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'I/A' ITEM NOTE

From:	General Secretariat of the Council
To:	Permanent Representatives Committee/Council
Subject:	Draft Regulation of the European Parliament and of the Council on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement and amending Regulation (EU) No 525/2013 (first reading)
	- Adoption of the legislative act
	- Statements

Statement by Lithuania

Lithuania stands firmly by the Paris agreement and common EU's climate responsibilities. Lithuania will contribute to the implementation of the EU commitments and agrees to its national greenhouse gas emission reduction target by 2030 as proposed in the Regulation on effort sharing. The non-ETS sectors of Lithuania account for 66 % of the total greenhouse gas emissions, with the largest shares of emissions coming from transport and agriculture sectors, namely 38% and 35%. Lithuania has one of the lowest levels of greenhouse gas emissions per capita and achieved the highest 58.2% greenhouse gas emission reduction to compare with 1990 level between the EU Member States in 2015¹. Lithuania sees the mitigation of greenhouse gas emission as a long-term process and a task, which requires adequate preparation and resources.

The final compromise text of the Regulation on effort sharing contains a number of elements that are acceptable to Lithuania. However, advancing the starting date of the linear greenhouse gas emission reduction trajectory to mid-2019 will oblige Lithuania to take on far more demanding obligations than it is ready to accept.

The earlier starting date will impose on Lithuania additional mitigation commitments, which in practice will be counterproductive to achieving the 2030 target in the most cost efficient manner.

The priority is to invest in the climate change mitigation measures rather than spend limited resources on buying annual emission allocations. Therefore, we see no reasonable justification for a very tight annual emission allocations budget already at the beginning of the next period.

Lithuania had raised the above mentioned concerns during the entire negotiations, but they were not taken in to account. As a result, Lithuania is not in a position to support the final compromise text.

Statement by Malta

Malta reaffirms its commitment to address climate issues to its full potential and to contribute <u>to the</u> <u>goals of the Paris agreement and the EU's target</u> to achieve an EU-wide reduction of greenhouse gas emissions, in sectors falling outside the scope of the EU emissions trading system, of 30% by 2030 compared to 2005 levels.

Malta appreciates the effort in recognition of its specific limitations in achieving a very steep trajectory to reduce its GHG emissions from non-ETS sectors from 2013 up to 2030, through the inclusion of Malta in Annex IV in Effort Sharing Regulation. Malta, however considers that the level of the adjustment included does not sufficiently address the reality that Malta will face in the post 2020 period due to it being the Member State with:

¹ Sustainable development in the European Union MONITORING REPORT ON PROGRESS TOWARDS THE SDGS IN AN EU CONTEXT, Eurostat, 2017 Edition, p. 263 http://ec.europa.eu/eurostat/documents/3217494/8461633/KS-04-17-780-EN-N.pdf/f7694981-6190-46fb-99d6-d092ce04083f

- the lowest greenhouse gases emissions per capita across the EU in the non-ETS sectors;
- the Member State with an economic structure that is not carbon intensive.

The effort Malta is expected to make pursuant to this Regulation is considered disproportionate, also in view that Malta is the lowest emitter in absolute terms and on a per capita basis.

Malta has raised these concerns consistently during the negotiation process and thus in coherence with its previously held position, Malta cannot support adoption of this Regulation as it still leaves this Member State facing a very difficult trajectory till 2030.
