

Kyoto Protocol to the United Nations Framework Convention on Climate Change: technical implementation

2013/0377(COD) - 06/11/2013 - Legislative proposal

PURPOSE: to ensure the technical implementation of the Kyoto Protocol after 2012.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: the '**Doha Amendment**' to the Kyoto Protocol to the United Nations Framework Convention on Climate Change establishes a **second commitment period** of the Kyoto Protocol, starting on 1 January 2013 and ending on 31 December 2020.

The Kyoto Protocol's second commitment period will continue and enhance the existing comprehensive system of emissions accounting to ensure transparency of the performance of Parties and compliance with their obligations.

The implementation of the Kyoto Protocol after 2012 requires **a set of technical implementation rules** to be drawn up for the European Union, its Member States and Iceland. The recent Monitoring Mechanism Regulation does not contain the legal basis that would enable the Commission to adopt delegated acts relating to the implementation of rules on the second engagement period. Accordingly, it is necessary to amend [Regulation \(EU\) No 525/2013](#) to supply the legal basis required.

LEGAL BASIS: Article 192 (1) of the Treaty on the Functioning of the European Union (TFEU).

CONTENT: the proposal to amend Regulation (EU) N° 525/2013 aims to: (i) **establish coherent rules** to ensure the technical implementation of the Kyoto Protocol in the Union after 2012; (ii) enable the effective operation of the joint fulfilment of the commitments of the Union, its Member States and Iceland, and (iii) ensure its alignment with the operation of the EU's Emissions Trading System (ETS) and [Decision No 406/2009](#) ('the Effort Sharing Decision').

In order to do this, it is proposed to **delegate to the Commission the power to adopt non-legislative acts** (delegated acts) establishing rules on non- essential elements for the accounting of Kyoto units after 2012 in EU law.

These rules on technical implementation in the European Union will relate, in particular, to:

- **unit management processes** such as transactions of Kyoto units (issuance, transfer, acquisition, cancellation, retirement, carry-over, replacement or expiry date change) in and between the national registries of the European Union, Member States and Iceland;
- **accounting processes** related to the transition from the first to the second commitment period, including the carry-over of surplus AAUs, CERs and ERUs from the first to the second commitment period;

- **the establishment and maintenance of a previous period surplus reserve (PPSR)** and a commitment period reserve (CPR) for each member of the joint fulfilment agreement;
- **the levy or ‘share of proceeds’** applied to the issuance of ERUs and the first international transfer of AAUs in the second commitment period.

This proposal is presented at the same time as the proposal for a [Council Decision](#) on the conclusion of the Doha Amendment to the Kyoto Protocol to the United Nations Framework Convention on Climate Change.

BUDGETARY IMPLICATIONS: the proposal has no implications for the EU budget.

DELEGATED ACTS: the proposal contains provisions empowering the Commission to adopt delegated acts in accordance with Article 290 of the Treaty on the Functioning of the European Union.