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COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels,
C(2009)

COMMISSION DECISION

of [...]

**concerning the unilateral inclusion of additional installations by the Republic of Latvia
in the Community emission allowance trading scheme pursuant to Article 24 of
Directive 2003/87/EC of the European Parliament and of the Council**

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concerning the unilateral inclusion of additional installations by the Republic of Latvia in the Community emission allowance trading scheme pursuant to Article 24 of Directive 2003/87/EC of the European Parliament and of the Council

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a scheme for greenhouse gas emission allowance trading within the Community and amending Council Directive 96/61/EC, and in particular Article 24(1) thereof¹,

Whereas:

- (1) The national allocation plan of Latvia for the period 2008-2012 (hereinafter the national allocation plan) was approved by the Commission with decisions of 29 November 2006² and 13 July 2007³.
- (2) Latvia has applied for a unilateral inclusion of 9 additional combustion installations in the Community emissions trading scheme pursuant to Article 24 of Directive 2003/87/EC by an application dated 21 November 2008 and registered on 24 November 2008. These combustion installations have a rated thermal input not exceeding 20 MW and are therefore not covered by Annex I of Directive 2003/87/EC.
- (3) Five of the 9 installations are already participating in the scheme following the Commission Decision C(2005) 481 of 8 April 2005⁴ and therefore no new approval is necessary. Another installation was required to participate in the first trading period but is no longer required to participate as its thermal rated input has fallen below the 20MW threshold for inclusion in the scheme.
- (4) The national allocation plan for the second trading period includes the intended allocations to these 6 combustion installations amounting to 56 710 allowances. The inclusion of the remaining 3 installations will widen the scope of the scheme and therefore Latvia is allowed to issue an additional 76 200 allowances to allocate to these 3 combustion installations in accordance with the methodology set out in the national allocation plan.
- (5) In deciding to approve this application, the Commission has taken into account the criteria referred to in Article 24, and considers that emissions will be monitored and reported in accordance with Commission Decision 2007/589/EC⁵ and that the

¹ OJ L 275, 25.10.2003, p. 32.

² C(2006) 5612 final

³ C(2007) 3409

⁴ C(2005) 481

⁵ OJ L 229 31.08.2007 p. 1.

inclusion of these installations will not undermine the environmental integrity of the scheme.

- (6) The Commission also made a preliminary assessment of the compliance of the unilateral inclusion proposed by the Republic of Latvia to the national allocation plan of Latvia with Articles 87 and 88 of the Treaty. The Commission at this stage considers that the proposed inclusion could potentially imply State aid pursuant to Article 87(1) of the Treaty. In respect to the existence of State aid and its possible compatibility with the State aid provisions of the Treaty the Commission refers to its preliminary assessment made under its decision of 29 November 2006 concerning the national allocation plan for the allocation of greenhouse gas emission allowances notified by Latvia in accordance with Directive 2003/87/EC of the European Parliament and of the Council.
- (7) The 4 installations that Latvia intends to include unilaterally in the Community scheme with its current application have been monitoring and reporting their emissions since the beginning of the current trading period. Therefore they may be included as from 1 January 2008.
- (8) The measures provided for in this Decision are in accordance with the opinion of the Climate Change Committee established by Article 9 of Decision No 280/2004/EC of the European Parliament and of the Council of 11 February 2004 concerning a mechanism for monitoring Community greenhouse gas emissions and for implementing the Kyoto Protocol⁶,

HAS DECIDED AS FOLLOWS:

Article 1

The unilateral inclusion of the 4 combustion installations currently not participating in the Community scheme and listed in Latvia's application for the unilateral inclusion of installations in the Community scheme is approved. This decision shall apply from 1 January 2008.

Article 2

This Decision is addressed to Latvia.

Done at Brussels,

For the Commission
Stavros Dimas
Member of the Commission

⁶ OJ L 49 19.02.2004, p. 1.