



# Break-out Session for Task Force Monitoring and Reporting

15<sup>th</sup> Compliance Conference  
26 November 2024

# Welcome and Introduction

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# Impulse contribution

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— Nederlandse Emissieautoriteit  
— Dutch Emissions Authority

# Implementation challenges of the revised MRR (NL)

# Five implementation challenges of the new MRR

- 1 Templates
- 2 Biomass and the UDB
- 3 Municipal Waste Incinerators (MWIs)
- 4 Unreasonable costs
- 5 Soda ash

# 1. Templates

- › The Netherlands is eagerly anticipating the **new MP and ER templates**, especially on:
  - Reporting of **ETS2-emissions** in ETS1
    - Due to lack of templates we are working on a temporary solution but this is not ideal
  - New rules regarding **carbon capture & storage (CCS)**
    - One major new CCS operator is awaiting the templates to update their MP

## 2. Biomass and the UDB

- › The Netherlands welcomes the coming of the **Union Database (UDB)**, but much remains unclear:
  - The UDB is set to replace the system of Guarantees of Origin (GoOs) to compensate fossil emissions from natural gas.
  - The UDB's **connection to our national system (VertiCer) will be delayed**
    - This means achieving a proper mass balance according to Article 39(4a) will be challenging.
  - The Netherlands will most likely ask operators to continue using VertiCer for the time being. This does mean that biogas streams from outside the Netherlands will remain challenging.
  - Implementation challenges are expected after 31 March 2025.
    - DE will elaborate on this

### 3. Municipal Waste Incinerators (MWIs)

- › The introduction of MWIs has introduced monitoring challenges.
- › Feedback from the industry was that **reporting emissions through CEMS is inaccurate.**
  - Taking a representative sample is difficult as waste streams are inherently heterogeneous.
  - FL will elaborate on this
- › NL continues to use national/industry standard emission factors.



## 4. Unreasonable costs

- › The increased threshold for unreasonable cost calculations (from €20 to €80 per EUA) was implemented this year.
- › Operators have reinterpreted their cost calculations, in some cases to avoid investment. This includes:
  - Significantly increased pricing of instruments
  - Significantly reduced depreciation periods
  - Using expected closing dates of installations instead of instrument depreciation periods
- › The Netherlands is evaluating the new calculations on a case-by-case basis

## 5. Soda ash ( $\text{Na}_2\text{CO}_3$ )

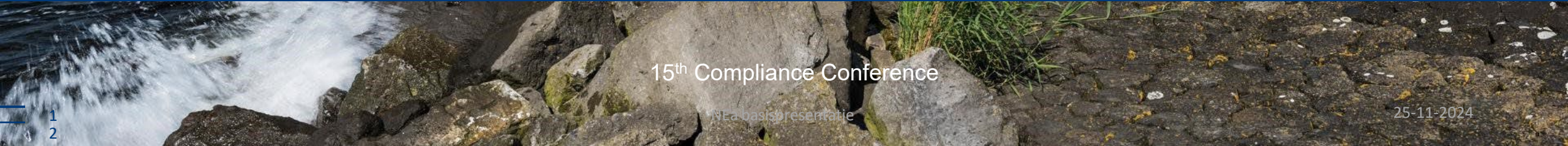
- > New rules requiring the reporting of process emissions in production of soda ash have been challenging to implement
- > There are **no soda ash producers** in the Dutch ETS. However, we do have operators which use soda ash (glass producers).
  - Soda ash is imported, not always from known sources
  - Making sure process emissions from soda ash are properly reported is therefore difficult as it **can require fairly detailed insights into other member states' ETS.**

## Questions to other member states:

- › How do you ensure that the mass balance requirement is met in your national system in the transitional period when the UDB is online but has not yet fully replaced national systems?
- › Do you recognize an increase in mandatory investments after the increase of the unreasonable-cost criterion from €20 to €80?
- › Do you have cases where soda ash is used in production and it's unclear if the emissions have been reported in the ETS? How do you handle these cases?



# Dutch Emissions Authority



15<sup>th</sup> Compliance Conference

NEa basispresentatie

25-11-2024

# Impulse contribution

Robin Halfman, Energy and Climate Agency of Flanders



Flanders  
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the Art

# Monitoring and reporting for municipal waste incinerators

Robin Halffman  
26 November 2024

# Monitoring and reporting for municipal waste incinerators

1.

**MWI's and tier requirements for a measurement-based approach**

2.

**MWI's and biomass through flue gas sampling and analysis**

# Monitoring and reporting for municipal waste incinerators

1.

**MWI's and tier requirements for a measurement-based approach**

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**MWI's and biomass through flue gas sampling and analysis**



# Municipal Waste Incinerators and monitoring approaches

- ▶ As of 2024 MWI's included in ETS for MRV aspects
- ▶ Choice between calculation- or measurement-based approach
- ▶ Unique installation conditions for MWI's
  - Large source streams with high fluctuation in conditions
  - Caused by heterogeneous nature of municipal waste

# CEMS for MWI's

- ▶ **Measurement-based more suitable for MWI's**
  - Continuous Emissions Monitoring System or 'CEMS'
  - More suited to high fluctuation
  - Calculation-based approach can have a larger, unreported margin of error
- ▶ **CEMS approach to monitoring in Flanders**
  - Obligatory in Flanders for all category B (or C) installations
  - Optional for category A installations

**Several MS have mentioned problems reaching the required tiers when using CEMS**

1.

**What problems have we encountered in Flanders?**

2.

**Information shared in previous TaskForces**

3.

**Questions to other Member States**

# What problems have we encountered in Flanders?

▶ Uncertain if MWI's will reach the required tiers

▶ Caused by 2 main problems

## 1. Lack of suitable QAL2 tailored to ETS

- a) Not offered by any measurement bodies in Flanders
  - × Less experience with QAL2 for ETS
- b) Does not yet include CO<sub>2</sub>

## 2. Inherent heterogeneous nature of waste

- a) High fluctuation in process conditions
- b) Difficult to calibrate monitoring equipment



# Information shared in previous TaskForces

- ▶ **Survey on CEMS for MWI's**

- Few MS have installations reaching tier 3 (or 4)
- Access to (more) suitable QAL2 in these MS

- ▶ **Most MS have voiced problems with reaching tiers**

- Difficulty of QAL2 and heterogeneity of waste
- Proposed a lowering of tier requirements for CEMS monitoring in MWI's

# Questions to other Member States

1. What is the experience with CEMS in your MS?
  - a. Do MWI's reach required tiers? Do you expect they will in the future?
    - With or without reliance on technical unfeasibility/unreasonable costs?
2. Do you have access to suitable QAL2 for MWI's?
  - a. MS who included MWI at an earlier stage, lessons to share on QAL2 for MWI's?
3. Do you believe a lowering of tiers for MWI's is warranted?

# Monitoring and reporting for municipal waste incinerators

1.

**MWI's and tier requirements for a measurement-based approach**

2.

**MWI's and biomass through flue gas sampling and analysis**

# MWI's and biomass through flue gas sampling and analysis

- ▶ Heterogeneity of waste makes representative sampling difficult
- ▶ In Flanders use flue gas sampling and radiocarbon dating to determine biomass fraction
  - EN ISO 13833
  - Long continuous sampling leads to representative analysis of waste
- ▶ What is enough to be deemed representative?



# Representative sampling

- ▶ In Flanders use a sampling duration of 30 continuous days
  - Historically used by MWI's and measuring bodies

Are these 30 days an overestimation?

- ▶ Difficult to combine with Annex VII minimum analysis frequency for flue gas
  - *“Every 50.000 tons of CO<sub>2</sub>, but at least once a month”*

# Questions to other Member States

1. Are other MS using flue gas sampling and analysis to determine biomass fraction?
  - a) How have you chosen a specific method in your MS?
2. If so, what sampling duration do you deem sufficient?
3. Is your MS able to reach the minimum analysis frequency in Annex VII for flue gas sampling?
  - a) Combined with a sufficiently representative sample?



Flanders  
State of  
the Art

**MORE INFORMATION?**

**jouw naam**

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**ENERGY & CLIMATE  
AGENCY OF FLANDERS**

15<sup>th</sup> Compliance Conference

# Impulse contribution

Iris Steinigk and Lisa Buchner, German Emissions Trading Authority at  
German Environment Agency

# 15th Compliance Conference Brussels, 26.11.2024



## Exchange on implementation challenges of the revised MRR

**Iris Steinigk, Lisa Buchner**

Deutsche Emissionshandelsstelle (DEHSt) im Umweltbundesamt  
26.11.2024



# Overview

1. Preparation on national RED II-rev. implementation (biofuel, biomass, RFNBO, RCF, SLCF)
2. Time and capacity issues in the next years

# RED II-rev. implementation for alternative fuels

- MRR sets legal framework for the application of the RED criteria for alternative fuels (RFNBOs, RCFs, SLCFs)  
=> DE intends a harmonized implementation with zero-rating on sustainable biomass

## 1. MP

**From 1.1.2025**

+ description of source stream

+ procedure according to Annex 1 number 1.8 MRR

## 2. AER

**From AER 2024 onwards**

+ zero-rated fraction of total carbon in %

+ preliminary EF

**3. PoS from national database and/or UDB**  
(based on national regulation)

**? Timeline for national regulation ?**

+ participation in a certification system

+ issuing proofs of sustainability (PoS)



# Start of recognition and zero-rating of RFNBOs/RCFs

## AER 2024:

- Operators are allowed to claim RFNBOs/RCFs
- we assume that these fuels are not yet on the market in respectable quantities.
- Operators should coordinate proposals for an individual proof of RED-compliance for AER 2024

## Update on Monitoring Plans from 2025

- after our software has been updated
- Intention: to approve the long-term proof path via certification and evidence from the UDB or national database

## Challenges regarding sustainability certification of RFNBOs/RCFs

- EU-COM has not yet recognised a certification system.
- No certification bodies have yet been recognised (requirement in Germany).
- National database is still under construction.
- National regulation on requirements for the PoS is still pending.

## PoS for RFNBOs, RCFs and SLCF from national database and/or UDB

- **PoS on biofuels and biomass-fuel** for the purpose of recognition in the EU-ETS are issued and transferred exclusively electronically in the state database Nabisy.
- **PoS on RFNBOs, RCFs and SLCFs** for the purpose of recognition in the THG-Quota will be transferred in another state database
- Current situation: national legislation requires PoS from the state databases for emissions reporting only.
- PoS only from the national database?

Pro's	Con's
all types of biomass fuels/ biofuels/RFNBOs will be covered	National database shall be connected to the UDB anyway
specification of database fits on the requirements in the EU ETS (stationary installations and aircraft operators)	Economic operators should maintain their data in both databases anyway
account and procedure for DEHSt to receive PoS in the database and to check -> what do we – as CA - have to expect from the UDB (pdfs; how to check if it is original or fake?	Foreign economic participants would only have to register once in the UDB instead of maintain accounts in several national databases

# time and capacity issues in 2026 and following years

procedure in 2026	Number of applications/ reports	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
EU-ETS 1 AER 2025 (stat. Inst.)	around 1.720					✗ 31.03.26							
EU-ETS 1 allocation data report 2024	around 1.650					✗ 31.03.26							
EU-ETS 1 allocation data report 2025	around 1.650					✗ 31.03.26							
EU-ETS 1 MWI AER 2025	around 140					✗ 31.03.26							
EU-ETS 2 AER 2025	around 2.000					✗ 30.04.26							
electricity price compensation (verification of ecological compensation)	around 360						deadline between 31.05. and 30.09.						



- Additional tasks from 2027 onwards:
  - EU-ETS 1 compensation application (due to EU-ETS 2; estimation: around 300-400 applications in Germany)
  - ecological compensations concerning carbon leakage compensation (due to EU-ETS 2, estimation: around 500 applications)?

## Feedback from German verifying bodies

- National meeting between approx. 90 verifiers of 18 German verifying bodies, DAkkS (German NAB) and DEHSt (CA) on Friday 22<sup>nd</sup> November 2024
- 12 of these verifying bodies met ahead of the national meeting in order to exchange on experiences, feedback and capacities
- Feedback by verifying bodies:
  - Missing legal certainty due to late publication of regulation (e.g. 1<sup>st</sup> batch AVR concerning FAR in May 2024, 2<sup>nd</sup> batch concerning RFNBO, biomass etc. in April 2025)
  - Verifying tasks are performed by same personnel; Experienced staff retire, new staff cannot be gained and trained as quickly as late regulations coming into force
  - Too much bureaucracy and too few synergies and practical solutions
- ➔ the plethora of verification tasks cannot be completed in 2026 and onwards
- ➔ operators and responsible parties will not find verifying bodies for their emissions reports and applications
- Questions:
  - how is the situation regarding the capacity of verifying bodies in other Member States?
  - how to deal with lack of verifiers?

**Umwelt**   
**Bundesamt**

**DEHSt**  
Deutsche  
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**Thanks for your attention!**

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# Discussion and Conclusion

Doris Tharan

# Thank you for your attention