## Session SBI51 (2019)

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Multilateral Assessment
A compiliation of questions to - and
answers by - Austria, exported 1 December 2019,
by the UNFCCC secretariat

Question by Thailand at Monday, 30 September 2019

Category: Assumptions, conditions and methodologies related to the attainment of its quantified economy-wide emission reduction target

Type: Before 30 September
Title: GHG emission reduction

Austria reported the emission of transportation about 62% contributed from inland road transport and the emission from this sector will be decreased in 2030. Because Austria has set up the challenge target of ESD implementation, especially on the increase in the share of clean energy sources action (low carbon fuels and electric cars) in transportation sector. Could Austria elaborate more on how to achieve this target?

Answer by Austria, Thursday, 28 November 2019

The transport sector is responsible for slightly less than one third of Austria's total GHG emissions in 2017 and for 46 % of the GHG emissions falling under the Effort Sharing Decision (ESD) (i. e. the emissions not covered by the EU Emission Trading System). Austria's target under the ESD is a 16 % reduction by 2020 compared to 2005. The target for 2030 according to the new Effort Sharing Regulation is a 36 % reduction compared to 2005. This will require major efforts also in the transport sector.

Relevant planned policies have been included in the draft National Energy and Climate Plan. Zero emission mobility will be a cornerstone for the reduction of transport emissions: Promotion of walking and cycling for short distance mobility, enhancing of public transport and e-mobility for medium and long distance trips. E-mobility will target road transport (electric cars and bikes, goods vehicles and buses, charging infrastructure) as well as rail transport (to increase the level of electrification of the rail network from the current level of 73 % to 85 %). Hydrogen from renewable energy is planned to be established as fuel in freight transport. Land use planning will need to focus on the resulting energy and transport demand, in order to decrease emissions from transport and housing in the medium and long term. Information can be found in Austria's draft National Energy and Climate Plan, see <a href="https://ec.europa.eu/energy/sites/ener/files/documents/ec\_courtesy\_translation\_at\_necp.pdf;">https://ec.europa.eu/energy/sites/ener/files/documents/ec\_courtesy\_translation\_at\_necp.pdf;</a> more details will be available in the final plan at the beginning of 2020.

Question by New Zealand at Monday, 30 September 2019

Category: Progress towards the achievement of its quantified economy-wide emission reduction target

Type: Before 30 September

Title: Policies and Measures for transport emissions

Austria's BR3 describes challenges around growth in transport emissions, from inland transport and passenger transport, as well as rising fuel exports. Is Austria considering any additional policies and measures, along with biofuels and more efficient vehicles in freight transport, to respond to the trend of growing transport emissions?

Answer by Austria, Thursday, 28 November 2019

Additional policies in the transport sector will be essential to achieve a significant reduction of Austria's GHG emissions.

Relevant planned policies have been included in the draft National Energy and Climate Plan. Zero emission mobility will be a cornerstone for the reduction of transport emissions: Promotion of walking and cycling for short distance mobility, enhancing of public transport and e-mobility for medium and long distance trips. E-mobility will target road transport (electric cars and bikes, goods vehicles and buses, charging infrastructure) as well as rail transport (to increase the level of electrification of the rail network from the current level of 73 % to 85 %). Hydrogen from renewable energy is planned to be established as fuel in freight transport. Land use planning will need to focus on the resulting energy and transport demand, in order to decrease emissions from transport and housing in the medium and long term. Information can be found in Austria's draft National Energy and Climate Plan, see <a href="https://ec.europa.eu/energy/sites/ener/files/documents/ec\_courtesy\_translation\_at\_necp.pdf">https://ec.europa.eu/energy/sites/ener/files/documents/ec\_courtesy\_translation\_at\_necp.pdf</a>; more details will be available in the final plan at the beginning of 2020.

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Question by New Zealand at Monday, 30 September 2019

Category: Progress towards the achievement of its quantified economy-wide emission reduction target

Type: Before 30 September

Title: Energy efficiency compliance

Austria's BR3 details the implementation of the EU Energy Efficiency Directive 2012/27/EU to increase energy efficiency in energy and manufacturing industries. Can Austria clarify how it enforces the compliance of large companies and energy suppliers through its Energy Efficiency Act?

Answer by Austria, Thursday, 28 November 2019

The Federal Energy Efficiency Act, which entered into force in 2014, provides for the establishment of a National Energy Efficiency Monitoring Body (hereafter the Monitoring Body). The duties of the Monitoring Body according to § 24 Energy Efficiency Act comprise for example the controlling of enterprises' obligations, provision of information about the Energy Efficiency Act for obligated parties (regarding Article 7 EED 2012/27/EU) and parties

concerned, identification of the obligated enterprises, evaluations regarding the status of the meeting of national targets. Article 8 EED 2012/27/EU has been implemented by the Federal Energy Efficiency Act. For the years 2015–2020 large enterprises (non-CMEs) must either implement a recognised management system which must also at the same time include an external or internal energy audit at least every four years, or have an external energy audit carried out every four years, also this regulation is controlled by the Monitoring Body. For these, by audits or management systems, identified measures it is possible to claim financial support.

The Monitoring Body, which is independent of the obligated parties, was established within the Austrian Energy Agency (https://www.monitoringstelle.at/). Companies which do not fulfil their obligations shall be subject to a penalty in the form of a fine by the regional administrative authority (Bezirksverwaltungsbehörde) according to § 31 Energy Efficiency Act.

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Question by Republic of Korea at Monday, 30 September 2019

Category: Progress towards the achievement of its quantified economy-wide emission reduction target

Type: Before 30 September

Title: Green Electricity Support Scheme

When implementing Green Electricity Support Scheme, is feed-in tariffs surcharge passed on electricity consumers? If so, how much is it reflected to electricity price, and what are the general reflections from the consumers?

Answer by Austria, Thursday, 28 November 2019

The surcharge is passed to consumers. For the consumer it consists of

- a flat-rate charge, currently € 33 for households (for large-scale consumers up to € 90,287.70), and
- a percentage of the infrastructure components of the energy bill (currently 16.24 %).

For details see <a href="https://www.e-control.at/en/konsumenten/oeko-energie/kosten-und-foerderungen/oekostromfoerderbeitrag">https://www.e-control.at/en/konsumenten/oeko-energie/kosten-und-foerderungen/oekostromfoerderbeitrag</a>

For an example household with an energy consumption of 3,500 kWh per year in Vienna the surcharge for green electricity is about 10 % of the total electricity price in 2019. (The share is considerably lower for industry with high consumption, as the infrastructure costs per kWh are much lower.)

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Question by Republic of Korea at Monday, 30 September 2019

Category: Progress towards the achievement of its quantified economy-wide emission reduction target

Type: Before 30 September

Title: Emissions reduction in transport sector

In transport sector, GHG emissions seems to increase constantly, is there any additional effors made at the provincial-level? If so, please elaborate.

In transport sector, what is the general structure of the tax rate and what is the target of the fuel tax? How does Austria impose fuel consumption-based car registration tax?

Answer by Austria, Thursday, 28 November 2019

According to the Austrian Constitution Act, the provinces are responsible for land use planning. Urban sprawl is one of the reasons for increasing transport demand, and the provinces are increasingly adapting their land use planning laws in order to avoid urban sprawl and its negative effects. These changes affect the designation of new housing/business/industrial zones and the effects can only be seen in the long term. The provinces are also making efforts to improve public transport especially around and in agglomerations, including the extension of tram and underground networks and regional express railways.

Taxation of road transport has several components: Besides the mineral oil tax a consumption-based registration tax for cars (one-time) and a vehicle tax (annual). The annual tax is based on the engine power for cars and light duty vehicles and on the maximum total weight for heavy duty. Furthermore a levy for the use of motorways exists as a flat-rate levy ("vignette") for cars and mileage-based levy for heavy duty vehicles. The carregistration tax depends on the standard consumption of the car:  $(CO_2)$  emissions in g/km minus 90) divided by 5 = tax rate in per cent. For emissions above 250 g/km the tax increases by  $20 \in I$  g. The tax rate for cars with up to 90 g/km is zero; pure electric cars are exempt from registration tax and vehicle tax. (Tax rate will change for new standard consumption data based on the test cycle WLTP.)

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Category: Progress towards the achievement of its quantified economy-wide emission reduction target

Type: Before 30 September

Title: 2020 GHG reduction target

Please clarify the 2020 target for ETS and non-ETS (ESD) in terms of their shares in reduction rate and GHG emissions and clarify the relationship between the 2020 EU target and Austria target in terms of GHG emissions.

Answer by Austria, Thursday, 28 November 2019

The joint quantified economy-wide emission reduction target of the EU and its Member States is a 20 % GHG reduction from 1990 to 2020. This target is equivalent to a 14 % reduction compared to 2005 levels, which has been enacted as 2020 target in EU legislation. It is divided between sub-targets for the ETS and the ESD.

One single EU ETS cap covers the EU Member States and the three participating non-EU Member States, i.e. there are no further differentiated caps by country and no individual target for the Austrian emissions covered by the EU ETS. Emissions from sectors covered by the system will be 21% lower in 2020 than in 2005. The 3<sup>rd</sup> Biennial Report of the EU shows more information on the ETS.

Non-ETS emissions are addressed under the Effort Sharing Decision (ESD, Decision 406/2009/EC). The ESD target was divided into national targets to be achieved individually by each Member State. Annual allocations are laid down for 2013 to 2020. Austrian emissions were 56,7 Mt in 2005; the emission allocations for Austria are decreasing from 52.6 Mt  $\rm CO_2$  eq in 2013 to 47.7 Mt in 2020, corresponding to a 16 % reduction from 2005 to 2020.

Austria's total emissions (without LULUCF) in 2017 were 82.3 Mt, 30.6 Mt (i. e. 37 %) fall under the EU ETS. Total emissions in the EU-ETS in 2017 were 1,755 Mt; Austria's share in ETS emissions is therefore 2 %.

Austria's ESD emissions in 2017 were 51.7 Mt and ESD emissions of the EU-28 were 2,584.3 Mt; Austria's share in ESD emissions is therefore 2 %.

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Question by Australia at Monday, 23 September 2019

Category: All emissions and removals related to its quantified economy-wide emission reduction target

Type: Before 30 September

Title: Tracking effectiveness of policies

In its NC7, Austria did not report without measures and with additional measures scenarios. How does Austria plan to monitor and track the effectiveness of its policies and measures, and track the effects of its policies and measures?

Answer by Austria, Thursday, 28 November 2019

A scenario "with additional measures" has not been reported in Austria's NC7, as a consensus on a set of planned policies and measures to meet the 2030 target had not been reached at that time. Austria has reported WAM scenarios in the past and will report the next WAM scenario based on the National Energy and Climate Plan. The WAM scenario serves as an ex ante assessment of plans.

Austria's Climate Change Act sets the general framework for the evaluation and progress documentation of Austria's climate policies. A progress report has to be prepared by the Minister for Sustainability and Tourism on an annual basis for presentation and discussion both in the National Climate Committee and the parliament. In addition, the ministry prepared evaluation documents on the status of implementation of individual measures from the multiannual plans under the Climate Change Acts. Ex-post evaluation is based on metrics specific for the policies and on the relevant sectoral emission inventory data. (No "without measures" scenarios are calculated.)

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Question by Australia at Monday, 23 September 2019

Category: Progress towards the achievement of its quantified economy-wide emission reduction target

Type: Before 30 September

Title: Regulations for monitoring and reporting

In the Report on the technical review of the NC7 of Austria, it noted that Austria does not have uniform regulations for monitoring and reporting the effect of its policies and measures, which makes calculation of the mitigation impact of policies very difficult. What has Austria done since the report to address this issue?

The responsibilities on policies relevant for (mitigation of) GHG emissions are distributed between Federation, federal provinces and municipalities, and jurisdiction in these fields is laid down in the Constitution Act. Many measures have multiple targets besides GHG mitigation (e.g. air pollution mitigation, road safety, noise prevention, health, livable cities, tax yield, affordable housing, sustainable buildings etc.), actors in the administrations have quite different backgrounds, and establishing common reporting rules requires considerable additional resources. The silver bullet for the unified monitoring system has not yet been found.

New arrangements for the review of National Plans have been set in the context of the EU Governance Regulation. The Federal Ministry of Sustainability and Tourism has established a steering committee of representatives of the federal government and the provinces; in addition sectoral working groups for the discussion on the National Plan have been established, including representatives of the provinces from the relevant administration departments (transport, housing support and building legislation, ...). The steering committee also gives advice to the National Climate Change Committee. The structure is expected be used for the mandatory review of the National Energy and Climate Plan and its PaMs, which needs to be started with the next three years.

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Question by Australia at Monday, 23 September 2019

Category: Progress towards the achievement of its quantified economy-wide emission reduction target

Type: Before 30 September

Title: Enforcement of non-compliance

In the Report on the technical review of the NC7 of Austria, it noted that it is not clear from the National Communication how Austria's enforcement and procedures for addressing cases of non-compliance under domestic law are implemented. In cases of non-compliance under domestic law, how will enforcement procedures be implemented and how does enforcement or lack of impact emissions reductions?

Answer by Austria, Thursday, 28 November 2019

Areas of responsibilty are spread among ministries as well as between the Federation, Länder and municipalities. There is no uniform legal basis for national policies and policy instruments to mitigate climate change; the legal basis ranges from, e. g., the Environmental Support Act and the Green Electricity Law at Federation level to the Technical Construction Regulations for buildings on Länder level. Enforcement rules are laid down in the respective legal acts as appropriate.

The treatment of cases of non-compliance therefore depends on the specific instrument. Some examples:

- eq emissions (the missing allowances have to be surrendered as well).<sub>2</sub>The Austrian Act on Emissions Allowance Trading 2011 includes monetary sanctions for non-compliance with rules under the EU ETS; in a situation where a company does not fully surrender in a timely manner emission allowances amounting to its verified emissions in a given year, sanctions are applied of at least EUR 100 per tonne of CO
- Regarding subsidies (e. g. under the Environmental Support Act), contractual obligations
  exist to ensure that companies repay any subsidies for climate action if conditions for
  receiving the subsidy are not met.
- Concerning the national mitigation targets of the Climate Change Act there are requirements to initiate negotiations on strengthening existing and devising new PaMs in the non-ETS ("Effort Sharing") sectors if the overall annual targets are not met.

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