

Session SBI45 (2016)

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[Question by](#) United States of America at Wednesday, 31 August 2016

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

[Type:](#) Before 31 August

[Title:](#) ESD target

What is the target for emissions covered under the ESD for 2030? The report does not say. If the ETS are both reduced equally in percentage terms, then the ESD emissions in 2030 would be 977 MT ($4,286 * 0.4 * 0.57 = 977$ MT). Are the policies discussed sufficient to reduce emissions in sectors like transport and buildings, services, small industrial sources by 43% between 2005 and 2030 (15 years)? The data show that from 1990 to date (23 years) CO2 emissions without LULUCF have declined by just 18 percent, or 0.9 % per year on average.

[Answer by](#) European Union, Tuesday, 25 October 2016

As part of its overall 2030 climate target, the EU has agreed in October 2014 a target of 30% emission reductions in non-ETS sectors below 2005 levels. Aggregate Member States' GHG projections of 2015 indicate that additional policies are required in order to bring the emissions in line with this target for the non-ETS sectors. The translation of the -30% target into binding Member State targets and its further specification via an Effort Sharing Regulation is subject of an ongoing legislative process (COM(2016) 482). EU policies like the recently revised F-gas Regulation, energy efficiency policies and CO2 emission standards vehicles will also contribute.

[Question by](#) United States of America at Wednesday, 31 August 2016

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

[Type:](#) Before 31 August

[Title:](#) Emissions in ETS and ESD

2005 CO2 emissions (without LULUCF) are given as 4,286 MT. These emissions are divided between covered ETS emissions and emissions covered by the effort sharing decision (ESD). The text specifies (p10) that currently 60% of emissions are covered under the ETS. Assuming the same share of covered ETS emissions in 2005, that would mean ETS emissions in the base year were about 2,572 MT. Data on covered ETS emissions is not given in the report, but it would help because the policies and goals relate to the ETS. Can the Party clarify?

[Answer by](#) European Union, Tuesday, 25 October 2016

Since its start, the scope of EU ETS has been expanded to cover additional activities (e.g. aviation), (non CO2) gases and Member States (the EEA EFTA states and Croatia). For this reason, historic data for overall 2005 emissions cannot be directly disaggregated based on the current split between ETS and non-ETS sectors due to scope changes, and will also include non-

CO2 gases. Overall emissions in the ETS have reduced faster than in other sectors, so applying the current share of total emissions is not appropriate to estimate the 2005 emissions.
Given the stronger emission reductions, the ETS covers now a smaller share of total emissions. The % listed on page 10 of EU BR2 refers to the emissions covered outside of the ETS in the so called Effort Sharing Decision.
To give an indication of the historic emissions, the online EEA EU ETS Dataviewer (<http://www.eea.europa.eu/data-and-maps/data/data-viewers/emissions-trading-viewer>) can be used to retrieve estimates.

Question by United States of America at Wednesday, 31 August 2016

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

Type: Before 31 August

Title: ETS growth rate

ETS prices are expected to rise at increasing rates (7.8-9.1% per year 2015-2030). Is this reasonable given that GDP growth rate is constant and lower at 1.7% per year? Wouldn't inflation in the ETS market higher than overall growth incentivize a great deal of borrowing?

Answer by European Union, Tuesday, 25 October 2016

First, under the EU ETS, borrowing is not permitted.

Second, the carbon price under the EU ETS is a product of the interplay of supply and demand on the carbon market. The carbon price reflects the quantity of allowances on the market and their relative scarcity.

- The EU ETS cap on the overall number of allowances declines each year in a linear manner. The current reduction is 1,74% per year compared to a baseline representing average Phase 2 emissions.
- In addition, from 2019 the Market Stability Reserve agreed in 2015 will reduce the number of allowances to be auctioned in the subsequent calendar year if the total number of allowances in circulation at the end of the year is over 833m allowances. The annual reduction is equal to 12% of the number of allowances in circulation, and these allowances are placed in the Market Stability Reserve rather than being auctioned, thus reducing supply.
- This will address the existing imbalance between the supply and demand for allowances in the EU ETS and strengthen the market functioning. It is expected that this will increase prices, as represented by the projections that simulate the impact of existing policies, the so called reference projections.
- An increase in pricing signal on the ETS market incentivises less carbon intensive production methods and shift towards low carbon investments.

Question by United States of America at Wednesday, 31 August 2016

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

emission reduction target

Type: Before 31 August

Title: Use of flexible mechanisms

You state that, "under the EU ETS, since 2013 it is no longer possible to track the use of flexible mechanisms directly via information on EUTL public website because CERs and ERUs are no longer surrendered directly rather they are exchanged into EUAs. These exchanges will become public on installation level after three years, with the first information reflecting the use in 2013 available in 2016." Can you provide any new information on the use of these mechanisms, at this point in 2016?

Answer by European Union, Tuesday, 25 October 2016

Twice a year, the European Commission publishes aggregated information on the exchange and international credit use in the EU ETS (see

http://ec.europa.eu/clima/news/articles/news_2016050201_en.htm)

A total of 410.30 million international credits were exchanged between March 2014, when the exchange function became operational, and 30 April 2016. Since 31 March 2015, only credits issued in respect of emissions reductions generated during the second commitment period of the Kyoto Protocol (so-called "CP2-credits") can be exchanged in the EU ETS. A total of 24.8 million CP2 credits have been exchanged under the EU ETS since March 2014. These were Certified Emission Reductions (CERs).

Question by Switzerland at Wednesday, 31 August 2016

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

Type: Before 31 August

Title: Development of the EU ETS carbon price

In CTF Table 5 of its 2nd BR, the EU presents, inter alia, values related to the expected development of the EU ETS carbon price until 2030.

i) Could the EU elaborate on the assumptions underlying the expected future development of this parameter?

ii) Have any sensitivity analyses been carried out with regard to possible divergent developments of the EU ETS carbon price and, if so, could the EU report on the related impact on expected mitigation effects?

Answer by European Union, Tuesday, 25 October 2016

The presented values are the weighted average of Member States' carbon price assumptions. They are broadly similar to values recommended by the European Commission. The methodology and assumptions underpinning these recommended EU ETS carbon price projections are described in the Report EU energy, transport and GHG emissions trends to 2050 - Reference scenario 2013 (http://ec.europa.eu/clima/policies/strategies/2030/docs/eu_trends_2050_en.pdf).

Due to the reasons explained in BR2, no EU wide sensitivity analysis on this or other parameters has been carried out.

Question by New Zealand at Wednesday, 31 August 2016

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

Type: Before 31 August

Title: Monitoring Mechanism Regulation

What type of information is required to be submitted by member states through the Monitoring Mechanism Regulation to help member states track the progress they are making towards meeting their climate change targets?

Answer by European Union, Tuesday, 25 October 2016

The Monitoring Mechanism Regulation (MMR), Regulation (EU) No 525/2013 of 21 May 2013 on a mechanism for monitoring and reporting greenhouse gas emissions and for reporting other information at national and Union level relevant to climate change and repealing Decision No 280/2004/EC (available at <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32013R0525&from=EN>) provides the general vehicle for reporting the climate change related information, including the information on historical emissions and removals, policies and measures and projections, the procedures for the Union review of the GHG emissions and reporting on progress towards Union and international commitments.

Under Article 21 of the MMR, the Commission is annually assessing the progress made by the Union and its Member States to meet the international commitments under the UNFCCC and the domestic obligations under the ESD. the assessment of the progress made under the ESD is done on basis of the information reported by Member States regarding their greenhouse gas inventories (Art 7 MMR), approximated inventories (Art 8 MMR), policies and measures (Article 13 MMR) and projections (Article 14 MMR).

In relation to information to be provided on trends for past years, Member states are

required under Article 7 of the MMR, to report full GHG inventories for year X-2, and under article 8 of the MMR they are reporting approximated GHG inventories for year X-1.

Under Article 13 of the MMR, Member states are required to provide information on their policies and measures. Under Article 13(1)(v) of the MMR Member States report the results of the effects of individual or groups of policies and measures on the mitigation of climate change. In the MMR reporting template, the information on ex-post emissions reductions should be separated in an estimate for the ETS sector and the ESD sector. The reporting on policies and measures under the MMR also includes reporting on quantified ex-ante emission reductions for the future years.

Article 14 of the MMR established the requirement to report GHG emission projections for a time horizon of about 20 years. The scenarios required are projections with measures and, where available, projections without measures and projections with additional measures. The definition of these projections scenarios arises from obligations under the UNFCCC. Member States also need to report on the impact of PAMs, a sensitivity analysis and references to technical reports that underpin the projections.

[Question by](#) New Zealand at Wednesday, 31 August 2016

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

[Type:](#) Before 31 August

[Title:](#) Monitoring Mechanism Regulation

Can the EU please provide more information on its Monitoring Mechanism Regulation, particularly what effect this regulation has on reporting and compliance processes among member states?

[Answer by](#) European Union, Tuesday, 25 October 2016

The MMR (REGULATION (EU) No 525/2013) is a continuation, streamlining and extension of EU legislation on monitoring, reporting and verification of GHG emissions at EU level (replacing Decision 280/2004/EC). The MMR provides the general vehicle for reporting the climate change related information, including the information on historical emissions and removals, policies and measures and projections, the procedures for the Union review of the GHG emissions and reporting on progress towards Union and international commitments. It includes provisions of reporting of information from Member States to the Commission and evaluation of progress made towards the domestic and international commitments.

The MMR includes annual obligations (GHG inventories, approximated inventories, support provided to developing countries, use of auctioning revenues and project credits), biennial (policies and measures, projections), and 4-annual (adaptation actions).

The MMR also includes procedures for quality assessment and control performed at EU level in order to compile the EU inventory, aggregate EU projections on basis of the projections reported by Member States . In addition, the MMR includes provisions for annual internal expert review under the ESD, aimed at monitoring the achievement of the annual emission allocations under the ESD.

Provisions for cooperation and support between the Commission and the Member States are included in the MMR, referring to obligations in the regulation concerning preparation of the Union GHG inventory and approximated inventory , EU national communication and biennial report, Union reviews and reviews and procedures under the Kyoto Protocol.

The MMR, through its reporting obligations and the requirements for the Member States to provide information periodically, has provided incentives for the Member States to develop increasingly more robust systems for reporting climate information. The information reported is constantly improving, also thanks to the cooperation enabled at EU level through exchanges, including in expert groups under the Climate Change Committee.

The Commission is monitoring the progress made by Member States in implementing the MMR provisions, and is also setting in place projects to support increased capacity of the Member States to report in accordance to all provisions of the MMR.

[Question by](#) New Zealand at Wednesday, 31 August 2016

[Category:](#) All emissions and removals related to its quantified economy-wide emission reduction target

[Type:](#) Before 31 August

[Title:](#) Energy efficiency policies and measures

Is the EU considering implementing additional policies and measures in order to meet its target of improving energy efficiency by 20 per cent compared to 2005 by 2020?

[Answer by](#) European Union, Tuesday, 25 October 2016

According to the Energy Efficiency Communication of July 2014, the EU is expected to achieve energy savings of 18%-19% by 2020 – missing the 20% target by 1%-2%. However, if EU countries implement all of the existing legislation on energy efficiency, the 20% target for 2020 can be reached without additional measures.

[Question by](#) United States of America at Wednesday, 31 August 2016

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

Type: Before 31 August

Title: LULUCF

While LULUCF is not included in the EU's commitment, and offset credits from international LULUCF may not be used to demonstrate compliance with the emission targets set forth in the EU ETS, is the EU considering revisiting either of these policies in the future, in particular in light of the advancements in REDD+ decisions?

Answer by European Union, Tuesday, 25 October 2016

In 2014, the EU heads of state endorsed a binding EU target of an at least 40% domestic reduction in greenhouse gas emissions by 2030 compared to 1990.

On 20 July 2016 the Commission adopted two key proposals to ensure the achievement of the EU commitments under the Paris Agreement on climate change: the Effort Sharing Regulation setting the greenhouse gas emission reduction targets for Member States for 2030 (COM(2016) 482) and a proposal on integrating the land use sector into the EU's 2030 climate and energy framework[COM(2016) 479]. These proposals, together with last year's proposal for the revision of the EU Emissions Trading System (ETS)[COM(2015) 337], will ensure the EU is on track to reduce greenhouse gas emissions domestically by at least 40% by 2030.

Question by United States of America at Wednesday, 31 August 2016

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

Type: Before 31 August

Title: Consider longer-term mitigation needs

How is the European Union taking into account longer-term mitigation needs when formulating mitigation policy? Is the EU implementing mitigation policy measures that are important to prepare for implementation of longer-range targets (e.g., 2030), but which do not achieve major mitigation gains in the short-term? This might include, for example, work to prepare for the electrification of the transport sector.

Answer by European Union, Tuesday, 25 October 2016

Our 2030 framework is guided by a long-term vision. The 2030 Framework is consistent with a path to reducing EU domestic GHG emissions to at least 80% below 1990 levels by 2050, as articulated in the 2050 Roadmap developed by the European Commission in 2011. The EU is currently in the process of implementing policies to achieve our INDC.

This not done in isolation but is integrated into a wider 2030 Climate and Energy Framework as well as the EU Energy Union. Not only targets are set for greenhouse gas reductions but also for renewable energy and energy efficiency. The policies developed to achieve these targets, as well as the supporting impact assessments, show the consistency of the EU INDC with its long-term objective. Several of these policies to get to the 2030 target will have impacts will also felt in the longer term.

For instance, in the transport sector, the Low-Emission Mobility Strategy adopted in 2016 frames the initiatives that the Commission is planning in the coming years, The strategy present a holistic approach, with a wide range of actions to address three key levers: Optimising the transport system and improving its efficiency, Scaling up the use of low-emission alternative energy for transport, Low and zero emission vehicles. For example, the Commission is preparing post-2020 CO2 emissions standards for Cars and Vans, analysing the impact of different ways to incentivise low- and zero- emission vehicles in a technology neutral way . As another example, as part of the revision of the current legislation related to fuels and renewable energy, the Commission is examining how to provide a strong incentive to innovate in energies needed for the long-term decarbonisation of transport (including for example advanced biofuels, and electricity). In addition, the European Alternative Fuels Strategy and the Directive on the deployment of alternative fuels infrastructure addresses the availability of the needed alternative fuels infrastructure (including electric recharging points and optionally hydrogen filling stations). Similarly, the Energy Performance of Buildings Directives sets minimum performance standards for new buildings, which will have a gradual impact as the stock of buildings is replaced.

Revenues from the auctioning of EU ETS allowances are also used for climate purposes. In 2015, the auctioning of ETS allowances generated € 4.9 billion of revenues for the Member States, of which 98 % came from fixed installations and 2 % from aviation. According to the information submitted to the Commission, the Member States spent or planned to spend 77 % of these revenues on climate related purposes. The ETS is also directly financing longer-term mitigation e.g. through the NER300 programme and its expansion into the Innovation Fund.

Question by Brazil at Tuesday, 30 August 2016

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

Type: Before 31 August

Title: Quantified economy-wide emission reduction target

Taking into account that the GHG emission projections for 2020 in BR2, under a 'with measures' scenario, are above to those projections contained in BR1, could this signal additional challenges to the EU to meet its Quantified economy-wide emission reduction (QEWER) target?

The latest projections compiled in 2016 on basis of the submissions by the EU Member States, confirm that the EU and Member States are collectively on track to reach the 2020 target. According to the latest projections, the EU and member states projections total 4,387 Mt CO₂ eq, or a 24% reduction compared to 1990 levels. The projections are provided on a biennial basis by EU Member States and change due to various factors, including refinements in projection models, methods, input parameters, calibration to reference years. Because of this, it is not straightforward to point out the reasons why the EU-wide totals have increased since the previous reporting. The GHG WEM projections of the European Union represents a business-as-usual scenario aggregated from 28 national WEM projections where only policies and measures that have been adopted or already implemented in the Member State are considered, as far as covered by national projections. With regard to EU policy coverage the WEM projection is thus a conservative scenario.

However, the fact that projections with existing measures reported in BR2 are above those submitted in BR1 does not signal additional challenges for the EU to meet its targets.

In the summer of 2016, the EU has finalised its Reference Scenario 2016 - Energy, transport and GHG emissions - Trends to 2050.

(available at http://ec.europa.eu/clima/policies/strategies/analysis/index_en.htm). The EU reference scenario is a projection of economic activity and energy, transport and emissions trends

in the EU and its Member States, assuming current policies and trends. REF2016 provides a consistent approach in projecting long term energy, transport and climate trends across the EU.

The projections are based on a set of assumptions, including on population growth, macroeconomic and oil price developments, technology improvements, and policies. Regarding policies, projections show the impacts of the full implementation of existing legally binding 2020 targets and EU legislation. According to the EU reference scenario, total GHG emissions are projected to be 26% below 1990 levels in 2020, 35% below by 2030 and 48% by 2050. The share of renewables in the energy mix will continue to grow, from 21% in 2020 to 24% in 2030 and 31% in 2050.

Question by Brazil at Tuesday, 30 August 2016

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

Type: Before 31 August

Title: GHG emission projections

In BR1, in table 6(a) "Information on updated greenhouse gas projections under a 'with

measures' scenario", the GHG emissions projected for 2020 were 91,884.21 kt CO₂ eq (with LULUCF) and 4,156,343.92 kt CO₂ eq (without LULUCF). In regards to BR2, the GHG emissions projected for 2020 was 4,228,314.00 kt CO₂ eq (without LULUCF), but there is no projections regarding GHG emission with LULUCF.

Could the EU please explain why the projections without LULUCF in BR2 are above to those projections contained in BR1? And why GHG emission projected by 2020 with LULUCF is not being reported in BR2?

[Answer by](#) European Union, Tuesday, 25 October 2016

see answer to question "Quantified economy-wide emission reduction target" above ; The EU has presented in its BR2 projections relevant to the EU target under the Convention, which does not include emissions/removals from LULUCF. The LULUCF sector is at present a net carbon sink which has been sequestering annually on average more than 300 Mt CO₂ over the past decade according to the UNFCCC inventory data.

[Question by](#) Brazil at Tuesday, 30 August 2016

[Category:](#) Progress towards the achievement of its quantified economy-wide emission reduction target

[Type:](#) Before 31 August

[Title:](#) CTF Table 3

Regarding mitigation actions referred to in "CTF Table 3 Progress in achievement of the quantified economy-wide emission reduction target: information on mitigation actions and their effects", are there any current estimates of mitigation impacts since the respective years of implementation?

[Answer by](#) European Union, Tuesday, 25 October 2016

Latest information available on the overall effects of EU policies is available in the annual progress report of the EU (see at http://ec.europa.eu/clima/policies/strategies/progress/documentation_en.htm)

In addition, a recent study , "Decomposition analysis of the changes in GHG emissions in the EU and Member States", completed in April 2016, (http://ec.europa.eu/clima/policies/strategies/progress/docs/dca_report_en.pdf) has provided some insights into the key drivers behind the GHG emission reductions, including information on the policy effects.

Two approaches were used in the study to answer the question on which policies had the

greatest impact on the drivers behind this decrease in GHG emissions: first, econometric models were developed to assess the mitigation impact of the EU ETS, national policies under the Effort Sharing Decision including energy and transportation taxes and renewable energy policies. The two approaches reached the same conclusions:

The increased share of renewable energy (solar, wind, hydro, biofuel) played an important role in decreasing GHG emissions during the 1995-2012 period. Renewable energy policies both at EU and Member States level played a significant role in that contribution.

The EU ETS also contributed to reductions in total EU emissions during the 2005-2012 period. For Phase 1 (2005-2007) and 2 (2008-2012) together, the estimated abatement is about 7% of the estimated counterfactual baseline scenario emissions covered by the EU ETS. During Phase 2 (2008-2012), the estimated cumulated abatement of the EU ETS was about 1,000 Mt CO₂ equivalent - around 9% of the counterfactual baseline scenario emissions during this period. This estimate is obtained by subtracting actual emissions from projected emissions under a 'without EU ETS' scenario.

The econometric analysis also found that national climate and energy policies (excluding renewables policies) made an important contribution to the emission abatement observed recently. According to preliminary estimates it still accounts for less than half of this abatement. These policies, as covered under the Effort Sharing Decision, vary considerably across the EU's Member States. The more detailed analysis of climate and energy policies showed that a large majority of these national policies and measures are linked to the implementation of EU directives (e.g. Energy Efficiency Directive and Energy Performance of Building Directive). Member States also developed other policies that often took the form of cross-cutting measures such as investment programmes, subsidies or fiscal measures supporting low-carbon development. These commonly targeted GHG emissions from the transport sector.

The qualitative analysis also showed that the implementation of policies not directly targeting climate mitigation objectives, such as the Landfill Directive, the Large Combustion Plant Directive, the Nitrates Directive and other agricultural policies, played a significant role in abating GHG emissions, especially non-CO₂ emissions.

[Question by](#) Brazil at Tuesday, 30 August 2016

[Category:](#) Progress towards the achievement of its quantified economy-wide emission reduction target

[Type:](#) Before 31 August

[Title:](#) Mitigation impacts

In "CTF Table 3 Progress in achievement of the quantified economy-wide emission reduction target: information on mitigation actions and their effects", a huge number of mitigation actions was listed. Congratulations for that. However, only a very few mitigation impacts were estimated. Please, inform the reasons for not reporting mitigation impacts for the majority of mitigation actions. What are the difficulties?

Answer by European Union, Tuesday, 25 October 2016

The quantified information on mitigation impacts of the policies and measures presented by the EU in CTF table 3 refers to the results of the impact assessments of policies and measures (PaMs), made at the time of setting up the relevant PaMs. The difficulties in estimating mitigation impacts at EU level derive from the way EU policy is implemented in EU Member States.

The information available at Member State level cannot always be aggregated in a straightforward manner at EU level, as EU legislation can be implemented through one or multiple instruments at Member State level. The body of the biennial report presents updated information on the effects of certain EU PaMs where such data was available.

The EU is also periodically commissioning studies on evaluation of the effects of policies at EU level. A recent study, "Decomposition analysis of the changes in GHG emissions in the EU and Member States", is available at http://ec.europa.eu/clima/policies/strategies/progress/docs/dca_report_en.pdf has provided some insights into the key drivers behind the GHG emission reductions, including information on the policy effects .

Question by Brazil at Tuesday, 30 August 2016

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

Type: Before 31 August

Title: International Aviation excluded

In table 4.1.2.2, it is stated that "In the WEM scenario, total EU-28 GHG in 2020 are projected to be 24% below 1990 GHG emissions (including international aviation)".

What are those estimates not including international aviation?

Answer by European Union, Tuesday, 25 October 2016

The latest information regarding the progress of the EU and its Member States towards reaching the targets for 2020 is available in the annual reports on progress available at http://ec.europa.eu/clima/policies/strategies/progress/documentation_en.htm.

According to the latest projections based on existing measures provided by Member States in 2015, EU emissions are expected to be 24 % lower in 2020 compared to 1990. The reductions would be 25% when not considering international aviation.

[Question by Brazil](#) at Tuesday, 30 August 2016

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

[Type:](#) Before 31 August

[Title:](#) Aviation

In table 2.2, it is stated that under KP “Domestic aviation included. International aviation excluded”. In the other hand, under the UNFCCC “Aviation in the scope of the EU ETS included. In practice total aviation emissions considered”.

Please, explain these different approaches.

[Answer by European Union](#), Tuesday, 25 October 2016

The EU 20 % reduction commitment by 2020 under the Climate and Energy package covers CO2 emissions from domestic and some international aviation included in the EU ETS. The Kyoto Protocol includes GHG emissions from domestic aviation only (inventory category).

[Question by Brazil](#) at Tuesday, 30 August 2016

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

[Type:](#) Before 31 August

[Title:](#) Aircraft operators

Under item 2.2.2, it was stated that “installations and aircraft operators have to monitor, report and verify their annual emissions”.

Please, inform to what extent those estimates are confidential.

[Answer by European Union](#), Tuesday, 25 October 2016

Reported information is submitted only to installation's or aircraft operator's EU ETS Competent Authority. The operator's overall emission total is automatically made public

via entry into the EU ETS Registry.

[Question by Brazil](#) at Tuesday, 30 August 2016

[Category:](#) All emissions and removals related to its quantified economy-wide emission reduction target

[Type:](#) Before 31 August

[Title:](#) Projection estimates

Please, consider the following:

“According to the latest projections with existing measures, as aggregates on basis of the data submitted by Member States in 2015 to the EU, emissions are estimated to be 24% lower in 2020 than in 1990”.

What are the estimates not including the UK?

[Answer by European Union](#), Tuesday, 25 October 2016

EU law is applied and implemented in the 28 Member States and the EU puts together and publishes estimates including all the Member States. EU law is applied and implemented in the 28 Member States and the targets assumed under EU legislation have not changed. Therefore an EU aggregate provided without one of the Member States would not be meaningful to the consideration of emissions relevant to EU targets.

[Question by Brazil](#) at Tuesday, 30 August 2016

[Category:](#) All emissions and removals related to its quantified economy-wide emission reduction target

[Type:](#) Before 31 August

[Title:](#) Emission estimates

Please, consider the following:

“The overall EU GHG emission trend is dominated by the two largest emitters, Germany and the United Kingdom, which together account for more than one third of total EU-28 GHG emissions in 2013. These two Member States have achieved total domestic GHG emission

reductions in 2013 of 529 million tonnes of CO2 equivalents compared to 1990 (not counting carbon sinks and the use of Kyoto mechanisms)".

What are the estimates not including the UK?

[Answer by](#) European Union, Tuesday, 25 October 2016

EU law is applied and implemented in the 28 Member States and the EU puts together and publishes estimates including all the Member States. EU law is applied and implemented in the 28 Member States and the targets assumed under EU legislation have not changed. Therefore an EU aggregate provided without one of the Member States would not be meaningful to the consideration of emissions relevant to EU targets.

[Question by](#) Brazil at Tuesday, 30 August 2016

[Category:](#) Progress towards the achievement of its quantified economy-wide emission reduction target

[Type:](#) Before 31 August

[Title:](#) Renewable energy

BR2 states that "a target of at least 27 % renewable energy by 2030, binding at the EU level; an indicative energy efficiency target of at least 27% for 2030".

What is the share of renewable energy in 2014/2015? Could the EU disaggregate those estimates by type of energy? If so, please, disaggregate also the estimates by type of non-renewable energy.

What are the other targets by 2020?

What types of energy does EU consider as renewable?

[Answer by](#) European Union, Tuesday, 25 October 2016

Every two years, EU countries report on their progress towards the EU's 2020 renewable energy goals. Based on the national reports, the European Commission produces an EU-wide report which gives an overview of renewable energy policy developments in EU countries.

Findings from the latest EU-wide report in 2015:

25 EU countries are expected to meet their 2013/2014 interim renewable energy targets

In 2014, the projected share of renewable energy in the gross final energy consumption is 15.3%

The EU's 2020 renewables target has resulted in around 326 Mt of avoided CO₂ emissions in 2012, rising to 388 Mt in 2013

It has also led to a reduction in the EU's demand for fossil fuels to the tune of 116 Mtoe (2013 figure)

The 2014 projected share of renewable energy in transport is 5.7% meaning that achieving the target will be challenging but feasible, with some EU countries making good progress

The latest available information on the EU-wide progress with the implementation of the renewable energy directive is available at http://eur-lex.europa.eu/resource.html?uri=cellar:4f8722ce-1347-11e5-8817-01aa75ed71a1.0001.02/DOC_1&format=PDF

The Renewable Energy Directive (DIRECTIVE 2009/28/EC) establishes an overall policy for the production and promotion of energy from renewable sources in the EU. It requires the EU to fulfil at least 20%

of its total energy needs with renewables by 2020 – to be achieved through the attainment of individual national targets. All EU countries must also ensure that at least 10% of their transport fuels

come from renewable sources by 2020. The renewable energy directive establishes defines 'energy from renewable sources' as energy from renewable non-fossil sources, namely wind, solar, aerothermal, geothermal, hydrothermal and ocean energy, hydropower, biomass, landfill gas, sewage treatment plant gas and biogases

[Question by Brazil](#) at Tuesday, 30 August 2016

[Category:](#) Progress towards the achievement of its quantified economy-wide emission reduction target

[Type:](#) Before 31 August

[Title:](#) Emission reductions commitment

The EU reiterated in BR2 that “under the UNFCCC, the EU and its Member States have taken a joint emission reduction target to reduce its GHG emissions by at least 20% compared to 1990 by 2020, with a conditional offer to move to a 30% reduction, provided that other developed countries commit themselves to comparable emission reductions and developing countries contribute adequately according to their responsibilities and respective capabilities”.

Under the first Multilateral Assessment (2014), answering a question made by Brazil, the EU

also stated that “the EU and its Member States reiterated their conditional offer to move to a 30% reduction by 2020 compared to 1990, as part of a global and comprehensive agreement for the period beyond 2012 and provided that developed countries commit themselves to comparable emission reductions and more advanced developing countries contribute adequately according to their responsibilities and respective capabilities. The offers remain on the table”.

Considering the adoption of Paris Agreement under the UNFCCC, is the EU moving to the commitment of 30% reduction by 2020 compared to 1990?

[Answer by European Union, Tuesday, 25 October 2016](#)

The EU is on track to meet its 2020 objective of a 20% economy-wide reduction below 1990 levels. According to latest projections, the reduction would be around 24% with existing measures. Falling energy intensity (lower energy use per unit of GDP) and increased penetration of renewables have been identified as the main drivers of this trend. Looking forward, our priority is putting in place the policies & measures necessary to implement our NDC, which builds on this 2020 progress and increases ambition to an at least 40% reduction below 1990 by 2030.

Individual Member States are nevertheless putting extra efforts to go beyond their 2020 commitments.

[Question by China at Monday, 29 August 2016](#)

[Category:](#) Progress towards the achievement of its quantified economy-wide emission reduction target

[Type:](#) Before 31 August

[Title:](#) assumptions on carbon price

We noticed that the carbon price assumptions for the year 2020, 2025 and 2030 in BR2 of some EU member states (such as Czech Republic, Slovakia and Estonia) are inconsistent with values recommended by EU in CTF TABLE5. Could EU provide further clarification regarding this matter?

[Answer by European Union, Tuesday, 25 October 2016](#)

Ultimately it is the decision of Member States if they follow the recommendations by the European Commission on carbon price assumptions, and most of them did.

See also answer to the similar question from Switzerland (Development of the EU ETS carbon price)

[Question by China at Monday, 29 August 2016](#)

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

Type: Before 31 August

Title: projections

According to projections of WEM scenario, the only sector with an increasing trend in GHG emission is transport. Could EU specify the drivers for this trend and identify key challenges in controlling transport emissions?

Answer by European Union, Tuesday, 25 October 2016

Transport was responsible for around 21% of the total EU emissions in 2014 and is the only sector where emissions have increased over the period 1990-2014, by approximately 13 %. Transport emissions have been on a decreasing trend since 2007 but again increased in 2014. The overall net increase in emissions was accounted for by a strong uptake of diesel and decline of gasoline use. Energy efficiency improvements and to a lesser extent increased use of less carbon intensive fuels such as LPG and biodiesel blends have led to levels of road transport emissions that would have otherwise been higher.

According to the projections compiled at EU level on basis of the projections of the 28 EU Member States, in the transport sector, emissions are projected to remain relatively stable up to 2020. Implementing the additional measures (i.e. at planning stage up to early 2015) would lead to minor further emission decreases.

The Commission has now undertaken additional analysis to explore the impact of current trends, including the implementation of policies that were adopted at EU and Member State level by December 2014, in the so-called 'EU Reference scenario 2016'. The projection shows that the declining trend in transport emissions is expected to continue, leading to 12% lower emissions in 2030 than in 2005.

Modelling analysis developed to reach all the 2030 energy and climate targets agreed by the October 2014 European Council and the 2050 decarbonisation objectives shows emissions reductions of:

18-19% for transport, 38-43% for residential and tertiary (mainly buildings), 35-37% for industry and 29%-35% for non-CO2 sectors (mainly agriculture and waste) by 2030 relative to 2005.

Therefore, comparing developments under current trends and adopted policies (i.e. the EU Reference scenario 2016) with the modelling results the central scenarios (18-19%), shows that additional policies

could be needed in the transport sector, especially post-2020, in order to close the gap of 6-7 percentage points and provide a cost-effective transport contribution to the 2030 Climate and Energy policy

framework (taking into account all targets agreed for 2030 and existing policy mix).

The Commission has adopted in July 2016 the Communication "An EU Strategy for low-emission mobility" highlighting a wide range of actions to accelerate the pace of the shift towards low-emission

mobility, setting a clear ambition by midcentury, greenhouse gas emissions from

transport will need to be at least 60% lower than in 1990 and be firmly on the path towards zero. Emissions of air pollutants from transport that harm our health need to be drastically reduced without delay.

Question by China at Monday, 29 August 2016

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

Type: Before 31 August

Title: CAP of EU-ETS

EU is on track to meet its 2020 target and most likely will overachieve it. How will EU adjust its PaMs accordingly, including the CAP and allowance allocation approaches of the EU-ETS, in order to provide sufficient incentives for further deepening the low-carbon transition?

Answer by European Union, Tuesday, 25 October 2016

- The cap on the overall number of allowances declines each year in a linear manner. The current reduction is 1,74% per year compared to a baseline representing average phase 2 emissions
- As part of the proposal to revise the EU ETS this yearly reduction is to be increased from 1,74% to 2,2% from 2021.
- In addition, from 2019 the Market Stability Reserve agreed in 2015 will reduce the number of allowances to be auctioned in the subsequent calendar year if the total number of allowances in circulation at the end of the year is over 833m allowances. The reduction is equal to 12% of the number of allowances in circulation, and these allowances are placed in the Market Stability Reserve rather than being auctioned, thus reducing supply.
- These changes will address the existing imbalance between the supply and demand for allowances on the carbon market. In particular, the MSR as agreed legislation is reflected in the most recently updated 2016 reference scenario.
- In addition, the proposal to revise the EU Emissions Trading System provides for 450 million allowances to be used to set up an Innovation Fund to support innovative low carbon demonstration projects in energy and industry sectors covered by the EU ETS.

As part of its overall 2030 climate target, the EU has agreed in October 2014 a target of 30% emission reductions in non-ETS sectors below 2005 levels.

Aggregate Member States' GHG projections of 2015 indicate that additional policies are required in order to bring the emissions in line with this target for the non-ETS sectors. The translation of the -30% target into binding Member State targets and its further specification via an Effort Sharing Regulation is subject of an ongoing legislative process (COM(2016) 482). EU policies like the recently revised F-gas Regulation, energy efficiency policies and CO₂ emission standards vehicles will also contribute.

[Question by China](#) at Monday, 29 August 2016

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

Type: Before 31 August

Title: conditional targets

According to the paragraph 4 of 1/CP.19, each developed country Party is urged to revisit quantified economy-wide emission reduction targets under the Convention and evaluate the continuing application of any conditions associated with its QEWERT with a view to adjusting, resolving or removing such conditions. Has EU conducted the revisit and periodical evaluation mentioned above? If yes, could EU share the conclusions? If not, when will EU plan to do so?

[Answer by European Union](#), Tuesday, 25 October 2016

The EU is on track to meet its 2020 objective of a 20% economy-wide reduction below 1990 levels. According to latest projections, the reduction would be around 24% with existing measures. Falling energy intensity (lower energy use per unit of GDP) and increased penetration of renewables have been identified as the main drivers of this trend. Looking forward, our priority is putting in place the policies & measures necessary to implement our NDC, which builds on this 2020 progress and increases ambition to an at least 40% reduction below 1990 by 2030.

Individual Member States are nevertheless putting extra efforts to go beyond their 2020 commitments.

[Question by China](#) at Monday, 29 August 2016

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

Type: Before 31 August

Title: Influence on ETS by the Brexit

Could EU provide more information on the potential impacts caused by the 'Brexit' on the 2020 QEWERT, EU-ESD and ETS?

[Answer by European Union](#), Tuesday, 25 October 2016

EU law is applied and implemented in the 28 Member States and the targets assumed under EU legislation for 2020 have not changed. It is premature until formal procedure is launched and we are not in a position to speculate on the potential impacts of Brexit. At present, the UK is a EU Member State with full rights and has supported the ratification of the Paris Agreement by the EU, as well as progressing with its national ratification of the

Paris Agreement.



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