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## Climate Change Committee – 53rdSession

Wednesday, 14 December 2011

### Summary record

1. The chairman opened the meeting and the agenda was adopted.

2. **Vote on**

#### **Draft Commission Regulation on the monitoring and reporting of greenhouse gas emissions pursuant to Directive 2003/87/EC of the European Parliament and of the Council**

The Commission outlined the reasons for the proposal. Article 14 of Directive 2003/87/EC as amended by Directive 2009/29/EC dated 23 April 2009, requires the Commission to adopt by 31 December 2011, a regulation for the monitoring and reporting of emissions and where relevant, activity data from the activities listed in Annex I, for the monitoring and reporting of tonne-kilometre data for the purpose of an application under Articles 3e or 3f of that Directive (M&R Regulation), based on the principles for monitoring and reporting set out in Annex IV of Directive 2003/87/EC .

The main objective is to ensure a common approach with respect to monitoring and reporting in order to guarantee environmental effectiveness and integrity of the system and improving cost-effectiveness while seeking higher consistency and transparency. This will lead to savings for all stakeholders involved as well as improving cost-effectiveness of monitoring and reporting standards, since they will enhance the trust in the reports to the market and, thereby the efficiency of the market.

The discussion between the Commission and the Member States clarified all pending issues notably explanation of the relation between Article 27 of Directive 2003/87/EC and its Articles 14 and 15, the explanation of MRV requirements for biomass under the proposed EU ETS Monitoring and Reporting Regulation (and Accreditation and Verification Regulation) as well as the question of net calorific value and definition

for biodiesel compared to Annexe III of the Renewable Energy Directive . Minor technical changes as well as the introduction of a new recital related to Article 27 of Directive 2003/87/EC were agreed between the Commission and the Member States to clarify the legal situation of small emitters as defined in this case .

The Commission then proceeded to put the draft Regulation to a vote. The Committee approved the draft Regulation with 283 votes in favour, 7 against, 47 abstentions and 8 not represented (two Member States absent). The draft Regulation will now be sent to translation. Then it will be submitted for scrutiny to the European Parliament and to the Council. Upon agreement of the two Institutions, it will then be submitted to the College for adoption.

### **Draft Commission Regulation on the verification of greenhouse gas emission reports and tonne-kilometre reports and the accreditation of verifiers pursuant to Directive 2003/87/EC of the European Parliament and of the Council**

The Commission outlined the reasons for the proposal. Article 15 of Directive 2003/87/EC, as amended by Directive 2009/29/EC dated 23 April 2009, requires the Commission to adopt by 31 December 2011 a regulation for the verification of emission reports based on the principles set out in Annex V of that Directive and for the accreditation and supervision of verifiers (A&V Regulation), including specification of conditions for accreditation and withdrawal of accreditation, for mutual recognition and peer evaluation of accreditation bodies, as appropriate.

The specific objectives for verification and accreditation are to establish a consistent and comparable level of verification and to harmonise the internal market for verification and accreditation services while improving cost-effectiveness of the system. The Draft Commission regulation is based on the steps outlined in Annex V of the EU ETS Directive, that lays down the basic approach and criteria for verification activities, and on the detailed guidance on the assessment and accreditation of verifiers and verification bodies for EU ETS (EA document EA-6/03) developed by the European cooperation for Accreditation (EA) as recognised in the current Monitoring Reporting Guidelines published in 2007.

No discussion was needed between the Commission and the Member States before the vote took place

The Commission then proceeded to put the draft Regulation to a vote. The Committee approved the draft Regulation with 337 votes (unanimity) in favour and 8 not represented (two Member States absent). The draft Regulation will now be sent to translation. Then it will be submitted for scrutiny to the European Parliament and to the Council. Upon agreement of the two Institutions, it will then be submitted to the College for adoption.

### **3. Update on the NER 300 process post-February 2012**

The Commission presented the state of play on the monetisation and selection processes under the First Call for Proposals of the NER 300 programme. In particular, the Commission presented the adjusted process after 9 February 2012, by which date the EIB has to complete its due diligence assessment and provide a list of projects ranked by increasing cost per unit performance to the Commission. A number of steps

have to be taken after this deadline before award decisions can be made, and an adjustment to the process originally foreseen had become necessary as results of the monetisation will not yet be known in February 2012.

Member States did not raise any objections to the adjustment, but asked a number of questions beyond the presentation, both on monetisation and on the selection process. The Commission will provide further updates on the process to the Committee in due time after the due diligence assessment would be concluded.

**4. Discussion of the draft Commission Regulation on monitoring and reporting of data on the registration of new light commercial vehicles pursuant to Regulation (EU) No 510/2011 of the European Parliament and of the Council**

The Commission presented the key elements of the draft Regulation, the time table for adoption and the procedural steps required before the draft Regulation can be voted by the Committee. One Member State raised the issue of the need for a transitory period during which the monitoring of multistage vehicles and M2 and N2 vehicles may not be complete. No other issues were raised and the Commission indicated that since there is consensus on the substance of the act, it may request the Committee to vote by written procedure.

**5. Presentation by EEA-EFTA states on the determination of number of allowances to be auctioned by EEA EFTA states**

The Commission presented key elements of the draft EEA EFTA joint committee decision (JCD) currently discussed between the Commission's services and the EEA EFTA states' representatives. In particular, the Commission presented the method foreseen to determine the number of allowances to be auctioned by each EEA EFTA states and the impact on the EU Member States' auctioning rights. Further to the presentation, Iceland indicated that it is still looking together with the Commission into ways to cover the administrative requirements and costs under the EU ETS given its relatively low share of auctioning rights.

Member States asked a number of questions on the presentation. Finally, the Commission underlined once more the importance of Member States being aware of the content and impact of the JCD already at this stage in order to ensure its timely adoption and implementation in the relevant national legal orders.

**6. Transition to the Union Registry**

The Commission services presented the state of play of the transition to the single Union registry. As discussed with Member States and announced at the end of November, the migration to the single registry will take place in two steps:

- as of 30 January 2012 the single registry will be partially activated in order to allow aircraft operators to open registry accounts and receive free allowances by end February 2012;

- the full activation of the single registry, including the transfer of existing accounts from national registries, will not take place before June 2012.

Prior to the full activation of the single registry existing national registries will remain operational. The Committee discussed measures to be put in place in the transition phase.

Following a request from some Member States, the Commission services agree to present a regular update on the issue of the transition to the single registry to the Climate Change Committee.

## **7. Aviation/ETS update on developments**

The Commission gave an update on the latest steps in the implementation of the Directive. This was followed by a summary of the key developments both internationally and in our bilateral contacts with third countries. A short summary of the latest internal co-ordination on this subject was also provided.

Member States thanked us for keeping the issue on the agenda and supported continued co-ordination on this issue. They also stressed the need to continue engaging with third countries to explain the flexibilities in the legislation.

**Climate Change Committee****14-Dec-11****LIST OF PARTICIPANTS**

<b>Member State</b>	<b>Organisation/Institution</b>
<b>AUSTRIA</b>	Austrian Umweltbundesamt
	Ministry Of Environment
<b>BELGIUM</b>	Walloon Air & Climate Agency
	Flemish Region - LNE)
	Federal Public Service - DG Environment)
<b>BULGARIA</b>	Ministry of Environment
<b>CZECH REPUBLIC</b>	Ministry of Environment
<b>DENMARK</b>	Ministry of Environment
	Danish Energy Agency
<b>ESTONIA</b>	Ministry of the Environment
<b>FINLAND</b>	Ministry of the Environment
	Ministry of Employment and the Economy
	Ministry of Employment and the Economy
	Energy Market Authority
<b>FRANCE</b>	Ministère de l'Ecologie, du Développement Durable, des Transports et du Logement
	Ministère de l'Ecologie, du Développement Durable, des Transports et du Logement
<b>GERMANY</b>	UBA
	Bundesministerium für Wirtschaft und Technologie
	German Emission trading Authority
	German Emission trading Authority
	Ecologic Institute
<b>GREECE</b>	Permanent representation

<b>HUNGARY</b>	Ministry of Environment
<b>ITALY</b>	Ministry for the Environment Land and Sea
	Ministry for the Environment Land and Sea
	Ministry of Economic Development
<b>IRELAND</b>	Environment Protection Agency
	Ministry of Environment
<b>LATVIA</b>	Ministry of the Environmental Protection and Regional Development
	Ministry of the Environmental Protection and Regional Development
	Latvian Environment Geology and Meteorology Centre
<b>LITHUANIA</b>	Ministry of Environment
<b>LUXEMBOURG</b>	
<b>MALTA</b>	Malta Resources Authority
<b>POLAND</b>	Ministry of Environment
<b>PORTUGAL</b>	Permanent Representation
	Permanent Representation
<b>ROMANIA</b>	Ministry of Economy Commerce and Business, environment
	Ministry of Environment & Forestry
<b>SLOVENIA</b>	Ministry of Environment
<b>SLOVAKIA</b>	Ministry of Environment
<b>SPAIN</b>	Ministry of Environment
	Ministry of Environment
<b>SWEDEN</b>	Swedish Environmental Protection Agency
	Swedish Transport Agency
	Swedish Energy Agency
<b>THE NEDERLANDS</b>	Ministry of Infrastructure and Environment
	Ministry of Infrastructure and Environment
	Ministry of Infrastructure and Environment

	Ministry of Infrastructure and Environment
<b>UK</b>	DECC
	Environment Agency
	DECC
<b>EFTA</b>	EFTA secretariat
	EFTA secretariat
<b>NORWAY</b>	Mission to the EU
	Ministry of Environment
<b>ICELAND</b>	Environment Agency
	Embassy of Iceland to the EU
<b>FYROM</b>	Mission to the EU
<b>MONTENEGRO</b>	Mission to the EU