

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

2013/0377(COD) - 16/04/2014 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 579 votes to 35, with 33 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) No 525/2013 as regards the technical implementation of the Kyoto Protocol to the United Nations Framework Convention on Climate Change (UNFCCC).

Parliament adopted its position at first reading following the ordinary legislative procedure. The amendments adopted in plenary are the result of an agreement reached between the European Parliament and the Council. They amended the proposal as follows:

The European Parliament and the Council have introduced in Regulation (EU) No 525/2013 a legal basis that would enable the Commission to adopt the **necessary technical implementation rules for the second commitment period** of the Kyoto Protocol in accordance with the terms of the Doha Amendment, the decisions of the Conference of the Parties to the UNFCCC serving as the meeting of the Parties to the Kyoto Protocol and a joint fulfilment agreement.

'Joint fulfilment agreement' should mean the terms of an agreement concluded between the Union, its Member States and any third country to fulfil their commitments under the application of the Kyoto Protocol, for the second commitment period, jointly.

Management of registries: it is stipulated that the Union and the Member States should set up and manage party holding accounts, including a deposit account, and issue an amount of AAUs corresponding to their respective assigned amounts for the second commitment period of the Kyoto Protocol into those party holding accounts and to carry out the transfers pursuant to Decision 1/CMP.8 or other relevant decisions of the UNFCCC or Kyoto Protocol bodies and a joint fulfilment agreement.

To this effect, in their respective registers, the Union and each Member State should, *inter alia*:

- **account for** the issue, holding, transfer, acquisition, cancellation, retirement, replacement or change of expiry date of AAUs, RMUs, ERUs, CERs, tCERs and ICERs, as relevant, held in their respective registries for the second commitment period of the Kyoto Protocol;
- **establish and maintain a commitment period reserve;**
- **carry over** AAUs (Assigned Amount Units), CERs (Certified emission reductions) and ERUs (Emission reduction units) held in their respective registries **from the first to the second commitment period** of the Kyoto Protocol, and establish a previous period surplus reserve and manage AAUs held therein.

Where a Member State is seriously disadvantaged by a specific and exceptional situation, including accounting inconsistencies in matching the implementation of Union legislation with the rules agreed under the Kyoto Protocol, the Commission should, subject to the availability of units at the end of the second commitment period of the Kyoto Protocol, adopt measures to address that situation. For that purpose, the Commission should be empowered to adopt **implementing acts** to transfer CERs, ERUs or AAUs held in the Union registry to the registry of that Member State.

Retiring from registries: it is stated that the Union and the Member States should each, at the end of the second commitment period under the Kyoto Protocol, retire from their respective registries AAUs, RMUs, ERUs, CERs, tCERs or ICERs equivalent to the greenhouse gas emissions from sources and removals by sinks covered by their respective assigned amounts.

Delegated acts: in order to establish coherent rules to ensure the technical implementation of the second commitment period of the Kyoto Protocol in the Union, including the transition from the first to the second commitment period, the power to adopt delegated acts should be delegated to the Commission, from the date of conclusion by the Union of the Doha Amendment to the end of the additional period for fulfilling commitments under the second commitment period of the Kyoto Protocol.

In the delegated acts to be adopted in accordance with this Regulation, the Commission should provide for a **clearing process at the end of the second commitment period of the Kyoto Protocol**, whereby any net transfers of annual emission allocations in accordance with Decision No 406/2009/EC, and any net transfers of allowances with third countries participating in the EU ETS which are not part of a joint fulfilment agreement with the Union and its Member States, are followed by a transfer of a corresponding number of AAUs.

The Commission, when preparing and drawing up delegated acts, should ensure a simultaneous, timely and appropriate transmission of relevant documents to the European Parliament and to the Council. It should also avoid, to the extent possible, administrative burdens and costs, including those relating to share of proceeds and IT development and maintenance.

The power to adopt delegated acts should be conferred on the Commission for a period of **five years** from 8 July 2013.