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LIMITE

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MEETING DOCUMENT

From:	General Secretariat of the Council
To:	Working Party on the Environment
Subject:	Non-ETS (ESR): WPE 30 May - FR comments on ESR budgets

With a view to the WPE meeting on 30 May delegations will find attached comments from France on the above.

Article 4

Annual emission levels for the period from 2021 to 2030

1. Each Member State shall, in 2030, limit its greenhouse gas emissions at least by the percentage set for that Member State in Annex I to this Regulation in relation to its emissions in 2005 determined pursuant to paragraph 3.

2. Subject to the flexibilities provided for in Articles 5, 6 and 7, to the adjustment pursuant to Article 10(2) and taking into account any deduction resulting from the application of Article 7 of Decision No 406/2009/EC, each Member State shall ensure that its greenhouse gas emissions in each year between 2021 and 2029 do not exceed the level defined by a linear trajectory, starting in 2020 on the average of its greenhouse gas emissions during 2016, 2017 and 2018 determined pursuant to paragraph 3 and ending in 2030 on the limit set for that Member State in Annex I to this Regulation.

3. The Commission shall adopt in 2022 an implementing act setting out the annual emission allocations for the years from 2021 to 2030 in terms of tonnes of CO2 equivalent as specified in paragraphs 1 and 2. For the purposes of this implementing act, the Commission shall carry out a comprehensive review of the most recent national inventory data for the years 2005 and 2016 to 2018 submitted **in 2022** by Member States pursuant to Article 7 of Regulation No (EU) 525/2013.

4. This implementing act shall also specify, based on the percentages notified by Member States under Article 6(2), the quantities that may be taken into account for their compliance under Article 9 between 2021 and 2030. If the sum of all Member States' quantities were to exceed the collective total of 100 million, the quantities for each Member State shall be reduced on a pro rata basis so that the collective total not exceeded.

5. This implementing act shall be adopted in accordance with the examination procedure referred to in Article 13.

<u>Justification</u>: Instead of carrying out a comprehensive review, the review should be focused on specific elements relative to EU regulation like for example the specific rules for LULUCF. This review should be based on the latest data submitted by Member States, i.e. the inventories submitted in 2022.

Article 9 Compliance check

1. In 2027, the Commission shall examine if the impact of the use of IPCC guidelines for National Greenhouse Gas Inventories, or a significant change to UNFCCC methodologies used, in determining the greenhouse gas inventories leads to a difference of more than 1 % in a Member State's total greenhouse gas emissions relevant for paragraph 3 of article 4 of this regulation. In that case, the Commission shall revise Member States' annual emissions allocations for the years from 2021 to 2030.

This implementing act shall also specify, based on the percentages notified by Member States under Article 6(2), the quantities that may be taken into account for their compliance under Article 9 between 2021 and 2030.

This implementing act shall be adopted in accordance with the examination procedure referred to in Article 13.

2. In 2032, the Commission shall examine if the impact of the use of IPCC guidelines for National Greenhouse Gas Inventories, or a significant change to UNFCCC methodologies used, in determining the greenhouse gas inventories leads to a difference of more than 1 % in a Member State's total greenhouse gas emissions relevant for paragraph 3 of article 4 of this regulation. In

that case, the Commission shall revise Member States' annual emissions allocations for the years from 2026 to 2030.

This implementing act shall also specify, based on the percentages notified by Member States under Article 6(2), the quantities that may be taken into account for their compliance under Article 9 between 2026 and 2030.

This implementing act shall be adopted in accordance with the examination procedure referred to in Article 13.

13. In 2027 and 2032, if the reviewed greenhouse gas emissions of a Member State exceed its annual emission allocation for any specific year of the period, pursuant to paragraph 2 of this Article and the flexibilities used pursuant to Articles 5 to 7, the following measures shall apply:

(a) an addition to the Member State's emission figure of the following year equal to the amount in tonnes of CO2 equivalent of the excess greenhouse gas emissions, multiplied by a factor of 1.08, in accordance with the measures adopted pursuant to Article 11; and

(b) the Member State shall be temporarily prohibited from transferring any part of its annual emission allocation to another Member State until it is in compliance with this Regulation. The Central Administrator shall implement this prohibition in the registry referred in Article 11.

24. If the greenhouse gas emissions of a Member State in either the period from 2021 to 2025 or the period from 2026 to 2030 under Regulation [LULUCF] exceeded its greenhouse gas removals, as determined in accordance with Article 12 of that Regulation, there shall be a deduction from that Member State's annual emission allocations equal to the amount in tonnes of CO2 equivalent of those excess greenhouse gas emissions for the relevant years.

<u>Justification</u>: For the determination of the annual allocations for Member States for the period 2021-2030, France proposes to revise the annual emission allocations. The objective is to reduce the methodological risks associated with the method proposed by the Commission. The feedback from the current period (2013-2020) highlights the importance of this precaution.