

---

## MEMBER STATES OFFERED EU CLIMATE TARGET FLEXIBILITY IN BID TO CUT EMISSIONS

-

20.07.2016

---

19.07.2016

EurActiv

EU member states will be able to bank annual emissions savings from sectors such as agriculture and transport, and use them in later years to meet their climate targets, under EU legislation set to be put forward on Wednesday (20 July).

The draft Effort Sharing Regulation offers countries flexibility in deciding how to make their contribution to a binding EU-wide target to reduce greenhouse gas emissions in sectors not covered by the EUs Emission Trading System (ETS).

Agriculture, transport and buildings are the only three major sectors currently not regulated under the ETS, which caps emissions from large industrial installations such as steelmaking and power generation plants.

The European Commission has said that such non-ETS sectors must cut their emissions by 30% compared to 2005 levels by 2030. Road transport, for example, accounts for a fifth of EU carbon dioxide emissions, and agriculture is responsible for 9.6% of EU greenhouse gases.

Member states will be given autonomy to decide how much each sector contributes to their target, and to buy and sell carbon allocations to each other, under the draft bill. This measure will encourage investment in low-carbon technology, it is hoped.

National targets

Each country will be given a national target calculated on its GDP per capita, which will contribute to the blocs overall goal. These national targets range from a 0% cut to 40%.

The higher the GDP, the higher the target will be. Bulgaria, for example, is likely to be given a 0% target but maintaining current emissions would still require climate action.

Nations with large agriculture industries will be allowed to use carbon credits earned through, for example, maintaining forests or converting arable land into grassland, to meet their targets. That contribution will be capped to prevent the system being gamed.

The Commission plans to monitor progress on a yearly basis, backed with enforcement tools and may launch legal proceedings against those who fail to implement legislation.

If a country over-achieves on its emission savings it will be able to bank them to count against a

later years tally, if necessary.

Bill tailored for member states

By handing governments flexibility on how to reach the target, the Commission hopes to secure national support for the legislation.

When EU leaders agreed their 2030 climate and energy targets in October 2014, they pushed for authority over their national energy mixes. Tomorrow's bill is an attempt to meet that demand.

If approved by both the European Parliament and the Council of Ministers, the regulation will come into force in 2020, after the existing 2020 goals expire.

But there is still disagreement between countries and the Commission over the starting point for calculating emissions reductions.

The Commission is pushing to set the point at the average emission levels for 2018-2020. Some sources said 2016-2018 was also on the table.

The closer the starting level to the actual emissions in 2021, the greater the expected emissions reductions. Reductions need to be maximised to meet EU and international climate commitments.

Land use and forestry

The land use, land use change and forestry (LULUCF) sector covers emission reductions and the removal of carbon from the atmosphere by nature.

The Effort Sharing Regulation will bring LULUCF into EU law for the first time. It was governed by for the 2nd commitment period of the UN Kyoto Protocol, which ends in 2020.

But Kyoto's accounting rules and its use of a business as usual baseline have left it open to abuse. By overstating their business as usual logging, governments can scoop up millions of euros worth of carbon credits by simply not hitting their timber-felling targets.

The Commission will introduce tougher accounting rules and will not allow forest management to be taken into account in a bid to head off abuse. There is no reliable EU-wide data on forest management, which led to the decision to exclude it. Reporting periods for forestry will also be revised to make them more representative of the reality on the ground.

2030 targets and Paris

EU leaders agreed to a cut of at least 40% greenhouse gas emissions by 2030, compared to 1990 levels.

ETS and non-ETS emissions reductions will contribute to that target, as well as separate but related bills to boost energy efficiency and renewables by 27%. They are expected in the autumn.

The 2030 goals were the cornerstone of the EU's negotiations at the UN Climate Change Conference in Paris (COP21).

COP21 ended with a landmark agreement between world leaders to cap global warming to no more than two degrees above pre-industrial levels.

Now in the process of ratification, the Paris Agreement also set an aspirational non-binding cap of 1.5 degrees.

But the promises made by signing countries are not enough to hit either goal, which has led for calls for the EU 2030 targets to be raised. Tomorrow's initiative is part of the broader Energy Union strategy, which aims to lessen the bloc's dependence on energy imports and fight climate change.

<http://www.euractiv.com/section/climate-environment/news/member-states-offered-eu-climate-target-flexibility-in-bid-to-cut-emissions/>

---

Kaynak/Source: