Opinion of the Committee of the Regions on 'A mechanism for monitoring and reporting greenhouse gas emissions'

(2012/C 277/07)

THE COMMITTEE OF THE REGIONS

- welcomes the Commission's attempts to streamline and simplify greenhouse gas monitoring and reporting requirements but requests amendments to the Commission's proposal to provide a spatial/ regional context for greenhouse gas emissions and projections and low carbon development plans (PLCDs);
- requests that all the data/methodologies used be publicly available and not privately owned, that they
 be transparent and therefore replicable, and set by a body such as the EEA to avoid problems of
 multiplicity and to facilitate policy in a multi-level governance policy setting;
- calls for the spatial impact on emissions to be a material consideration in the wider policies, programmes, funding allocations and projects of the Commission;
- refers the Commission to the initiatives of the Covenant of Mayors, ClimAct Regions, carbonn and the EUCO2 80/50 as examples of international excellence of work undertaken at a regional level to reduce CO₂ emissions;
- recommends harmonising the projections of Member States to provide a set of consistent projections, including reporting on the use of renewable energy and energy efficiency;
- reiterates its call at COP 17 in Durban, as well as at previous UNFCCC conferences, for the recognition of climate mitigation and adaptation actions at the local and regional level.

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Reference document Proposal for a Regulation 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

Cilalige

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I. POLICY RECOMMENDATIONS

THE COMMITTEE OF THE REGIONS

1. Introduction

- 1.1 The proposal for a regulation (hereafter 'the proposal') 'on a mechanism for monitoring and reporting greenhouse gas emissions and for reporting other information at national and Union level relevant to climate change' has been developed largely as a consequence of the Cancun Agreement and partly due to Decision No 406/2009/EC and Directive 2009/29/EC. The legal basis for the proposal is set within the context of Article 191 of the Treaty on the Functioning of the European Union, hereon 'The Treaty'.
- $1.2\,$ A combination of 'Decision 406/2009/EC, Directive 2009/29/EC and "The Treaty" ', hereon the 'regional framework', provide a greater requirement for regional involvement in the context of mitigation than 'the proposal' currently affords. The CoR requests amendments to 'the proposal' to provide a spatial/ regional context for:
- GhG emissions; and
- Projections and low carbon development plans (PLCD);

and that all the data/methodologies used be:

- publicly available and not privately owned;
- transparent and therefore replicable; and
- set by a body such as the EEA to avoid problems of multiplicity
- to facilitate policy in a multi-level governance policy setting.

The CoR requests that provision be made for 'consumption emissions' within the PLCD, i.e. emissions associated with imported goods and services. Furthermore, PLCDs should recognise any unintended or deliberate consequences of policy that leads to 'exporting' emissions outside of the Member State. This is often referred to as 'carbon leakage', a good example of

this is the relocation of heavy industry overseas. Carbon leakage should be considered within the PLCDs with the actions taken to avoid it clearly stated. This is important to establish Europe's true role in global emissions reductions.

Furthermore, the spatial impact on emissions should be a material consideration in the wider policies, programmes, funding allocations and projects of the Commission.

The CoR reiterates its call at COP 17 in Durban, as well as at previous UNFCCC (United Nations Framework Convention on Climate Change) conferences, for the recognition of climate mitigation and adaptation actions at the local and regional level.

1.3 The Committee of the Regions shares the Commission's assessment that since the objectives of the proposed Regulation, in the context of the UNFCCC commitments, cannot be sufficiently achieved by the Member States and can therefore by reason of scale and effects be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity set out in Article 5 of the Treaty on European Union; and that in accordance with the principle of proportionality, as set out in that Article, this Regulation does not go beyond what is necessary to achieve those objectives.

2. General comments

- 2.1 The CoR welcomes:
- the proposal and the stakeholder consultation and impact assessment that preceded it;
- the inclusion of projections and mitigation actions being presented alongside inventory data;
- the commitment to harmonise international and EC monitoring and reporting and facilitating the implementation of the monitoring and reporting mechanism. However, we expect the EC to utilise commitments within the 'regional framework' to extend the proposal;
- attempts to streamline and simplify the monitoring and reporting requirements in the proposal;

- coherence between GhG (greenhouse gas) and local air emissions estimation;
- the EU Clearinghouse Mechanism and hopes that it will provide a useful tool for national, regional and local policy makers acting on climate policy;
- the extension in consideration to other impacts of aviation on global warming.

2.2 Financial issues

The delivery of climate change policy often results in competition between funds allocated to mitigation against those for adaptation. Therefore the CoR is concerned that:

- the explicit mentioning in 'the proposal' of adaptation as a local issue without an explicit mentioning of mitigation as a local issue will, in the long term, hinder the effectiveness of mitigation policy;
- there is no guidance regarding the true expansion in scope that the proposal brings to Member States. This is needed to help avoid overspends on the practitioners that will ultimately deliver many of these amendments in the proposal;
- there is no allocation to the regions of at least 30 % of revenues generated from auctioning of allowances. This is required to help implement Europe's 2020 targets on renewable energies and energy efficiency;
- the administrative, technical and financial burden of additional monitoring and reporting requirements are likely to extend to the regions, so they should be proportionate;
- a pursuit of marginal incremental improvements to data sets should be avoided if it displaces the implementation of mitigation or adaptation policy.

2.3 Emissions inventory and data

An emissions inventory tells us where we were, or are, in terms of our emissions. Its purpose should be to inform stakeholders of the current situation regarding mitigation policy.

Therefore:

— the usefulness of an inventory is greatly boosted by a PLCD with a near-, medium- and long-term outlook;

- the emissions data that will result from 'the proposal' is central to understanding the strategic direction, priorities and performance of the European Union, its Member States and regions;
- however, to maximise use, the data should be presented alongside the core economic and social performance data used regularly by decision makers.

The European Environment Agency (EEA) has an important role to play in the development and application of consistent methodologies, and supporting Member States in the production of inventories.

- The emissions data and its quality should be the direct responsibility of the central statistical and data service of the European Union. This should include a robust, transparent and accountable central process to verify the accuracy/certainty of nationally provided datasets and PLCDs.
- The following cumulative total emissions release, since 1990, should be provided by each Member State:
 - those emissions that arise within the Member State (sources);
 - those that have been offset by land use change; and
 - those that are offset pursuant to Article 5 of Decision 406/2009/EC.

These figures are of great importance, complementing the absolute target of 20 %, to keeping global warming below 2 °C.

2.4 Policy implementation

The CoR wants a stated, quantified, spatial/regional element to the PLCDs because:

- the spatial element provides for better monitoring of progress and evidence than generic presentations at a national level provide;
- the regions are closer to the citizens, than Member States, making them able to communicate information on climaterelated issues to the public, which is one of the goals of the monitoring and reporting mechanism.

Regional authorities are a key source of expertise who have presented their work at UNFCCC conferences. They should be involved from the outset in the formation of actions to mitigate and adapt to climate change so that maximum use is made of their expertise and experience in dealing with the impacts, and causes, of climate change - that hit hardest at the local level.

- We refer the EC to the initiatives of the Covenant of Mayors, ClimAct Regions, carbonn, ICLEI and the EUCO2 80/50 as examples of international excellence of work undertaken at a regional level to reduce CO₂ emissions.
- It is in line with the 'regional framework'.
- It sends a clear political message in this direction.
- The impact, in terms of an emissions reduction, of national policy, will vary between regions within a Member State and should be understood.
- Action needs to be taken closer to the source of emissions, so if data is provided that can be used locally it is more likely to be acted upon.
- Considering Articles 191 and 192 of 'The Treaty' it would be proportionate to do so.
- Regions will contribute differing levels of emissions reduction depending on their economic make-up and infrastructure. These levels of emissions reduction will vary between regions both within Member States and wider Europe.
- Despite being close to the policy implementation these authorities are not consistently consulted by Member States on climate-related issues.
- Meeting the mitigation challenge is not a top-down process.

In addition, technical and financial assistance provided to developing countries undertaken by regional authorities in decentralised cooperation programmes needs to be acknowledged.

2.5 Adaptation

Adaptation strategies are not compulsory at present so introducing reporting obligations in the field of adaptation (Article 16) may appear incongruous – although this clearly does not mean it should not be done.

The CoR repeats its call for a representative of local and regional authorities in bodies such as the new Adaptation Committee. We refer to the Mexico City Pact of 2010 and the Adaptation Charter signed in Durban in December 2011.

2.6 Low carbon development plans and projections: Transparency and data ownership

National, regional and local authorities need tools, measures, instructions and guidelines from the EC/EEA to:

- develop PLCDs;
- set-up monitoring mechanisms;
- timely cost effective access to data;
- avoid commoditisation and proliferation of data and collection tools;
- ensure consistency between PLCDs;
- strengthen data quality, reliability and confidence;
- meet obligations under the Kyoto Protocol, the Cancun Agreements and the Durban Platform for Enhanced Action.

We ask the EEA to produce mainstreamed and transparent local and regional data sets alongside national inventories and mitigation statistics, that is: searchable online, with filters to Member State, regional and sub-regional level results, by sector, to enable comparative analysis, normalisation and scrutiny against socioeconomic data.

2.7 Aviation and marine emissions

The references to treating Civil Aviation emissions and Marine emissions reporting are unclear. This is because:

- the CoR understands that this is due to a misunderstanding of '1.A.3.A civil aviation', the intention is to consider as zero private (rather than commercial) aircraft i.e. largely light aircraft and helicopters that largely use small private airfields. This should be stated clearly;
- no methodology is provided for marine emissions from maritime craft using European ports so the proposal should explicitly state that the EC is waiting for legislation before it forms a methodology.

3. Conclusion

The CoR is concerned over the lack of regional focus in the proposal. The CoR contends this is a missed opportunity that will hinder the delivery of mitigation policy. The CoR believes the proposal will be a step forward with the inclusion of an explicit regional focus. The focus on PLCDs is welcomed.

II. RECOMMENDATIONS FOR AMENDMENTS

Amendment 1

Article 1 - Subject matter

Text proposed by the Commission	CoR amendment
(e) reporting CO ₂ emissions from maritime transport;	(e) reporting CO ₂ emissions from maritime transport; implementing a reporting mechanism for maritime transport should legislation be put into place.
(f) monitoring and reporting the use of revenues generated by auctioning allowances under Article $3d(1)$, (2) or $10(1)$ of Directive $2003/87/EC$, pursuant to Articles $3d(4)$ and $10(3)$ of that Directive;	(f) monitoring and reporting the use of revenues generated by auctioning allowances under Article 3d(1), (2) or 10(1) of Directive 2003/87/EC, pursuant to Articles 3d(4) and 10(3) of that Directive;
(g) monitoring and reporting on the actions taken by Member States to adapt to the inevitable consequences of climate change;	(g) monitoring and reporting on the actions taken by Member States, and the regions within them, to adapt to the inevitable consequences of climate change;
(h) evaluating progress by the Member States towards meeting their obligations under Decision No 406/2009/EC;	(h) evaluating progress by the Member States, and the regions within them, towards meeting their obligations under Decision No 406/2009/EC;
(i) gathering information and data necessary to support future Union climate change policy formulation and assessment.	(i) gathering information and data necessary to support future Union climate change policy formulation and assessment

Reason

A mechanism for reporting marine emissions is not provided, it is our understanding that a mechanism will be provided should a new legislation require it.

As the proposals will largely be delivered at the local/regional scale the proposal should make more specific reference to it.

Amendment 2

Article 2 - Scope

Text proposed by the Commission	CoR amendment
	(j) Member States' action at national and regional level to mitigate climate change.

Reason

An explicit mentioning of the regional level is required for mitigation as well as adaptation.

Amendment 3

Article 3 - Definitions

Text proposed by the Commission	CoR amendment
(13) 'national system for policies and measures and projections' means a system of institutional, legal and procedural arrangements established within a Member State for reporting policies and measures and for preparing and reporting projections of anthropogenic greenhouse gas emissions by sources and removals by sinks as required by Article 13 of this Regulation;	tions' means a system of institutional, legal and procedural arrangements established within a Member State for reporting policies and measures and for preparing and reporting projections of

There needs to be consistency between how policies, measures and projections are considered in each Member State.

Amendment 4

Article 4 - Low-carbon development strategies

Text proposed by the Commission	CoR amendment
2. Member States shall submit to the Commission their low-carbon development strategy one year after the entry into force of this Regulation or in accordance with any timetable agreed internationally in the context of the UNFCCC process.	2. Member States shall submit to the Commission their spatially resolved low-carbon development strategy one year after the entry into force of this Regulation or in accordance with any timetable agreed internationally in the context of the UNFCCC process.
3. The Commission and the Member States shall make available to the public forthwith their respective low-carbon development strategies and any updates thereof.	3. The Commission and the Member States shall make available to the public forthwith their respective low-carbon development strategies and the calculations and data upon which they rest as well as any updates thereof.

Reason

The spatial element needs to be afforded in these plans to show that appropriate thought and understanding has been applied to the plans, this is partly because without a spatial element implementation will be hard to deliver 'on the ground'.

Understanding how these projections/low carbon development calculations have been derived is key to policy analysis and transparency.

Amendment 5

Article 5 - National inventory systems

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Text proposed by the Commission	CoR amendment
1. Member States shall establish, operate and seek to continuously improve national inventory systems to estimate anthropogenic emissions by sources and removals by sinks of greenhouse gases listed in Annex I to this Regulation and to ensure the timeliness, transparency, accuracy, consistency, comparability and completeness of their greenhouse gas inventories.	1. Member States shall establish, operate and seek to continuously improve national inventory systems to estimate anthropogenic emissions by sources and removals by sinks of greenhouse gases listed in Annex I to this Regulation and to ensure the timeliness, transparency, accuracy, consistency, comparability and completeness of their greenhouse gas inventories.
2. Member States shall ensure that their competent inventory authorities have access to, and that their national inventory system provides that their competent authorities shall have access to:	2. Member States shall ensure that their competent inventory authorities have access to, and that their national inventory system provides that their competent authorities shall have access to:
(a) data and methods reported for activities and instal- lations under Directive 2003/87/EC for the purpose of preparing national greenhouse gas inventories to ensure consistency of the reported greenhouse gas emissions under the Union's emissions trading scheme and in the national greenhouse gas inventories;	(a) data and methods reported for activities and installations under Directive 2003/87/EC for the purpose of preparing national greenhouse gas inventories to ensure consistency of the reported greenhouse gas emissions under the Union's emissions trading scheme and in the national greenhouse gas inventories;
(b) data collected through the reporting systems on fluor- inated gases in the various sectors, set up under Article 6(4) of Regulation (EC) No 842/2006 for the purpose of preparing national greenhouse gas inven- tories;	(b) data collected through the reporting systems on fluor- inated gases in the various sectors, set up under Article 6(4) of Regulation (EC) No 842/2006 for the purpose of preparing national greenhouse gas inven- tories;
(c) emissions, underlying data and methodologies reported by facilities under Regulation (EC) No 166/2006 for the	(c) emissions, underlying data and methodologies reported by facilities under Regulation (EC) No 166/2006 for the

purpose of preparing national greenhouse gas inven-

(d) data reported under Regulation (EC) No 1099/2008.

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tories;

Text proposed by the Commission	CoR amendment
3. Member States shall ensure that their competent inventory authorities, and that their national inventory system provides that their competent inventory authorities:	3. Member States shall ensure that their competent inventory authorities, and that their national inventory system provides that their competent inventory authorities:
(a) make use of the reporting systems established under Article 6(4) of Regulation (EC) No 842/2006 to improve the estimation of fluorinated gases in the greenhouse gas inventories;	(a) make use of the reporting systems established under Article 6(4) of Regulation (EC) No 842/2006 to improve the estimation of fluorinated gases in the greenhouse gas inventories;
(b) are able to undertake the annual consistency checks referred to in points (l) and (m) of Article 7(1) of this Regulation;	(b) are able to undertake the annual consistency checks referred to in points (l) and (m) of Article 7(1) of this Regulation;
	4. Member States shall ensure that regional authorities responsible for carbon emitters or sinks are aware of and participate in the national inventory system and all its updates in order to ensure that the measures and policies such authorities propose are as suitable and as efficient as possible.

The establishment and appropriate design of measures for reducing emissions and the need for their outcomes to be reflected in the greenhouse gas inventories are closely connected with awareness of information sources, models, methodological approaches, estimates, assumptions, etc. Some emission sources of the diffuse sectors and sinks fall within the remit of regional authorities. As a consequence, they need to be familiar with and participate in the national inventory system in order to improve and adapt the proposed mitigation policies at the regional level.

Amendment 6

Article 6 - Union inventory system

Text proposed by the Commission	CoR amendment
(c) an annual expert review of Member States' greenhouse gas inventories.	(c) an annual <u>independent</u> expert review of Member States' greenhouse gas inventories.
	(d) the spatial impact on emissions of the wider policies, programmes, funding allocations and projects of the Commission.

Reason

The Member State inventories should be independently reviewed by a non commercial competent inventory authority that has not been involved in the formation of a national inventory in a given year. Ideally this should be a body internal to the EEA. The EC should also recognise its impacts on emissions of its own policies and programmes, so it can identify if it has a positive or negative effect.

Amendment 7

Article 7 - Greenhouse gas inventories

Text proposed by the Commission	CoR amendment
(a) their anthropogenic emissions of greenhouse gases listed in Annex I to this Regulation and the anthropogenic emissions of greenhouse gases referred to in Article 2(1) of Decision No 406/2009/EC for the year X-2. Without prejudice to the reporting of the greenhouse gases listed in Annex I to this Regulation, the carbon dioxide (CO2) emissions from IPCC source category '1.A.3.A civil aviation' shall be considered equal to zero for the purposes of Articles 3 and 7(1) of Decision No 406/2009/EC;	listed in Annex I to this Regulation and the anthropogenic emissions of greenhouse gases referred to in Article 2(1) of Decision No 406/2009/EC for the year X-2. Without prejudice to the reporting of the greenhouse gases listed in Annex I to this Regulation, the carbon dioxide (CO2) emissions from IPCC source

The category 1.A.3.A considers emissions from aircraft taking off and landing and the cruise component within a Member State. The emissions of light aircraft that depart from private airfields are potentially burdensome to include in the short term. However the fuel used by light aircraft is likely to be considered under bunker fuel emissions if they have utilised a commercial airport (making an inconsistency).

Amendment 8

Article 13 - National systems for policies, measures and projections

Text proposed by the Commission	CoR amendment
2. They shall aim to ensure the timeliness, transparency, accuracy, consistency, comparability and completeness of the information reported on policies and measures and projections of anthropogenic greenhouse gas emissions by sources and removals by sinks, as referred to in Articles 14 and 15 of this Regulation, including the use and application of data, methods and models, and the implementation of quality assurance and quality control activities and sensitivity analysis.	2. They shall (aim to) ensure, within these reports, nationally and on a European basis, the timeliness, transparency, accuracy, consistency, comparability and completeness of the information reported on policies and measures and projections of anthropogenic greenhouse gas emissions by sources and removals by sinks, as referred to in Articles 14 and 15 of this Regulation, including the use and application of the spatially resolved data, methods and models, and the implementation of quality assurance and quality control activities and sensitivity analysis. All of the information should be reported for future analysis.

Reason

There should be the opportunity to compare PLCDs between Member States. There should also be the ability to compare impacts on emissions on differing sectors in differing European areas. Therefore the data should be accessible to enable further analysis and trust in the strategies.

Amendment 9

Article 14 - Reporting on policies and measures

Text proposed by the Commission	CoR amendment
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(c) information on national policies and measures, and on implementation of Union policies and measures that limit or reduce greenhouse gas emissions by sources or enhance removals by sinks, presented on a sectoral basis for each greenhouse gas referred to in Annex I to this Regulation. This information shall make cross references with applicable national or Union policies, particularly those on air quality, and shall include:	(c) information on national policies and measures, and on implementation of Union policies and measures that limit or reduce greenhouse gas emissions by sources or enhance removals by sinks, that increase the share of energy from renewable sources, or that reduce the gross final consumption of energy, presented on a regional and sectoral basis for each greenhouse gas referred to in Annex I to this Regulation. This information shall make cross references with applicable national or Union policies, particularly those on air quality, and shall include:
2. Member States shall make available to the public, in electronic form, any assessment of the costs and effects of national policies and measures, and any information on the implementation of Union policies and measures that limit or reduce greenhouse gas emissions by sources or enhance removals by sinks along with any technical reports that underpin these assessments. These should include descriptions of the models and methodological approaches used, definitions and underlying assumptions.	2. Member States shall make available to the public, in electronic form, any assessment of the costs and effects of national policies and measures, and any information on the implementation of Union policies and measures that limit or reduce greenhouse gas emissions by sources or enhance removals by sinks along with any technical reports that underpin these assessments. These should include descriptions of the models and methodological approaches used, definitions and underlying assumptions and calculations.

The regional context needs to be explicit.

The calculations as well as the qualitative explanations are required.

Amendment 10

Article 15 - Reporting on projections

Text proposed by the Commission	CoR amendment
March each year ('year X') national projections of anthro-	1. Member States shall report to the Commission by 15 March each year ('year X') national projections of anthropogenic greenhouse gas emissions by sources and removals by sinks, organised by gas and by sector and by region.

Reason

The regional context needs to be made explicit.

Amendment 11

Article 25 - Role of the European Environment Agency

Text proposed by the Commission	CoR amendment
(d) conducting the annual expert review;	(d) conducting internally the annual expert review;
(h) preparing estimates for data on projections not reported by the Member States;	(h) preparing estimates for data, <u>including calculations</u> , on projections not reported by the Member States;
(j) disseminating information collected under this Regulation, including maintaining and updating a database on Member States' mitigation policies and measures, and a clearinghouse on impacts, vulnerabilities and adaptation to climate change.	(j) disseminating <u>electronically searchable</u> information collected under this Regulation, including maintaining and updating a database on Member States' mitigation policies and measures, and a clearinghouse on impacts, vulnerabilities and adaptation to climate change;
	(k) providing tools to perform the projections;
	(l) harmonising the projections of Member States to provide a set of consistent projections, including reporting on the use of renewable energy and energy efficiency:
	(m) compiling data on the cumulative emissions release from each Member State, to include sources, sources and sinks and those covered under Article 5 of Decision 406/2009/EC;
	(n) including a set of projections which incorporate the wider GHG emissions globally that are driven by activity in Europe;
	(o) providing guidance on the likely costs of forming emissions projections and low carbon development plans.

The EEA is key to the success of Member State policy. This means that they should be the source of expertise and guidance over the likely trajectories of emissions. Cumulative emissions are key to atmospheric concentrations of GHGs and therefore future temperature rises. Emissions within Europe's borders do not truly reflect the global emissions driven by Europe. Therefore an appreciation of 'consumption emissions' should be explicitly included.

Brussels, 19 July 2012.

The President
of the Committee of the Regions
Mercedes BRESSO