

EN

EN

EN



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 29.10.2004
C(2004)4240-2

COMMISSION DECISION

of 29 October 2004

concerning the temporary exclusion of certain installations by the United Kingdom from the Community emissions trading scheme pursuant to Article 27 of Directive 2003/87/EC of the European Parliament and of the Council

COMMISSION DECISION

of 29 October 2004

concerning the temporary exclusion of certain installations by the United Kingdom from the Community emissions trading scheme pursuant to Article 27 of Directive 2003/87/EC of the European Parliament and of the Council

(Only the English text is authentic)

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/EC¹, and in particular Article 27 thereof,

Whereas:

- (1) The United Kingdom has applied for 63 installations to be temporarily excluded from the Community emission allowance trading scheme until between 1 January 2005 and 31 December 2006, by an application submitted on 3 May 2004² pursuant to Article 27(1) of Directive 2003/87/EC.
- (2) The national allocation plan of the United Kingdom was notified to the Commission on 7 May 2004, completed by letter registered on 15 June 2004, and Commission Decision C(2004) 2515/4 final of 7 July 2004 decided that no objections shall be raised to the plan provided that certain amendments were made to it by 30 September 2004.
- (3) The United Kingdom has confirmed that the installations which it requests to be temporarily excluded will limit their emissions as much as would be the case if they were subject to the provisions of Directive 2003/87/EC during the relevant period, because the allocation according to national policies will in no case exceed the allocation that would have taken place under the Community scheme.
- (4) The United Kingdom has also confirmed that annual monitoring, reporting and verification requirements will be applied to these installations which are equivalent to those provided for in Annexes IV and V to Directive 2003/87/EC and Commission Decision 2004/156/EC of 29 January 2004 establishing guidelines for the monitoring and reporting of greenhouse gas emissions pursuant to Directive 2003/87/EC of the European Parliament and of the Council³.

¹ OJ L 275, 25.10.2003, p. 32.

² <http://www.defra.gov.uk/environment/climatechange/trading/uk/pdf/ets-temporary-exclusion.pdf>

³ OJ L 59, 26.02.2004, pg.1.

- (5) The United Kingdom has furthermore confirmed that these installations will be subject to penalties at least equivalent to those referred to in Article 16(1) and (4) of Directive 2003/87/EC in the case of non-fulfilment of national requirements, as a financial penalty of £30 will be applied in respect of each tonne of carbon dioxide equivalent emitted by an installation for which the operator has not surrendered allowances, the allocation of allowances to the operator in the following year will be reduced correspondingly, and the names of operators of installations that are in breach of requirements to surrender allowances will be published.
- (6) As the 63 installations in respect of which temporary exclusion is requested collectively emit around 4% of the total emissions from installations in the United Kingdom participating in the Community scheme, and these installations will participate in the Community scheme from 1 January 2007, it is considered that their temporary exclusion until 31 December 2006 will not distort the internal market.
- (7) The United Kingdom's application for certain installations to be temporarily excluded has been evaluated against the criteria set out in Article 27(2), and temporary exclusion of those installations from the Community scheme between 1 January 2005 and 31 December 2006 should be provided for.
- (8) An equivalent reduction of the total quantity of allowances allocated by the United Kingdom to installations in the Community scheme must be made in respect of the intended allocations to the installations that are temporarily excluded from the Community scheme, during the period for which they are excluded.
- (9) 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 Protocol⁴,

HAS ADOPTED THIS DECISION:

Article 1

The 63 installations listed in the United Kingdom's application are excluded from the Community emission allowance trading scheme from 1 January 2005 to 31 December 2006 inclusive.

Article 2

The total quantity of allowances allocated by the United Kingdom to installations in the Community scheme for the period referred to in Article 11(1) of Directive 2003/87/EC shall be reduced by a number of allowances equal to the intended allocations to the 63 installations listed in the United Kingdom's application during the period from 1 January 2005 to 31 December 2006 inclusive.

⁴ OJ L 49 19.02.2004, pg.1.

Article 3

This Decision is addressed to the United Kingdom of Great Britain and Northern Ireland.

Done at Brussels, 29 October 2004