Greenhouse gas emissions, climate change: mechanism for monitoring and reporting

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The Commission adopted **the climate action progress report**, including the report on the functioning of the European carbon market and the report on the review of Directive 2009/31/EC on the geological storage of carbon dioxide. The report also responds to the requirements of Article 21 of **Regulation (EU) No 525/2013 of the European Parliament and of the Council** on a mechanism for monitoring and reporting greenhouse gas emissions and for reporting other information at national and Union level relevant to climate change.

The main conclusions of the report are as follows:

Progress towards meeting the Europe 2020 targets and the Kyoto Protocol targets: the report notes that the EU is **currently on track** towards meeting its Europe 2020 greenhouse gas reduction target as well as its Kyoto Protocol targets:

- according to most recent estimates, in 2014 total EU greenhouse gas (GHG) emissions covered by the 2020 Climate and Energy Package were 23% below the 1990 level and decreased by 4% compared to 2013;
- according to the projections with existing measures provided by Member States in 2015, emissions are estimated to be **24% lower** in 2020 than they were in 1990.
- **for all but four Member States** (Luxembourg, Ireland, Belgium and Austria), projected emissions in 2020 are below the domestic targets set under the **Effort Sharing Decision**.

Further measures needed: according to the projections with existing measures provided by Member States, total EU GHG emissions in 2030 are estimated to be 27% below 1990 levels. Additional measures are needed for the EU to meet the target of a domestic reduction in greenhouse gas emissions of **at least 40** % by 2030 compared to 1990.

To address this, the Commission has proposed a <u>revision of the EU Emissions Trading System</u> (EU ETS) in July 2015. In the first half of 2016, the Commission will also make proposals on the implementation of the non-ETS emissions reduction target of 30% compared to 2005.

Continued successful decoupling of economic activity and GHG emissions: the EU continues to successfully decouple its economic growth from its GHG emissions. During the 1990-2014 period, the EU's combined GDP grew by 46%, while total GHG emissions (excluding LULUCF and including international aviation) decreased by 23 %. In particular, the implementation of the 2020 Climate and Energy Package has resulted in a significant increase in renewable energy and progress in energy efficiency. Both of these are the key drivers behind the observed reduction in emissions, with the carbon price acting as driving force expected to be progressively stronger in the future.

The report indicates that the Commission is also rolling out the initiatives planned under the 'Framework strategy for a resilient Energy Union with a forward-looking climate policy'. There are upcoming proposals on measures related to areas including renewable energy, energy efficiency, transport, and research and development. Furthermore, the Commission is working on the implementation the Energy Union.

Other policies and measures: the report discusses the following measures and actions:

- the Commission plans to adopt a **legislative proposal on the Effort-Sharing Decision (ESD)** in the first half of 2016, with a view to reducing non-ETS emissions by 30% between 2005 and 2030. It will determine the extent to which the ESD is contributing to the overall EU 2020 GHG emissions reduction target;
- the Commission is working on the impact assessment to analyse how **LULUCF** can be integrated into the EU climate and energy framework for the post-2020 period,;
- the Commission will review the <u>Energy Efficiency Directive</u> and the <u>Energy Performance of Buildings Directive</u> in 2016. Furthermore, the dedicated Strategy for heating and cooling is planned for early 2016. A proposal for revised legislation on energy labelling has already been presented and is currently under consideration by the co-legislators;
- the Energy Union roadmap includes a proposal for a **new Renewable Energy Directive** and a bioenergy sustainability policy;
- the Commission has carried out an **evaluation on the Carbon Capture Storage (CCS) Directive** and concluded that the Directive is fit-for-purpose and sets up the necessary regulatory framework to ensure the safe capture, transport and storage of carbon dioxide while allowing the Member States sufficient flexibility;
- in April 2015, the EU adopted a <u>Regulation</u> that set up an EU-wide monitoring, reporting and verification system for shipping as the first step in the EU strategy towards cutting emissions in this sector;
- in the area of **light-duty vehicles**, EU legislation sets binding emissions targets for new car- and van fleets. Manufacturers are well on their way to reaching the 2021 target of 95gCO2/km for cars and the 2020 target of 147gCO2/km for vans;
- in April 2015, the European Parliament and the Council agreed to **amend the Fuel Quality and Renewable Energy Directives** to take account of the effects of indirect land-use change caused by growing certain crops for the production of biofuels until 2020;
- lastly, the 2014 Fluorinated greenhouse gas (F-gases) Regulation applies from 1 January 2015.

EU adaptation Policy: in 2017, the Commission will report to the European Parliament and Council on the implementation of the 2013 Adaptation to Climate Change Strategy, which aims to ensure that adaptation considerations are addressed in all relevant EU policies.

The report notes that many Member States are addressing adaptation planning and the identification of climate change-related risks and vulnerabilities. National adaptation strategies have been adopted by 20 Member States and are under preparation in most of the remaining ones.