Session SBI51 (2019)

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Multilateral Assessment A compiliation of questions to - and answers by - Portugal, exported 1 December 2019, by the UNFCCC secretariat Question by United States of America at Tuesday, 01 October 2019 Category: Progress towards the achievement of its quantified economy-wide emission reduction target Type: Before 30 September Title: Additional measures

Are there additional measures planned to help Portugal meet its national target of emissions reductions of 18-23% by 2020, and 30-40% by 2030, as compared to 2005? Based on the national GHG inventory data presented, there appears to be a significant gap remaining towards the ambition level.

Answer by Portugal, Friday, 29 November 2019

Looking at our emissions trajectory in the last decade beyond just 2017 we see a consistent trend within the range of the 18-23% reduction target for 2020. Under the new Energy and Climate Plan currently being finalised we have further increased the 2030 reduction target to 45-55%. The new Plan also identifies a series of new policies and measures to deliver this including among others further ambition on deploying electric mobility, rapid phasing-out of coal-fired electricity production (by 2023) and further deployment of solar power generation capacity.

Question by United States of America at Tuesday, 01 October 2019 Category: Assumptions, conditions and methodologies related to the attainment of its quantified economy-wide emission reduction target Type: Before 30 September

Title: 2012 National Low-Carbon Roadmap for 2050

Are there any plans to update the 2012 National Low-Carbon Roadmap for 2050?

Answer by Portugal, Thursday, 28 November 2019

The 2012 National Low-Carbon Roadmap for 2050 was already updated with the development of the 2050 Roadmap for Carbon Neutrality (RNC2050).

The RNC2050 was adopted in June 2019 at Government level, and published throughout the Resolution of the Council of Ministers n. ° 107/2019, in the 1 st of July. This is also the Portuguese long-term low greenhouse gas emission development strategy submitted to the UNFCCC on the 20th September 2019.

The Portuguese long-term strategy establishes a decarbonisation trajectory to achieve carbon neutrality by 2050 encompassing economy-wide GHG emission reduction targets of - 45% to -55% by 2030; -65% to -75% by 2040; and -85% to -90% by 2050, compared to 2005 levels, while ensuring a sink level of -9 to -13 Mton CO_2 .

Question by Turkey at Monday, 30 September 2019 Category: Progress towards the achievement of its quantified economy-wide emission reduction target Type: Before 30 September Title: RNC2050 - Carbon Neutrality Road Map for 2050

The document (RNC2050) underwent public consultation from December 2018 until the end of February 2019. How would Portugal describe its experience of public consultation? Could Portugal provide more information on the feedbacks received during this period and how and through which process Portugal integrated feedbacks, if any, into the RNC2050?

Answer by Portugal, Thursday, 28 November 2019

The decarbonisation of the economy is an ambitious objective that requires the broad involvement and active participation of the whole society. Therefore, the RNC2050 undertook an unprecedented public consultation process focusing on the main activity sectors as well as the engagement of the Portuguese society.

This involvement took place during the different phases of the process, from the creation of the macroeconomic scenarios that are the base of the modelling exercise, to technical workshop cycles that allowed to understand the role of the circular economy in the future of the different sectors, as well as to inform the modelling work on the evolution of some of the main assumptions and trends, to thematic event cycles around the decarbonisation of the society that included public sessions focused on Mobility, Forests, Energy Transition, Just Transition and Sustainable Finance.

The preliminary results of the Roadmap were publicly presented on 4th of December 2018, in Lisbon, and on that date the formal public consultation process was initiated ending on 28th of February 2019.

At the same time, joint public presentation sessions of the RNC2050 and the draft National integrated Energy and Climate Plan (NECP2030) – implementing the Roadmap in the 2030 timeframe - were held, in order to inform the society about these two key policy instruments, and gather feedback and inputs that could enrich the ongoing work. These sessions took place in a decentralized manner throughout the country, with sessions in Coimbra, Porto, Évora, Faro in continental Portugal and in Funchal in the Autonomous Region of Madeira.

During the public consultation several suggestions were received and incorporated in the

final version of the RNC2050, mainly throughout the development of additional sensitivity analyses. Technical reports were also developed to supplement the RNC2050, with extra information on the sectorial assumptions, modelling and results.

Question by Turkey at Monday, 30 September 2019 Category: Progress towards the achievement of its quantified economy-wide emission reduction target Type: Before 30 September Title: SPeM - National System for Policies and Measures

Could Portugal provide information regarding its experiences gained so far in the use of SPeM? What had been the challenges, if any, so far in terms of keeping the system running and up-to-date? What was the approximate cost of establishing this system?

Answer by Portugal, Thursday, 28 November 2019

Following the review of climate policy instruments for 2020/2030 in 2015, a National System of Policies and Measures (SPeM) was established. The SPeM aims to streamline progress assessment in the implementation of sectoral mitigation policies and measures, enhancing the involvement and strengthening the accountability of the sectors in terms of integrating the climate dimension into sectoral policies. The system builds on the experience gained in managing the inventory system.

Focal points from the different sectors should ensure, wherever possible, an assessment of the effects of policies and measures on the fulfilment of national obligations, notably taking into account possible synergies and conflicts, and this assessment should include information on costs and benefits; alternatively, an assessment of the cost-effectiveness of the measures should be carried out.

This work is currently on-going, as it has to be coordinated also within the new framework of the Nacional integrated Energy and Climate Plan for 2030 (NECP2030) to be submitted by the end of the year to the European Commission.

Nevertheless, que System is in operation, and sectors were called to participate in the elaboration of revised policies and measures, for example, in the preparation of NECP2030 and also for the preparation of the sectorial aspects of the long-term strategy (2050 Roadmap for Carbon Neutrality – RNC2050). This allowed to create a cooperative network of information exchange and policy review, helping also to mainstream the climate issues across all sectorial policies.

Under the SPeM a new platform for the management of information will be developed, in order to enable the follow-up, monitoring and reporting of the implementation of policies and measures and their effects. This platform will replace the previous existing one -

CumprirQuioto.pt platform.

Question by Turkey at Monday, 30 September 2019 Category: Progress towards the achievement of its quantified economy-wide emission reduction target Type: Before 30 September Title: Efficiency level of the policy of the 2014 green tax reform

Could Portugal provide more information on the efficiency level of its policy – the 2014 green tax reform? What could be the lessons learned from its implementation phase so far? Additionally, what are the key issues for a successful implementation of a similar tax system in another country in light of Portugal's experience?

Answer by Portugal, Thursday, 28 November 2019

In 2015, through the "Green Tax Law" (Law N. ^o 82-D/2014, of 31 December), a carbon "tax" was introduced through an addition to the Petroleum and Energy Products Tax (ISP). This addition, aims to promote a low carbon economy, fight climate change and reduce energy dependence.

This tax, being indexed to the price resulting from the greenhouse gas emission allowance auctions held under the European Emissions Trading Scheme (ETS), has gained relevance in recent years, given the increase in the price of the allowances. This allowed to give the right signals to the economy, and impact, for example, on reversing the merit order for coal-fired power plans to enter the national electricity system.

In order to make taxation an instrument of the transition to carbon neutrality, in 2018, a Working Group was also set up with the mission of promoting an analysis of taxation focused on energy, in particular to identify and study the phase-out of the environmentally harmful subsidies, and to propose the revitalization of the carbon tax, taking into account any impacts on the economic sectors concerned, within a framework of decarbonisation of the economy.

It is therefore a national intention to pursue the elimination of environmentally harmful subsidies, reinforcing the application of the carbon tax (a measure already foreseen under the National integrated Energy and Climate Plan 2030 under preparation) and promoting higher taxation on the use of resource, recycling obtained revenues for decarbonisation and just transition.

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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: Policies and Measures - National Programme for Climate Change

We understand that Portugal finalised a list of policies and measures to reduce its greenhouse gas emissions for 2020/2030, as part of its National Programme for Climate Change. Has Portugal assessed which of these policies and measures is likely to achieve the greatest emissions reductions? Is Portugal expecting to report the estimated mitigation impact of these policies and measures in the next reporting cycle?

Answer by Portugal, Friday, 29 November 2019

Since the report we have undertaken two related and extensive planning processes – The Carbon Neutrality Roadmap for 2050 and the National Energy and Climate Plan for 2030. These planning processes delivered a new and more ambitious emission reduction target for 2030 (45-55% compared to 2005) and also a trajectory for 2050 (65-75% by 2040; 85-90% by 2050) and allowed the identification of additional measures to be deployed. We will report on this results in the next BR. Further analysis of the mitigation potential of concrete measures will need to be undertaken from 2020 onwards. One of the measures that will deliver a significant emission reduction will be the end of coal-fired electricity production by 2023.

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: Credits from market-based mechanism

How much of credits from the market-based mechanisms (possible scale of contributions of CERs, ERUs, Carry-over units will be 60,041 ktCO2 eq at Table2 (e) I) of the BR 3 will be used for 2020 target?

Answer by Portugal, Friday, 29 November 2019

At the moment the planning is that Portugal will only use market-based mechanisms through what national operators of installations/ aircraft under the EU Emissions Trading Scheme deliver for their own compliance with ETS Directive. For sectors not covered by the EU-ETS no use of market-based mechanisms is foreseen.

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: Policies and measures

Please elaborate relevant policies and measures, which would allow Portugal to achieve the 2020 target, considering the 2015 emission(with LULUCF) is –1.58% only below 1990 emission, and the 2020 emission under WEM and WAM scenario will –9.4% below 1990 at Table 6 of the BR 3.

Answer by Portugal, Friday, 29 November 2019

Looking at our emissions trajectory in the last decade beyond just 2017 we see a consistent trend within the range of the 18-23% compared to 2005 reduction target for 2020. We need also to point out that this target is without the use of LULUCF. Relevant measures include for instance the support for rapid deployment of electric mobility and the use of public transport.

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: Energy Efficiency Target

What is the reference(or BAU) for the Energy Efficiency Target of 25% in 2020?

Answer by Portugal, Friday, 29 November 2019

The baseline for energy efficiency as established in relevant UE legislation is 2020 energy consumption projection for Portugal (and all other Member States) undertaken for the European Commission using the PRIMES model in 2007.

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: 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 Portugal target in terms of GHG emissions.

Answer by Portugal, Friday, 29 November 2019

Portugal's non-ETS target for 2020 under the Effort Sharing Decision (EU law) is to limit the growth of its ESD emissions to +1% compared to 2005 levels. This translates into a limit on emissions in 2020 of 49,1 Mt for the non-ETS sectors. There isn't a set target for the EU ETS sectors. Compliance with the EU-ETS requires installations/ aircraft operators to surrender allowances for each ton of CO2e emitted. The EU-ETS cap and trajectory is set at EU-level under the ETS Directive. In addition to the targets that Portugal needs to comply according to EU law, we have established more stringent national objectives for 2020 (18-23% compared to 2005) and 2030 (30-40% compared to 2005) for economy-wide emission reductions already in 2015. The 2030 target was recently revised (45-55% compared to 2005) in order to be consistent with the carbon neutrality by 2050 objective. ETS emissions in Portugal currently represent roughly 40% of overall emissions.

Question by Republic of Korea 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: Projections

Why is there no difference between WEM (With Existing Measures) and WAM (With Additional Measures) scenario in terms of 2020 emissions?

Answer by Portugal, Friday, 29 November 2019

For the purpose of the projections exercise described in the report we took as a conservative assumption that for 2020 we would only consider the effects of policies that were already under implementation or were adopted in policy strategies, hence no further additional policies were considered in the 2020 timeframe for modelling purposes.

Question by Canada at Friday, 27 September 2019 Category: All emissions and removals related to its quantified economy-wide emission reduction target Type: Before 30 September Title: Trends in transport emission reductions

In Portugal's BR, table 6(a) indicates a drop in Transport emissions between 2015 and 2030, while table 5 shows an approximate 30% increase in passenger-km and an increase in overall energy demand. Can the Portugal describe the major components of this emission reduction? What is the assumed increase in public transit and the increase in electric vehicle sales?

Answer by Portugal, Friday, 29 November 2019

The main drivers for the reduction of emissions considered in that study were an increasing use of more efficient vehicles – hence the reduction of final energy consumption also in the transport sector even in a scenario where there is an increase of passenger-km – and an increase in modal shift towards public transport. Main policies at the moment comprise a mix of fiscal instruments promoting more efficient vehicles (tax reductions for more efficient and low emission vehicles; carbon tax on transport fuels), promoting public transport (support programme to reduce the cost of public transport) and deployment of electric mobility (electric vehicles subsidies, deployment of a charging stations network).

Question by Canada at Friday, 27 September 2019 Category: All emissions and removals related to its quantified economy-wide emission reduction target Type: Before 30 September Title: Energy emissions reductions

In Portugal's BR, table 6(a) indicates a drop in Energy emissions by approximately a third between 2015 and 2030, while table 5 shows an increase in overall energy demand. Can Portugal describe the major components of this trend in emissions?

One of the main reasons why energy emissions drop mainly due to the deployment of renewables (mainly solar) replacing the use of in particular coal for electricity production. Overall energy demand is being driven mainly through the effect of higher economic activity (higher GDP in the modelling scenarios) in industry and buildings, even when we see emission reductions in these sectors up to 2030 through efficiency gains in technology used.

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: Transport emissions

Page 11 of Portugal's third biennial report states that its increase in emissions since 1990 is driven by the growth in the energy and transport industries, and that the largest source of emissions for transport was from road traffic. What policies does Portugal have in place to reduce emissions in its transport sector?

Answer by Portugal, Friday, 29 November 2019

Main policies at the moment comprise a mix of fiscal instruments promoting more efficient vehicles (tax reductions for more efficient and low emission vehicles; carbon tax on transport fuels), promoting public transport (support programme to reduce the cost of public transport) and deployment of electric mobility (electric vehicles subsidies, deployment of a charging stations network).

Question by Australia at Monday, 23 September 2019

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

emission reduction target

Type: Before 30 September

Title: Fire prevention methods

Table 4.2.5 of Portugal's third biennial report states that Portugal will reduce the number of fires and emission from fires through implementation of prevention actions, which will strengthen against natural disturbances. However, the mitigation impact of this in 2015 was stated as "N/A". Does Portugal expect any mitigation impacts from its fire prevention methods?

Answer by Portugal, Friday, 29 November 2019

Portugal expects a significant contribution form the forest sector in terms of sink potential and that is clearly stated in the 2050 Carbon Neutrality Roadmap. Forest fire prevention is a crucial policy in terms of sustaining and improving forest management especially in the context of a changing future climate. The appropriate notation for the table would be "not estimated" as we currently have not concluded the work on estimating the effects of policies and measures.

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: emissions from foreign energy dependency

Portugal's third biennial report states that its foreign energy dependency increased between 2014 and 2015 which relates to an increase in fossil fuel use. How will Portugal address increasing emissions due to foreign energy dependency in the short term? What particular measures are aimed at decreasing the need for crude oil, the largest component of energy demand?

Answer by Portugal, Friday, 29 November 2019

The new 2030 Energy and Climate Plan identifies a series of new policies and measures that will contribute to decrease our energy dependency including among others further ambition on deploying electric mobility, promoting public transport through support programme to reduce its cost to the user and rapid phasing-out of coal-fired electricity production (by 2023) and further deployment of solar power generation capacity.

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