



Summary report on the multilateral assessment of Luxembourg at the forty-sixth session of the Subsidiary Body for Implementation

Note by the secretariat

I. Background

1. The Conference of the Parties, by decision 1/CP.16, decided that developed country Parties should enhance the reporting in their national communications and submit biennial reports on their progress in achieving emission reductions. It also established a new process under the Subsidiary Body for Implementation (SBI) – international assessment and review (IAR) – that aims to promote the comparability of efforts among all developed country Parties. According to the modalities and procedures for IAR specified in annex II to decision 2/CP.17, the multilateral assessment (MA) is to be conducted for each developed country Party at a working group session of the SBI, with the participation of all Parties. The aim of the MA is to assess each Party's progress in implementation towards the achievement of emission reductions and removals related to its quantified economy-wide emission reduction target.

2. The second round of MA of Luxembourg took place at a working group session during SBI 46, on 12 May 2017. Such a working group session is preceded by a three-month period of questions and answers; in the first month, any Party may submit written questions to the Party being assessed, which may respond to the questions within the remaining two months. Questions for Luxembourg had been submitted by the following delegations: China, Japan and Thailand. A list of the questions received and the answers provided by Luxembourg as well as the broadcast of this session can be found on the IAR web page for Luxembourg.¹ The Party can submit any other observations on its MA process within two months of the working group session.

II. Proceedings

3. The working group session was chaired by the SBI Vice-Chair, Mr. Zhihua Chen. Luxembourg was represented by Mr. André Weidenhaupt and Mr. Eric De Brabanter from the Ministry of Sustainable Development and Infrastructure.

¹ <https://unfccc.int/10100.php>.

4. Mr. Weidenhaupt and Mr. De Brabanter made an opening presentation, summarizing Luxembourg's progress in implementation towards the achievement of emission reductions and removals related to its quantified economy-wide emission reduction target. As a European Union (EU) member State, Luxembourg is committed to contributing to the achievement of the joint EU quantified economy-wide emission reduction target of 20 per cent below the 1990 level by 2020. Luxembourg's emission reduction target from sectors covered by the EU effort-sharing decision (i.e. sectors not covered by the EU Emissions Trading System (EU ETS)) is 20 per cent below the 2005 level by 2020. As an EU member State, Luxembourg does not intend to use units from land use, land-use change and forestry (LULUCF) activities.

5. Luxembourg's total greenhouse gas (GHG) emissions excluding emissions and removals from LULUCF decreased by 18.9 per cent between 1990 and 2015 with significant fluctuations. The GHG emission trend showed a major decrease of 32.2 per cent between 1990 and 1998, followed by an almost equal increase up to 2005 (to 2.4 per cent above the 1990 level) and finally a decrease up to 2015. The main drivers of this fluctuation in the emission trend are the change from using a blast furnace process to using an electric arc furnace process in the steel plants in Luxembourg in the period 1994–1998, and growing road transportation and a substantial increase in trans-border commuting of the labour force between 1998 and 2005.

6. Mr. Weidenhaupt presented key policies and measures to achieve the target, including success stories such as the nearly zero energy standards for new residential buildings, financial support for increasing energy efficiency standards in existing buildings, promoting renewable energy sources in the residential building sector, the Climate Agreement with Municipalities, the voluntary agreement with the industrial sector and the Kyoto cent and carbon-related passenger car tax. Luxembourg also highlighted a number of policies and measures in the transport sector to enable better mobility and address the challenge of the increasing emissions from this sector.

7. Given that its emissions from sectors covered by the EU ETS are subject to an EU-wide cap, Luxembourg presented the projected level of emissions by 2020 from sectors not covered by the EU ETS under a 'with measures' and 'with additional measures' scenarios, which amounts to 3.7 and 1.2 per cent, respectively, above the annual emission allocations (AEAs) for 2020. Luxembourg expects to meet its target under both scenarios, as it expects to generate a surplus of emission reductions from the non-ETS sectors during 2013–2020 compared with the total AEAs for the same period.

8. The opening presentation was followed by interventions and questions from the following delegations: Canada, India and the Republic of Korea. The questions were related to: the estimation of GHG emissions from the transport sector, in particular from cross-border commuting; success factors for the active participation of municipalities in the Climate Agreement with Municipalities; and the reason for the low gasoline price in Luxembourg, which has led to increased emissions from the transport sector. In response, Luxembourg provided further explanations. In particular, it explained that the success of the Climate Agreement with Municipalities lies in the incentive structure built into the agreement, such as subsidies and energy consultancy services provided to municipalities, and the close collaboration between the national government and municipalities.