recital 6): considering the relatively low budget available for collaborative research under the Research Programme of the RFCS, the proposed added references are hardly achievable.

AM 4 (on Article 2 – subparagraph 2): The RFCS Research Programme does not identify any specific stakeholder in its legal basis. Since the Programme is already open to all relevant stakeholders in line with Articles 11 to 13 on Participation, the proposed amendment is irrelevant. In addition, including mentions as “***industrial research projects***” is generic and would remain undefined in the current legal basis.

AM 5 (on Article 2 – subparagraph 2 a (new)): the eligible activities to be supported by the RFCS Research Programme are already described in Articles 14 to 17a. This insertion may be better placed under the annual work programmes for the RFCS Research Programme and the European co-programmed partnership on Clean Steel.

AM 7 (on Article 4 – paragraph 1 – point a): the proposed insertion is not clear and could be against the wording of the European Green Deal[[1]](#footnote-1) (“***related to coal use (…)”)***.

AM 9 (on Article 4 – paragraph 1 – point b a (new)): this inclusion is partially redundant with the newly proposed Article 4.1(b).

AM 11 (on Article 4 – paragraph 1 – point e): the proposed insertion goes out of the scope of the RFCS Research Programme (“***assessing the impact on employment in local communities and regions affected by the phasing out of coal and*** promoting the development of ***a regional concept for economic development, job creation and*** efficient re-skilling and up-skilling programmes for labour affected ***in those regions***.”). In addition, it is partially redundant with what already proposed by the Commission in the new Article 4.1(e) “promoting the development of efficient re-skilling and up-skilling programmes for labour affected by a coal phase out. This includes research on training and re-skilling of labour force employed or previously employed in the coal sector.” and Article 10a “Research projects shall address one or more of the following areas: (a) developing and disseminating competencies to keep pace with new near zero-carbon steel production processes, such as digitalisation and to reflect the principle of life-long learning;”

AM 12 (on Article 5 – paragraph 2): the wording “improving the health of people living in coal regions in transition” already covers respiratory health.

AM 14 – AM 15 – AM 16 (on Article 6 – paragraph 2): the text that is proposed to be integrated does not add value to the research objectives presented in Article 6. Such scientific indications would be better placed and more appropriate under the annual work programmes for the RFCS Research Programme.

AM 17 (on Article 6 – paragraph 2 – point g a (new)): without minimizing the importance of this proposed insertion, it goes beyond the scope of the RFCS Research Programme. As specified above, the proposed insertions are partially redundant with what already proposed by the Commission in Article 4.1(e) “promoting the development of efficient re-skilling and up-skilling programmes for labour affected by a coal phase out. This includes research on training and re-skilling of labour force employed or previously employed in the coal sector.” and Article 10a “Research projects shall address one or more of the following areas: (a) developing and disseminating competencies to keep pace with new near zero-carbon steel production processes, such as digitalisation and to reflect the principle of life-long learning;”.

AM 18 – AM 19 (on Article 8 – paragraph 1): the proposed insertions are not appropriate for the legal basis of the programme. They will be better included within the annual work programmes and in the RFCS Information Packages laying down the rules for participation for beneficiaries. In addition, “processes ***facilitating cross-sectoral*** activities, ***synergies, industrial clustering and symbiosis, to enable increased circularity***” are already covered by Horizon 2020 (e.g. SPIRE public-private partnership) and Horizon Europe.

AM 20 – AM 21 – AM 22 (on Article 9 – paragraph 1): the proposed specifications are redundant. On AM 20, the recyclability of steel is already mentioned under the new Articles 8 and 9. The proposed insertions under AM 21 are not needed in the current formulation of the steel research objectives. On AM 22, “high-strength steel” and “high-performance steels” are already included in the new Article 9 on “Advanced steel grades and applications”.

AM 24 (on Article 10 – paragraph 1 – point b): the proposed insertion would be better included within the annual work programmes and in the RFCS Information Packages laying out the rules for participation for beneficiaries. In addition, “***re-use of secondary raw materials, residues and by-products from other industries, such as biomass, for steel making and alloying***” are activities supported by Horizon 2020 (e.g. SPIRE (Sustainable Process Industry through Resource and Energy Efficiency) public-private partnership) and Horizon Europe.

AM 25 (on Article 10 – paragraph 1 – point d): the proposed inclusions are already treated by the new Article 10(a) and 10(d).

AM 26 (Article 10a – point b a (new)): goes beyond the remit of the RFCS Programme.

1. COM(2019) 640. [↑](#footnote-ref-1)