

## Summary 8th EU ETS Compliance Conference

07/11/2017 - 08/11/2017

**The 8th EU ETS Compliance Conference was attended by over 100 participants. Participants joined to share in the latest insights and experiences related to EU ETS, in particular, concerning compliance activities.**

### Day 1

The conference was started with a key note address from Bert Metz, Fellow at the European Climate Foundation. The central message of his presentation was that in order to achieve the targets of the Paris Agreement it is necessary to strengthen the EU climate policies, including the EU ETS. In the presentation details were provided on among others the gaps to target and the remaining carbon budget. Mr Metz also stated opinion that in order for emissions to go truly to zero the 'imported emissions', that are approximately 25% of the CO<sub>2</sub> emissions from EU consumption, also would need to go to zero.

In the following presentation, Peter Zapfel from the European Commission discussed the process towards reaching a long-term agreement on the EU ETS for the future. A final decision on this long process is expected in the coming days. Mr Zapfel identified some of the main issues that have been the focus of discussions and indicated that the Commission is already preparing for implementation of the expected agreement, including in relation to update of the registry regulation, update of benchmarks and the carbon leakage list, the innovation fund, and review of the MRVA regulations. He emphasised the important role the Compliance Forum continues to play in such matters.

The morning presentations continued with further details on the ongoing work to review and update the MRR and AVR. Hubert Fallmann from Umweltbundesamt Austria explained that the update of the regulations focuses on clarifications, simplifications and improved cost efficiency. In his presentation he explained the project methodology and the process of collecting Member State inputs. After illustrating examples of possible improvements he concluded with an outlook towards the next project activities. The morning sessions were concluded with an introduction to the managers and activities of the Compliance Forum's five Task Forces. Posters were on display to further assist this process and encourage conference participants to engage the Task Force managers with questions and interest in future Task Force participation.

Lunch offered by the German Emissions Trading Authority provided delegates further opportunity to network and exchange views before the programme continued with two breakout sessions (held in parallel to each other). Breakout session I focused on inspection and enforcement, concluding that there is a real need for more sharing of knowledge and experiences on inspection and enforcement going forward, including capacity building. Considerable support was noted for a future training event. Breakout session II sought to share awareness and discussion on existing and future opportunities for facilitating reporting. It included presentation of two Member States applying simplified monitoring plans in accordance with Article 13 of the MRR.

The afternoon programme ended with two plenary presentations on international issues. The first of these was provided by Johannes Enzmann from the European Commission, who outlined two projects in support of a nationwide ETS being established in China. This ETS started in 2017 and the operational improvement phase will run until 2020. When fully operational it will cover at least 2-3 times EU ETS emissions. The final presentation on policy developments concerning maritime emissions was provided by Heidi Hiltunen and Cécile Hanoune of the European Commission. The presentation included explanation of adoption of a framework for an IMO data collection system, for maritime emissions, in October 2016, followed by a legal framework in July 2017. IMO's initial GHG emission reduction strategy is expected in 2018. A Commission proposal on alignment of IMO strategy with the EU MRV regulation for shipping is also expected in 2018.

At the end of a very full first day, the chairpersons invited the participants to continue in the exchange of information and expertise during a cocktail reception offered by the Dutch emissions authority.

## Day 2

The second day of the conference started with a presentation from the Commission on its plans and projects intended to continue support on EU ETS MRVA from 2018 onwards. Rob Gemmill broke consideration down between initiatives that are already underway but still to be completed, impending and planned; making reference to several projects to support more efficient and effective implementation of the EU ETS, including completion of the MRR and AVR revision, update of guidance and templates, a further compliance cycle evaluation, and Compliance Forum support for 2018.

The European cooperation for Accreditation was represented by Peter Hissnauer of the German National Accreditation Body DAKs. In his presentation Mr Hissnauer provided an update on accreditation and related ISO standards, emphasising that the revisions of ISO standards will be closely monitored to ensure compatibility with AVR.

The morning programme continued with two more breakout sessions, again held in parallel. In breakout session III a range of practical issues were discussed that may affect efficient MRVA implementation in EU ETS phase 4. Breakout session IV discussed recent developments and planned activities in connection with aviation, including developments for a Carbon Off-setting and Reduction Scheme for International Aviation (CORSIA).

After lunch, offered by the European Commission, two plenary presentations addressed recent IT developments. Eva Felber from the European Commission provided an update on the DECLARE system and activities while Antonio Astorino of Eurocontrol presented the latest developments on the EU ETS support facility.

The final set of presentations was provided by the rapporteurs of the four breakout sessions. Each of the rapporteurs presented an overview of the presentations provided, the main discussion points, the conclusions and the recommendations of their respective sessions.

In closing this year's Compliance Conference the chairperson among others concluded that with phase 4 of the EU ETS lying ahead there is a lot of work to do in the coming years to keep the EU ETS in perfect shape. It was also concluded that the Compliance Forum is still a unique platform in which the Commission and the Member State Competent Authorities cooperate to make a success out of the EU-ETS.