

ROADMAP	
TITLE OF THE INITIATIVE	<b>Revision of the EU GHG Monitoring Decision (Proposal for amendment of Decision 280/2004/EC concerning a mechanism for monitoring Community greenhouse gas emissions and for implementing the Kyoto Protocol)</b>
TYPE OF INITIATIVE	CWP
LEAD DG – RESPONSIBLE UNIT	CLIMA
EXPECTED DATE OF ADOPTION	Month/Year: July 2011
VERSION OF ROADMAP	No: 2 <span style="float: right;">Last modification: Month/Year: July 2010</span>

This indicative roadmap is provided for information purposes only and is subject to change. It does not prejudice the final decision of the Commission on whether this initiative will be pursued or on its final content and structure.

A. Context, problem definition
<p>(i) What is the political context of the initiative?</p> <p>(ii) How does it relate to past and possible future initiatives, and to other EU policies?</p> <p>(iii) What ex-post analysis of the existing policy has been carried out and what results are relevant for this initiative?</p>
<p>(i) The adoption of a new monitoring and reporting scheme is mandated by:</p> <ul style="list-style-type: none"> <li>- The <b>experience</b> gained through the <b>implementation</b> of the <b>Kyoto Protocol</b>, which shows that the <b>current system is not fully effective</b>;</li> <li>- The <b>implementation</b> of the <b>Climate and Energy package</b> adopted by the European Parliament and Council in December 2008; and</li> <li>- <b>Future</b> possible reporting <b>obligations</b> resulting from the ongoing <b>international</b> discussions and <b>negotiations</b> following the Copenhagen Accord.</li> </ul> <p>(ii) This initiative is linked to the <b>implementation of the UN Framework Convention on Climate Change (UNFCCC)</b>. It is also linked to the <b>EU's climate change and energy package</b>.</p> <p>(iii) A study has been carried out to assess the functioning of the current system and possible needs for improvements, the gaps to be bridged and the possible new requirements to be introduced as a result of other legal EU and international obligations. It is partly based on the four following projects: "Assessment of GHG methodologies for projections", "Ex-post quantification of the effects of policies and measures", "Streamlining climate change and air pollution reporting requirements" and "Assistance with the Revision of the Monitoring Mechanism Decision" that have contributed to flesh out the ex-post analysis of the current legislation.</p>
What are the main problems which this initiative will address?
<p>The setting up of an improved framework for the implementation of the monitoring and reporting requirements is necessary because:</p> <ul style="list-style-type: none"> <li>- The current EU legislation only reflects the <b>requirements of the UNFCCC</b> as currently established;</li> <li>- The existing legislation does not yet meet the reporting requirements as mandated by <b>the EU's Climate and Energy package</b>;</li> <li>- The greenhouse gas emissions resulting from <b>maritime shipping and aviation</b> should also be monitored and reported;</li> <li>- The <b>essence</b> and <b>usefulness</b> of the reported <b>information</b> (e.g., projections, policies and measures), cannot be fully ascertained under the current reporting scheme;</li> <li>- The existing <b>reporting requirements</b> in the fields of <b>air pollution</b> and <b>climate change</b> have been devised at different points in time and under different circumstances and they <b>do not all fit</b> together in a <b>harmonized manner</b>; and</li> <li>- The <b>logistics</b> of submissions (when, to whom, etc.), <b>needs improvement</b> to <b>reduce</b> the administrative <b>burden</b> for Member States.</li> </ul> <p>As the reporting requirements have <b>matured</b> and <b>experience</b> has been <b>gained</b> through their <b>implementation</b>, it has become increasingly more <b>important</b> to address the <b>linkages between them</b>.</p>

Who will be affected by it?
Amendment of existing legislation to improve monitoring and reporting framework will affect the Commission work, the EEA, Member State reporting institutions and candidate countries.
(i) Is EU action justified on grounds of subsidiarity? (ii) Why can Member States not achieve the objectives of the proposed action sufficiently by themselves? (Necessity Test) (iii) Can the EU achieve the objectives better? (Test of EU Value Added)
(i) The <b>objectives</b> of the <b>proposed action</b> , namely, to comply with the EU's current commitments under the Kyoto Protocol and with future international EU commitments, in particular the monitoring and reporting requirements laid down therein, and the establishment of a monitoring and reporting scheme for the Member States under the EU Climate and Energy Package <b>cannot</b> , by their very nature, be <b>sufficiently achieved</b> by the <b>Member States</b> and can therefore be <b>better achieved</b> at <b>EU level</b> .
(ii) Member States cannot achieve the objectives of the proposed action sufficiently by themselves as the Monitoring mechanism under review will need to continue to respond to the characteristics of a European-wide system. It will need to ensuring in particular the unicity, homogeneity and acceptability by Member States of the monitoring and reporting methodology. Compatibility and compliance with the international system of reporting will then have to be assessed at European level. To that extent, the mere juxtaposition of national mechanisms would not allow to provide the same level of quality, comparability, transparency and completeness than a European Mechanism
(iii) The review and analysis of European legislative provisions is best to be carried out at EU level with input from Member States and stakeholders.

<b>B. Objectives of the initiative</b>
What are the main policy objectives?
- To <b>streamline</b> the current reporting <b>framework</b> ; - To <b>improve</b> the quality, the comprehensiveness, the timeliness and the usefulness of <b>data</b> reported; and - To <b>incorporate</b> new reporting <b>requirements</b> arising from domestic and international <b>legislation</b> .
Do the objectives imply developing EU policy in new areas?
No

<b>C. Options</b>
(i) What are the policy options being considered? (ii) What legislative or 'soft law' instruments could be considered? (iii) How do the options respect the proportionality principle?
(i) The <b>main policy options</b> are aimed at: <ul style="list-style-type: none"> <li>- addressing any resulting requirements from the <b>international negotiations</b> under the UNFCCC</li> <li>- addressing the reporting requirements linked to <b>the implementation of the EU's climate change and energy package</b></li> <li>- improving the <b>timeliness and usefulness</b> of the reported information</li> <li>- improving the <b>completeness</b> of the reported information</li> <li>- improving the <b>reporting techniques</b></li> <li>- <b>harmonizing</b> the existing reporting requirements with those under other reporting instruments in the fields of air pollution and climate change</li> <li>- including reporting of emissions from <b>maritime shipping and aviation</b></li> </ul>
(ii) A <b>legislative initiative</b> , in the form of a comprehensive revision of the existing legislation, is the <b>most logical policy option</b> to <b>achieve</b> the <b>objective</b> pursued. <ul style="list-style-type: none"> <li>- The current project supporting the Commission in the revision of the Decision will nevertheless look in details into possible alternative options of the legal instrument. <b>Possibilities</b> include the <b>adoption</b> of a <b>regulation replacing</b> the existing Decision <b>or</b> the <b>adoption</b> of a <b>decision amending</b> the existing Decision. The <b>adoption</b> of</li> </ul>

'soft law' instruments in the form of additional **guidelines** covering specific issues, for example, guidelines for developing GHG projections, is also being **considered**.

- The legislative initiative will go beyond a routine up-date of the current Decision.

(iii) Yes, options to amend the existing legislation will duly take into account the proportionality principle and not go beyond what is necessary in order to achieve the objective pursued. The proposed action will ensure that the measures taken are limited to those required for the EU and its Member States to comply with current (UNFCCC and Kyoto Protocol) and future international reporting obligations and for the Member States to comply with their reporting obligations under EU Law (Climate and Energy package) while streamlining existing requirements with a view of reducing administrative burdens.

#### D. Initial assessment of impacts

What are the benefits and costs of each of the policy options?

Significant impacts to result from the analysis of policy options include:

- **Enhanced and timely reporting** of EU emissions under the UNFCCC;
- **Improved quality assessment** of Member State reporting under the UNFCCC;
- **Streamlining of climate change reporting** by the Member States as it also relates to air pollution reporting; and
- Providing the Commission with more **effective tools** to ensure **compliance**.

Furthermore, the **administrative burden** of reporting could potentially be **minimized** by:

- Introducing **clearer and simpler procedures and tools** that reduce the time and effort needed for GHG emission reporting; and
- **Ensuring** that the minimum **data** requirements abide by the **quality** and **transparency** criteria needed to **avoid** (or reduce) the **burden** arising from supplementary, ad-hoc data gathering.

Could any or all of the options have significant impacts on (i) simplification, (ii) administrative burden and (iii) on relations with other countries, (iv) implementation arrangements? And (v) could any be difficult to transpose for certain Member States?

(i) (ii) The simplification/administrative burden are currently under analysis, for instance, in relation to other reporting obligations that Member States have.

(iii) The revised EU GHG Monitoring Decision will address reporting by Member States and will, therefore, have consequences for the candidate countries (Iceland, Croatia, FYR of Macedonia, Turkey and others), but it will not affect relations with other third countries.

(iv) Implementation arrangements will have to be assessed depending on the final result of the legislative process.

(v) The capacity of Member States to translate the final outcome of the revision of the Monitoring Mechanisms Decision should not be endangered. In some case, some Member States may underline the costs constraints as a motivation for negotiating part of the proposed provisions.

(i) Will an IA be carried out for this initiative and/or possible follow-up initiatives? (ii) When will the IA work start? (iii) When will you set up the IA Steering Group and how often will it meet? (iv) What DGs will be invited?

(i) Yes (ii) It was started in November 2009. (iii) - (iv) DG ENV, DG ENTR, DG JRC, SG, DG ENER, DG MOVE, DG ESTAT were already invited. There will be 2-3 meetings organised in the second half of 2010 and before the finalisation of the IA expected in the 1<sup>st</sup> quarter of 2011.

(i) Is any of options likely to have impacts on the EU budget above €5m?

(ii) If so, will this IA serve also as an ex-ante evaluation, as required by the Financial regulation? If not, provide information about the timing of the ex-ante evaluation.

(i) It is not anticipated that that the impacts on the EU-budget will be more than 5 Mio €

<p>E. Evidence base, planning of further work and consultation</p>
<p>(i) What information and data are already available? Will existing impact assessment and evaluation work be used?</p> <p>(ii) What further information needs to be gathered, how will this be done (<i>e.g. internally or by an external contractor</i>), and by when?</p> <p>(iii) What is the timing for the procurement process &amp; the contract for any external contracts that you are planning (<i>e.g. for analytical studies, information gathering, etc.</i>)?</p> <p>(iv) Is any particular communication or information activity foreseen? If so, what, and by when?</p>
<p>(i) (ii) (iii)</p> <p>There have been five projects so far all aimed at feeding into and supporting the impact assessment for the revision of Decision 280/2004 and its implementing provisions:</p> <ul style="list-style-type: none"> <li>- "Assessment of GHG methodologies for projections" aiming at improving the methodologies used by MS for projections</li> <li>- "Ex-post quantification of the effects of policies and measures" to develop suitable methodologies for the ex-post quantification of the impact of policies and measures</li> <li>- "Streamlining climate change and air pollution reporting requirements" to identify the inter-linkages between the monitoring and reporting requirements of the various pieces of legislation in the fields of air pollution and climate change</li> <li>- "Assistance with the revision of the monitoring mechanism Decision" to take into account lessons learned and eliminate obsolete requirements</li> <li>- "Assistance with the revision of the monitoring mechanism Decision taking into account the Effort Sharing Decision" to consolidate the recommendations from the four other projects and address the requirements of the Climate and Energy package (to be completed in July 2010).</li> </ul> <p>The impact assessment work will also build on the impact assessment undertaken for the Climate and Energy package, and the ETS revision and as such will be expected to include a similar</p> <p>(iv) Press release and Commission website</p>
<p>Which stakeholders &amp; experts have been or will be consulted, how, and at what stage?</p>
<p>There are regular consultations with Member State experts in the Working Groups and <i>ad hoc</i> consultations of Member States via the Climate Change Committee. A conference will also be organised in November 2010 to carry out an exchange of information and views with other involved stakeholders. The stakeholder consultation will run for at least 8 weeks.</p>