Estimated impact of Article 7 related compromise amendments on the level of savings that would be achieved in 2021 - 2030, as compared to the Commission's proposal

Table 1 – impact of the compromise amendment 4

Provision	Text from the CA 4	Estimated impact compared to COM proposal
Article 7(1)(b)	Extending the savings requirement with **1.5%** annually for 2021-2030	**The same as the COM proposal**
Article 7(1) 2nd sub-para	A provision to continue the achievement of the 1.5% annual savings obligation after 2030	**The same as the COM proposal**
Article 7(1) 3rd sub-para	Savings should be cumulative to the previous period(s) 2014-2020 and expired actions should be replaced with new ones	an **increase in ambition** by **18%** thanks to the replacement of expired actions in the next period
Article 7(1) 4th sub-para	Sales of energy used in transport shall be fully included in the calculations for the period 2021-2030	This would increase the **ambition level by some 50%**
Article 7(2) and (3)	Exemptions limited to one option only (c) – savings from supply side subject to 25%	**ambition level the same as the COM proposal**
Article 7a(5)a and 7b(2)	An obligation to achieve savings in households affected by energy poverty	
Total reduction:	Together these effects would be equivalent to increasing the headline savings rate for the period 2021-2030 by around **68%** relative to the Commission proposal.	

Table 2 – impact of the compromise amendment 4a

Provision	Text from the CA 4a	Estimated impact compared to COM proposal
Article 7(1)(b)	Extending the savings requirement with **1.5%** annually for 2021-2030	**The same as the COM proposal**
Article 7(1) 3rd sub-para	Allow fulfilling the new savings requirement for 2021-2030 with the measures implemented in the current period 2014-2020 (so called **early actions**) if they continue having an effect after 2020.	This amendment is estimated to result in a **100%** reduction of the ambition level compared to the COM proposal.[1] This possibility is already allowed under the exemption in para 2(d) subject to 35% limit.
Article 7(1) 2nd sub-para	A provision to continue the achievement of the savings obligation after 2030 is **removed**	No new actions in the period post 2030
Article 7(1) 4th sub-para	**Allows excluding fully ETS** (the same way as transport): the sales of energy by volume, used in transport and for	If fully used, this would reduce the baseline and thus the savings requirement by **26%**.

[1] The impact of this amendment depends on the extent to which Member States fulfil their 2014-20 savings obligations with measures that continue have effect after 2020. The data available to the Commission and set out in the impact assessment suggest that Member States are doing so to a great extent, so that the continuing impact of these "long term" measures would exceed the new savings required for 2021-2030.

	the purpose of industrial activities listed in Annex I to Directive 2003/87/EC, may be partially or fully excluded from these calculations.	It allows double reduction as this possibility is already allowed subject to 35% under the exemption in para 2(b).
Article 7(2) and (3)	A cap on **exemptions** under paragraph 2 is increased from 25% to **35%**	The increased cap from 25% (COM proposal) to 35% reduces the ambition level by **13%**. It is also applicable for the current period 2014-2020 as well (implying that MS could downgrade their saving requirement for 2020 by additional 10%.
Article 7(4)a)	**Banking:** if a Member State saves more than it has to in 2014-2020, it allows it to offset these "excess" savings against the requirement for 2021-2030.	We have estimated that Member States will exceed their savings by around **5%** which thus would be deducted from the new savings requirement for 2021-2030.
Article 7a(5)a and 7b(2)	No obligation to achieve savings in households affected by energy poverty	
Total reduction:	Together these effects would be equivalent to reducing the headline savings rate for the period 2021-2030 to **"0%"** relative to the Commission proposal.	