



Review and proposed update of M&R and A&V regulations

Hubert Fallmann (Umweltbundesamt GmbH)

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Overview

- *About the project*
- *MS input received*
- *Some selected improvements*
- *Outlook and next steps*

Two projects – one team

Support Compliance Forum 2017

- Support CF Steering Committee
- Support CF work plan & Task Forces
- Organisation Compliance Conference
- Organisation CF event(s)

Support revision MRVA Regulations

- Collect and develop proposals for improving the MRVA system (more clarity, simplification, etc.)
- Explain what is already available



Project under CLIMA Framework contract,
consortium led by:



Project Objectives

- *Improve the MRVA system regarding clarifications, potential simplifications and improved cost efficiency*
- *Focus is on potential amendments of the M&R and A&V Regulations*
 - *If improvements found better placed in guidance documents / FAQs / Templates, [minor] improvements can be made within this project*
- *Simplifications already provided by current legislation (e.g. Article 13 MRR) are to be further explained and advertised*
- ***Improvements are intended for Phase 4***

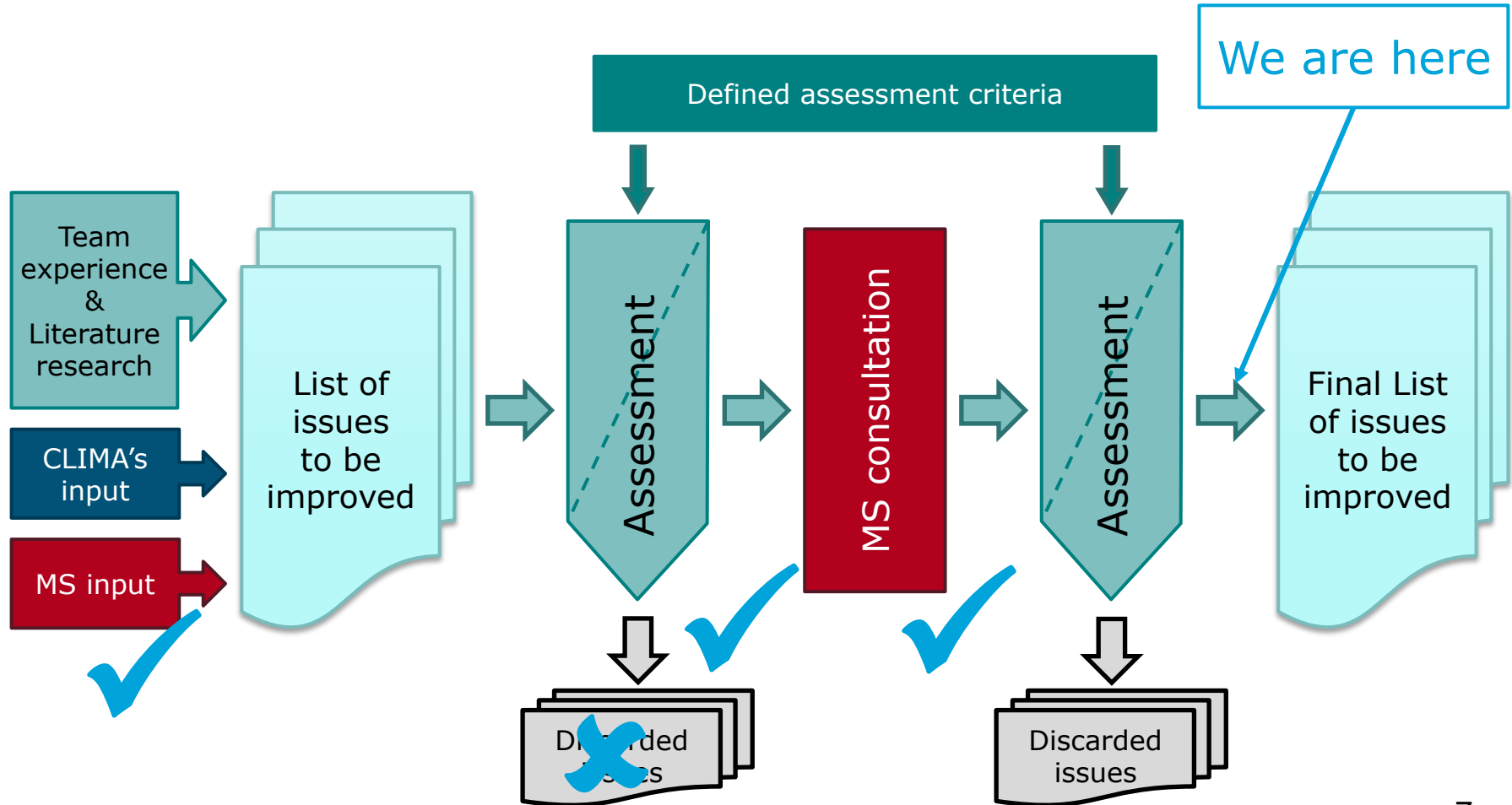
Why now?

- *Project is planned to be finished by June 2018*
- *CF Task Forces had already prepared valuable input*
- *To allow sufficient time thereafter to*
 - Update guidance material and templates where necessary (for Phase 4)
 - Update Member States' systems, including IT, if relevant
 - Request monitoring plan updates, if relevant
 - Approve updated monitoring plans before 31 December 2020

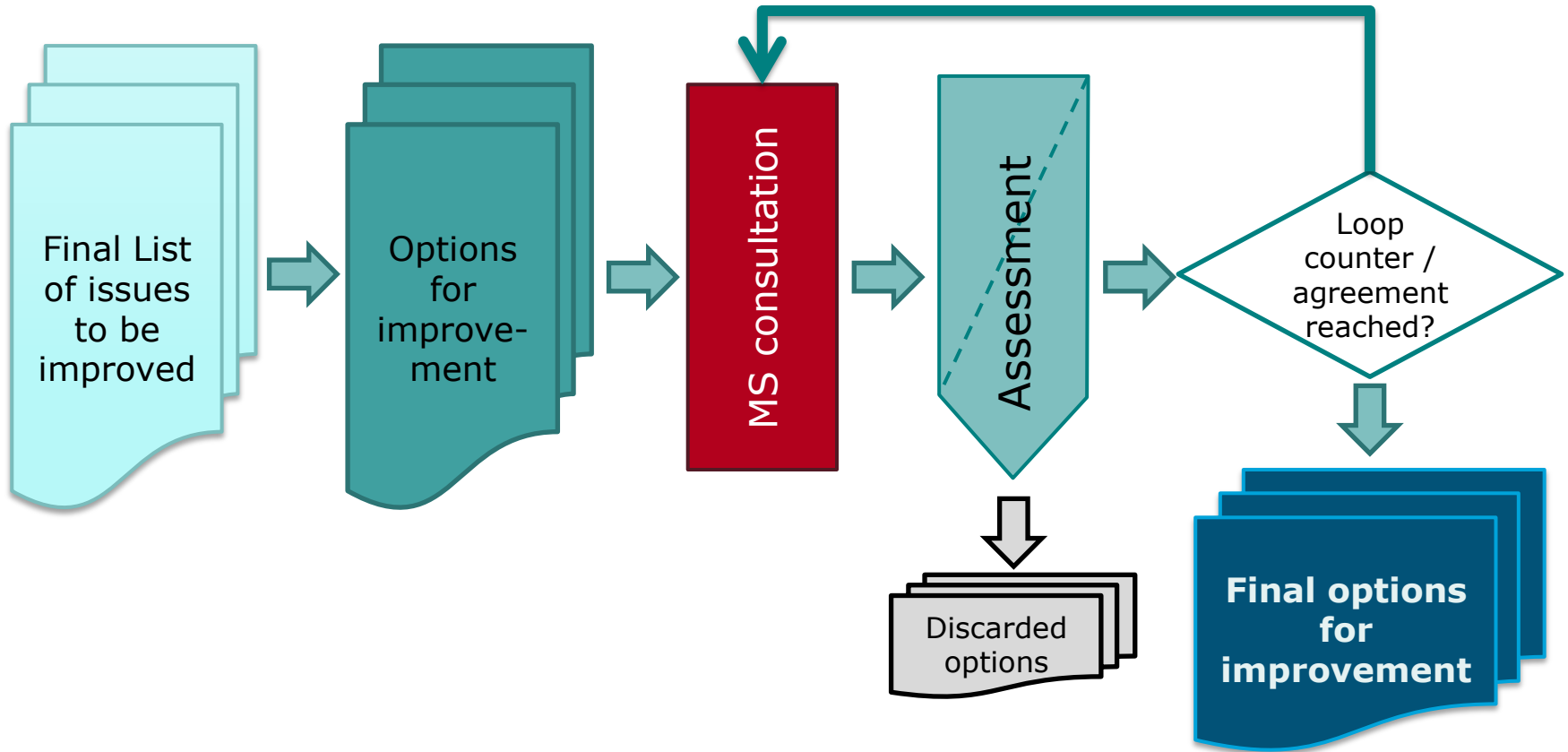
Methodology - Overview

- *Started with very broad collection of topics (including Member State survey)*
- *Thoroughly assessed improvement issues
Narrow down list of issues (still ongoing)*
- *Consulted with MS on prioritisation*
- *Agree with DG CLIMA on issues to be picked up*
- *Consultation with MS on options for solving the selected issues*
- *Support Commission in updating the Regulations*

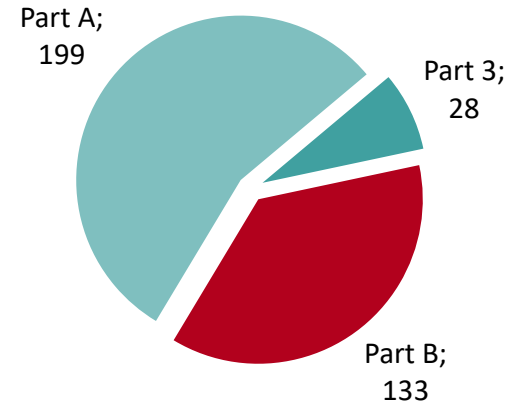
Methodology (phase 1)



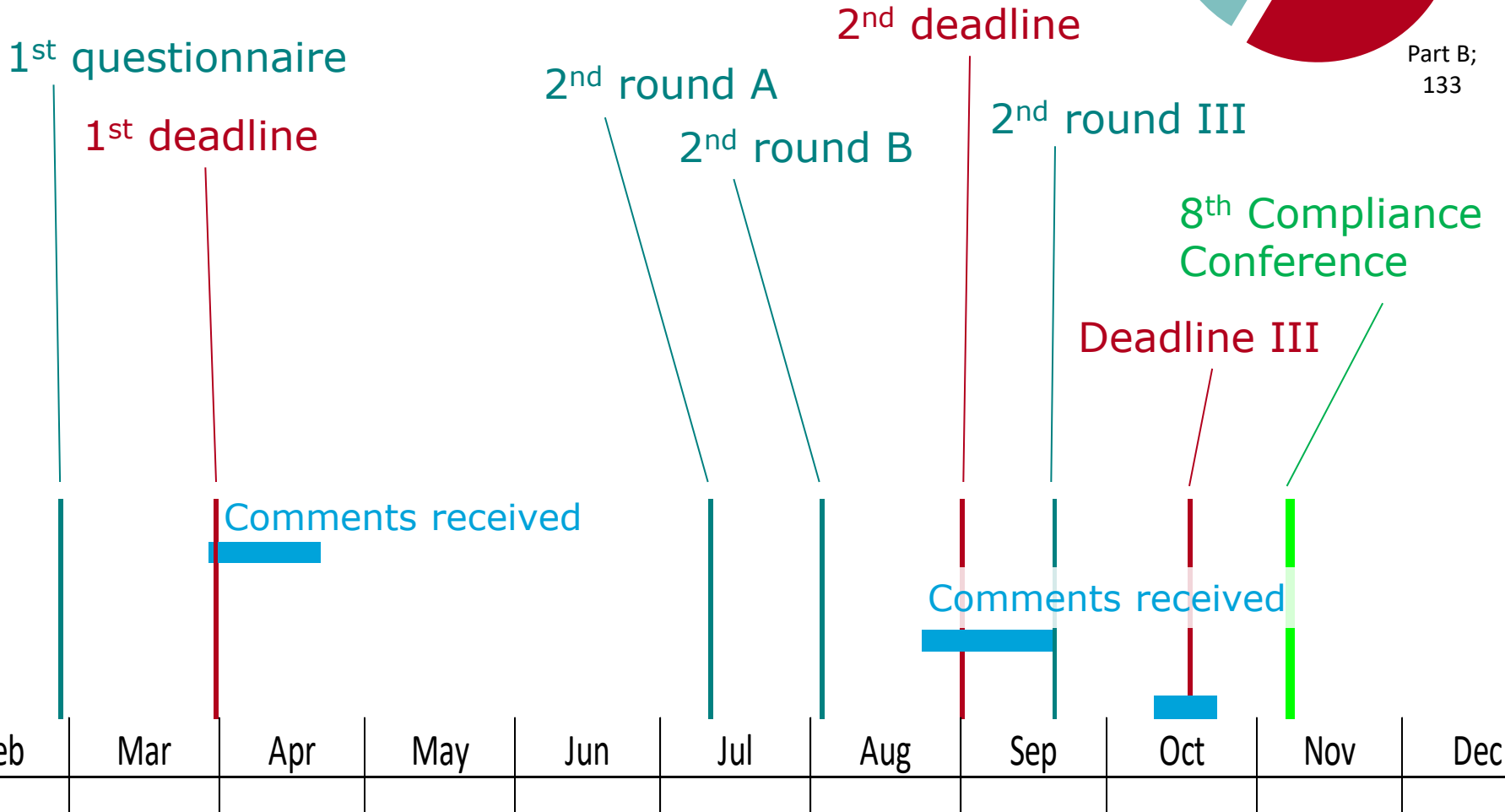
Methodology (phase 2; upcoming)



Overview of input received



Timeline



Some Key Data

- *1st questionnaire: replies by 19 MS + EA
335 issues reported*
- *2nd consultation: 360 issues
Part A: 199
Part B: 133
Part 3: 28*
- *Answers to part A & B: 22 MS + EA
Answers to part 3: 14 MS
2,394 Comments received*

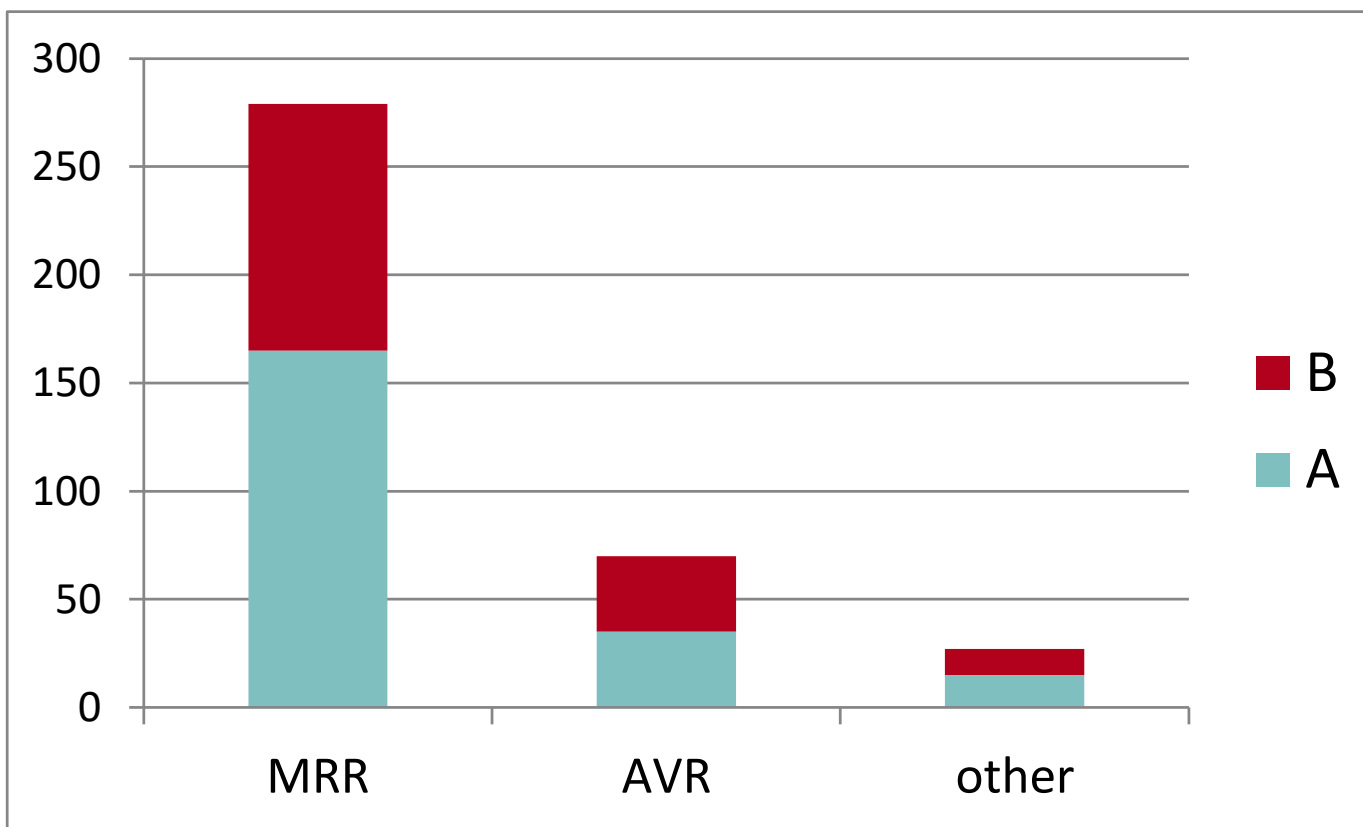
Input (1st round)

Questionnaire for collection Member States' input
for the improvement of the MRR and AVR with a view to the implementation of the EU ETS phase 4.

Comments from: -please select-

Regulation	Article	Paragraph / Section	detailed Reference	Proposed change	Rationale

Part A



MS: Number: Short title:

Reference to legislation, which causes the issue (if applicable): MRR AVR other:

Article: Paragraph: Subpara:

Annex: Section:

Description of the issue:

Part B

Propose for one or more potential solutions:

Optional information:

Effect on administrative burden:

Effect on data quality:

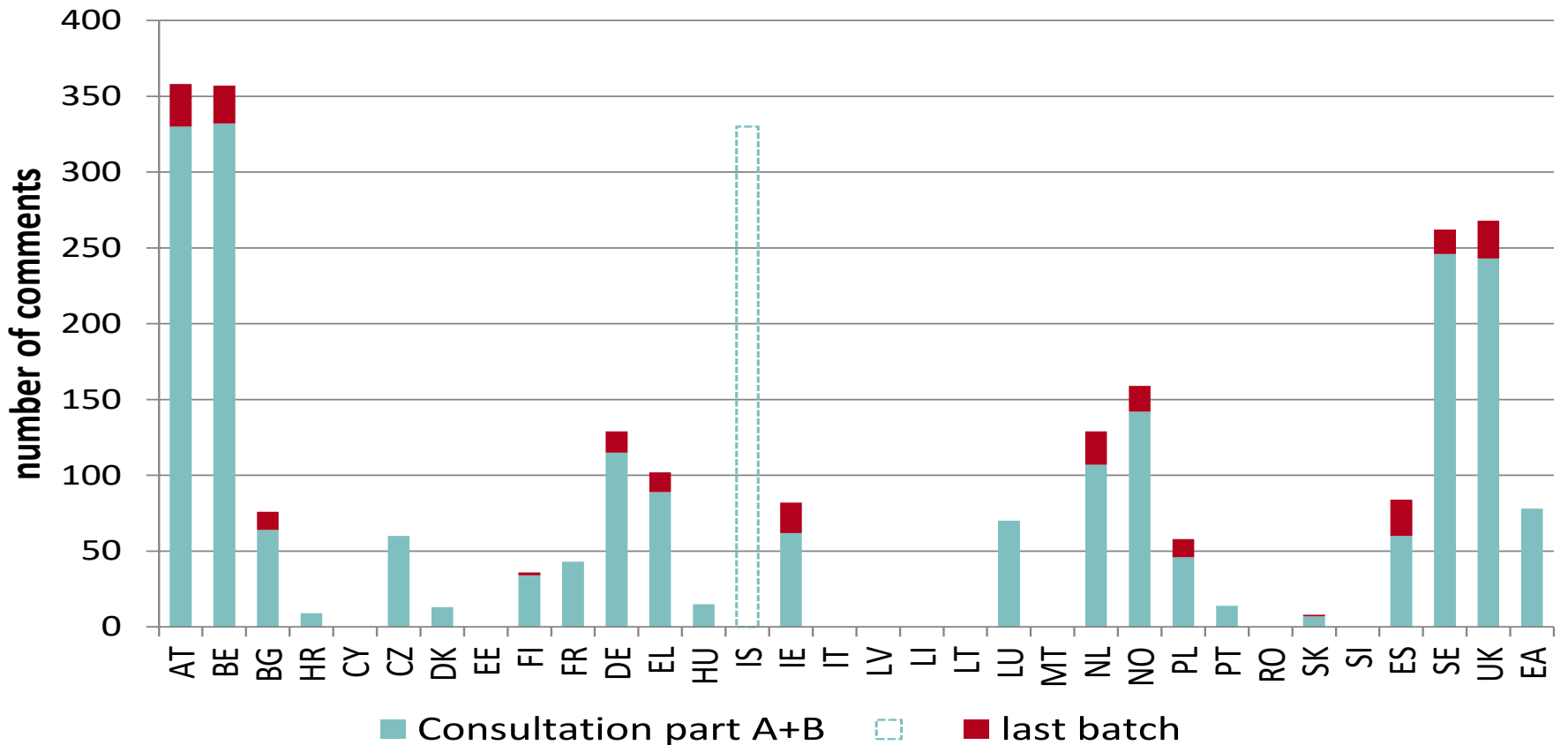
Effect on other MRR/AVR elements:

Other expected effects:

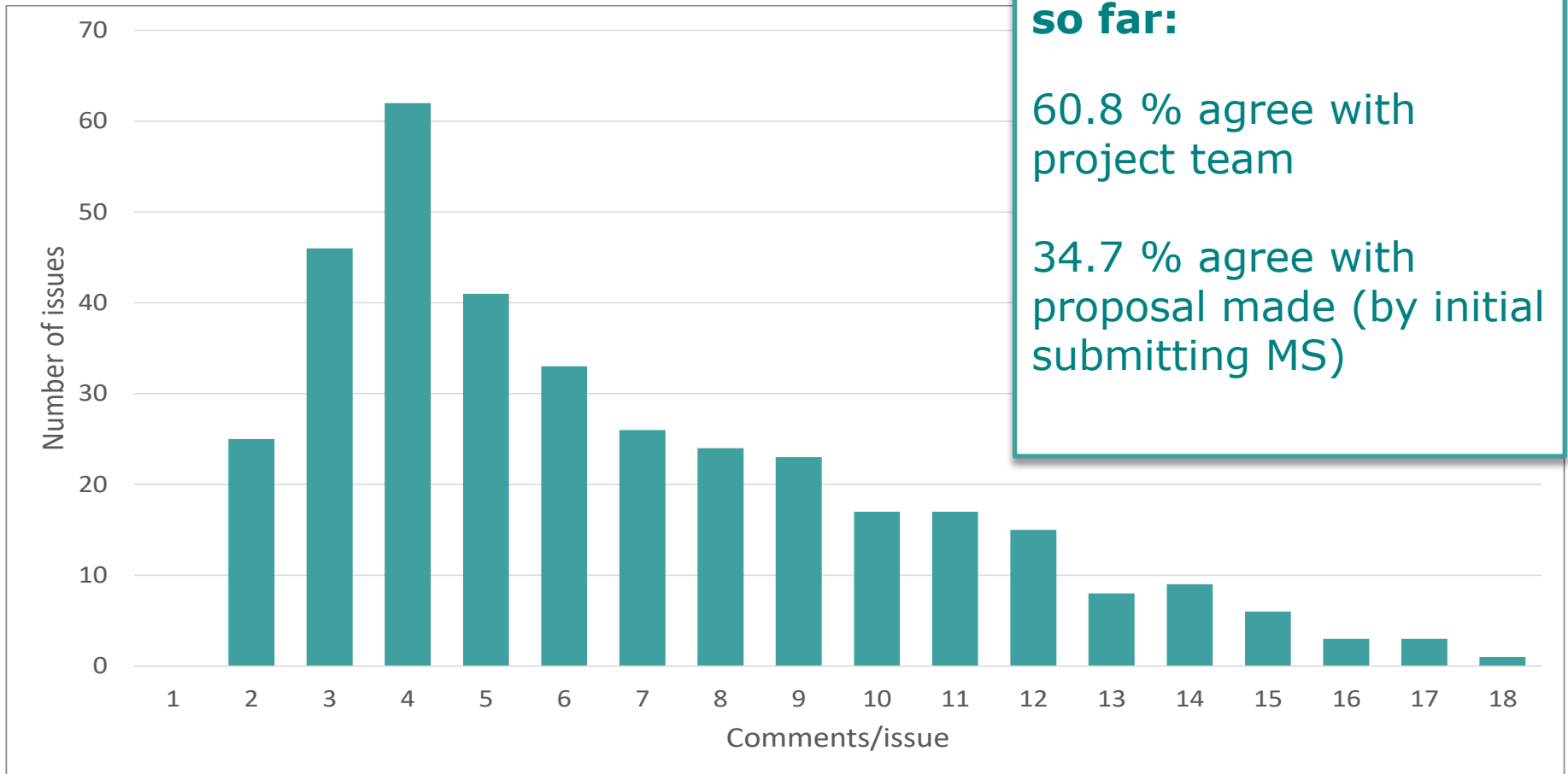
Further comments:

Answers by MS (2nd round)

Comments per MS



Comments per issue

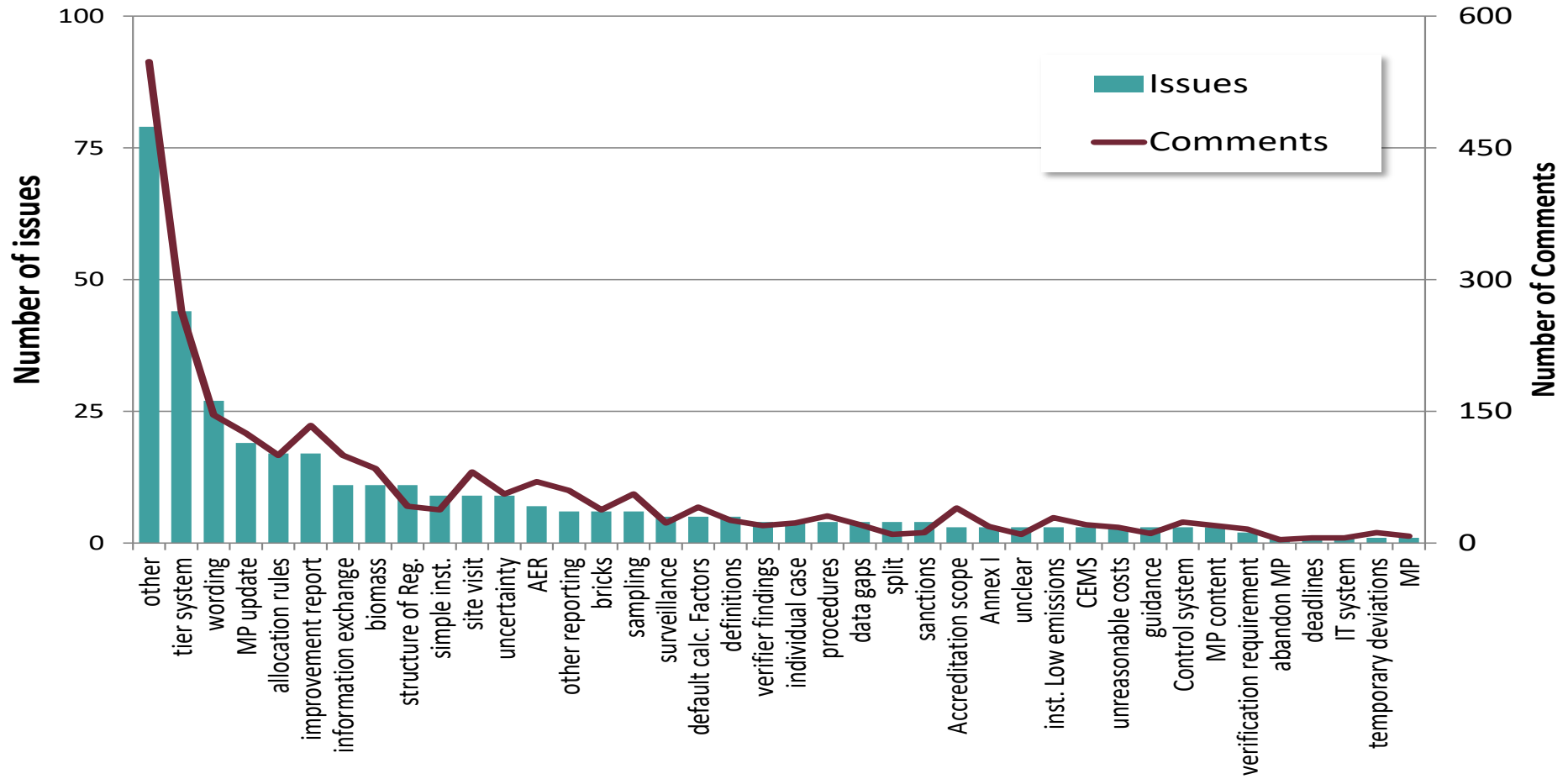


**Of the 2,178
comments assessed
so far:**

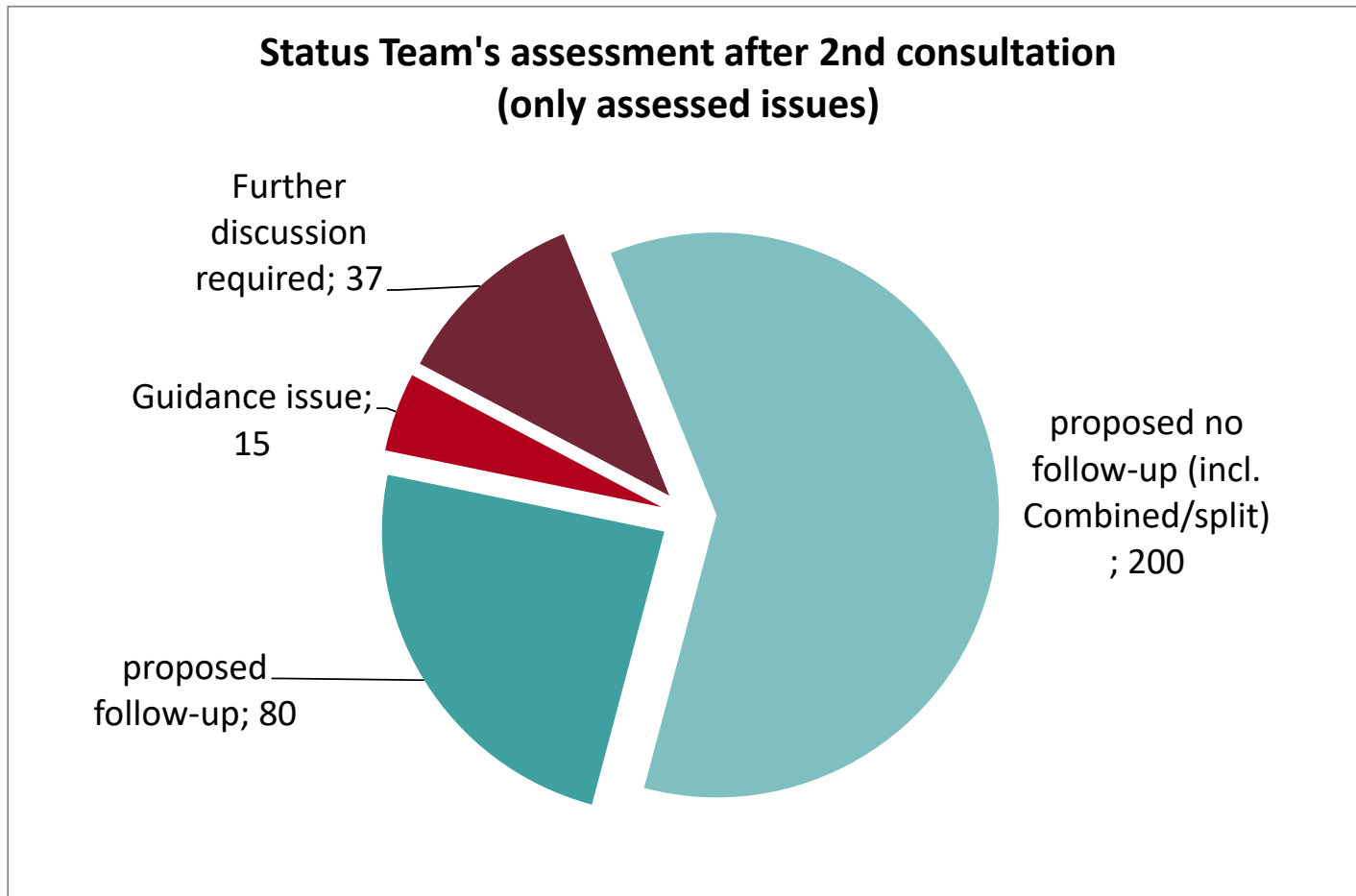
60.8 % agree with
project team

34.7 % agree with
proposal made (by initial
submitting MS)

Answers by topic



2nd assessment (ongoing)





Some selected improvements

“Improvement” may refer to:

- *Improvement of clarity of the Regulation texts*
- *Reduction of Administrative burden (admin costs)*
 - For CAs, operators, aircraft operators, verifiers, NABs
 - E.g. wider use of advanced IT systems in the compliance cycle
- *Higher data quality in the EU ETS*
- *Better dovetailing of MRVA elements*
- *Increased (perceived) fairness / proportionality*
- *Improved environmental integrity (closing of potential loopholes)*
- *Higher coherence with other legislation (e.g. RES-D)*
- *To reach a conclusion for follow-up on issues:*
 - At least some of these criteria need to show positive effect and outweigh negative ones

“Simplification” may mean:

- *Text of Regulations should be simplified / clarified / shortened, if possible, without sacrificing content*
- *Requirements themselves to be simplified – this will require careful checking of effect on data quality / delivery of overall MRVA. It can mean also loss of options to choose from.*
- *Current Regulations already provide simplifications (compared to MRG 2007)*
- *Current Regulations already provide simplifications for simple / small emitters – can there be even more simplified?*
- *Should the eligibility criteria be extended for “simple approaches”? What risks would be attached?*

Examples of possible MRR improvements

- *Equal treatment of calculation, measurement and (to some extent) fall-back methodologies*
 - Comparable uncertainty requirements per tier and/or for overall emissions
 - Comparable minimum uncertainty tiers
- *Requires possible wording changes for uncertainty assessment, biomass determination methods, improvement report, etc.*
- *Careful checking of sector-specific requirements (Annex IV)*

Examples of possible MRR improvements

- *Clarify requirements for demonstrating compliance with tiers (e.g. missing: calculation factors not under operator's control)*
- *Explore allowing conservative estimations as "fall-back approach light" for small quantities of emissions*
- *Addition of separate tier definitions for EF and biomass fraction (Annex II)*
- *Minimum tiers for biomass fraction (Annex V)*

Examples of possible MRR improvements

- *Several minor wording improvements, e.g.:*
 - Align definition of trading period with ETS Directive
 - Make references to Decision 2011/278/EU more general
 - Deletion of table 2 in Annex VIII (CEMS)
 - At a few occasions change "CO₂" to "CO_{2(e)}"
 - etc.

Examples of AVR possible improvements

- *Deleting the certification possibility (shortening of text)*
- *Direct information exchange CA–Verifier (cc NAB)*
- *Minor tweaks in guidance (e.g. site visit criteria) and templates (verifier findings)*



Outlook and next steps

Outlook and next steps

- *Project team now developing next deliverables:*
 - Wording proposals for Regulation improvements (for straightforward issues)
 - Discussion notes for some wider issues, outlining some options for Regulation improvements
- *These will be distributed for written comments (End of November)*
- *Physical TWG meeting planned:*
13 December (tbc)

Further contact on supporting the revision of MRVA regulations:

Commission:

Rob Gemmill: Robert.Gemmill@ec.europa.eu

Consultants:

Hubert Fallmann: Hubert.Fallmann@Umweltbundesamt.at (project lead)

Christian Heller: Christian.Heller@Umweltbundesamt.at

Machtelt Oudenes: M.Oudenes@SQConsult.com

Monique Voogt: M.Voogt@SQConsult.com