

Panel debate on challenges and measures in place to meet the climate targets 2030

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Panellists

- Beatriz Yordi, Director, DG Climate Action, Directorate B (in person)
- Tomasz Karpinski, Energy Community Secretariat (in person)
- Daniel Klingenfeld, Germany (online)
- Maciej Pyrka, Poland (online)
- Saviour Vassallo, Malta (in person)
- Ana Klemen, Slovenia (in person)



Contribution by the Panellists



Beatriz Yordi



Tomasz Karpinski





ENERGY COMMUNITY:

Contracting Party	2030 GHG reduction target	NECP	Long Term Strategies	2050 Climate Neutrality
Albania	+ 53,2%			
Bosnia and Herzegovina	- 41,2%			
Georgia	- 47%			
Kosovo*	-16,3%			
Moldova	- 68,6%			
Montenegro	- 55%			
North Macedonia	- 82,0%			
Serbia	- 40,3%			
Ukraine	- 65%			

- in drafting- adopted

Daniel Klingenfeld



Maciej Pyrka



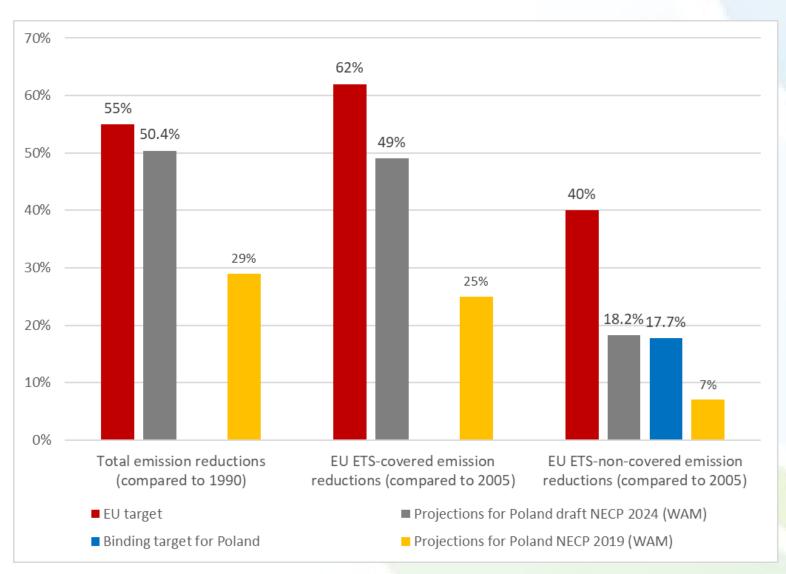


Overview of Poland's reduction goals for 2030



Chart 1. Emission reductions in Poland and in the EU in 2030 [%]









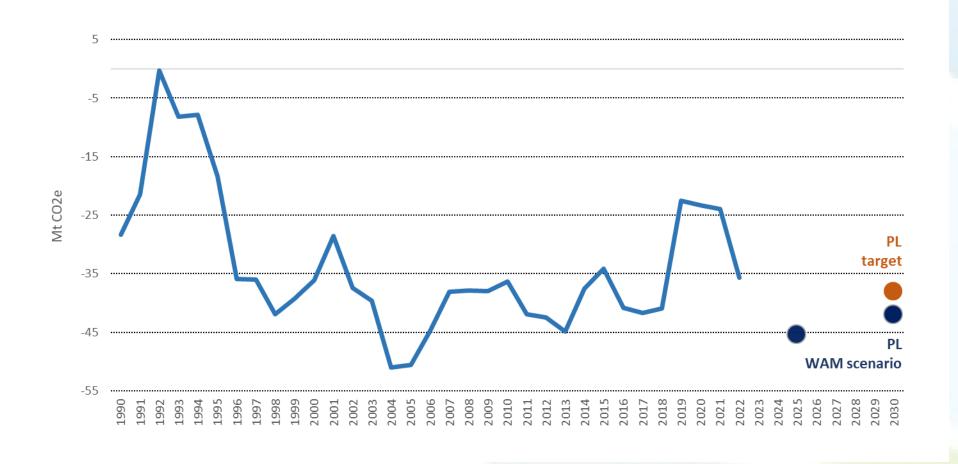


Chart 3. GHG emission trend and projections in Poland up to 2040 (excl. LULUCF)





Areas of the greatest challenges in the transformation of the Polish economy Non- ETS (ESR) GHG emissions and reduction traget





GHG emissions from non-ETS sectors in Poland and non-ETS target (limit) for 2030

Areas of the greatest challenges in the transformation of the Polish economy



- Achieving the required RES share in transport sector of 29% (or 14.5% reduction in GHG emissions) Polish draft NECP 2024 in WAM/WEM scenario reaches 17.7 % RES in transport sector.
- The challenge to 2030 will be electricity costs. The energy sector cannot decarbonize quickly enough and bears the costs of developing clean technologies.
- Achieving the emission reduction target under the Effort Sharing Regulation (ESR) will be challenging, particularly with the introduction of new elements such as the flexibility mechanisms to trade accounted amounts between the Land Use, Land Use Change, and Forestry (LULUCF) sector and the ESR pillars.

Increased administration burdens related to the ETS system



- The introduction of CBAM represents a huge increase in the burden on the administration in managing the new mechanism. Poland is one of the Member States with the largest number of submitters who registered in the CBAM transitional register during the first four settlement periods of the CBAM report. The first and most important problem that we all have, i.e. the Member States and the European Commission, is time (or maybe better the lack of it).
- Another challenge is to expand the ETS system to include maritime transport, in which we
 have 40 operators and about 160 ships in Poland.
- The introduction of the new ETS2 system, which applies mainly to fuel suppliers but applies to all consumers, will be a huge but difficult to quantify challenge.

Thank you for your attention!



Thank you for your attention!

Maciej Pyrka - head of the Strategy, Analysis, and Auction Team (CAKE/KOBiZE) at The Institute of Environmental Protection – National Research Institute.

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Saviour Vassallo



Where are we today?

the EU has the most comprehensive, ambitious and elaborate climate action policy and legislative framework, of any region/nation in the world.

We are at the forefront. We are leaders.

> What is the destination of this journey?

climate neutrality by 2050, and beyond ...

... but this is not simply a 'mathematical' goal: it represents a new way of doing things, a new way of moving, a new way of producing – it represents a new way of living.

> The journey has many challenges ...

- complexity
- too many rules?
- capacity/resources (human, technical, financial)
- are we sure we all understand the same things the same way?
- are the tools a means to an end, or an end in themselves?

The idea(I) of 'easi' (or, 'easy' with an 'i')

effective
and
simple
implementation

Aim for the best possible performance, with the least burden necessary.

Ensure that rules and systems are aligned with expectations, and aligned between themselves.

Stable

Build a stable policy/legal environment for the long term: avoid too frequent changes.

implement

Focus on the doing, and the achieving.

Ana Klemen





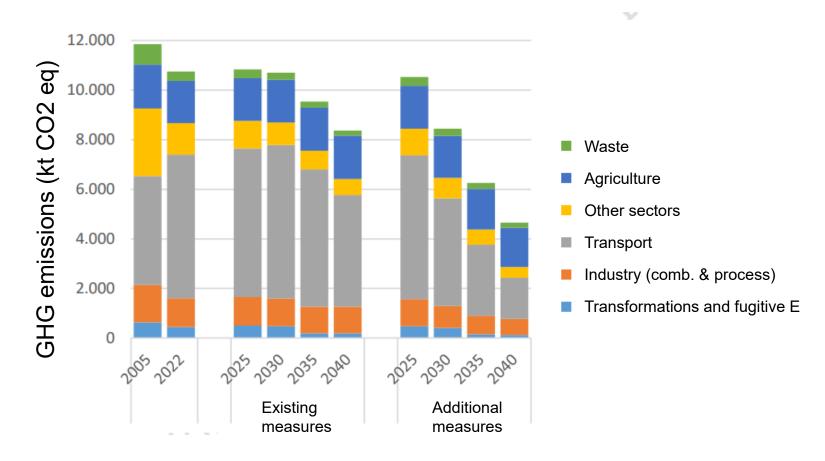


Emission reduction targets in draft updated NECP

ESR sectors - GHG emissions (kt CO ₂ eq.)	2005	2022	2023 (preliminary data)	Change 2005–2023	2030 target (compared to 2005 levels)	Still missing to the 2030 target
Transport	4.399	5.792	5.277	+19,95 %	-1 %	20,95 %
Agriculture	1.769	1.706	1.677	-5,2 %	-2,8 %	-2,4 %
Buildings	2.716	1.261	1.124	-58,6 %	-69 %	10,4 %
Non-ETS industry	1.621	1.155	1.101	-32,1 %	-40 %	7,9 %
Non-ETS energy	540	457	499	-7,6 %	-35 %	27,4 %
Waste	828	380	377	-54,5 %	-65 %	10,5 %
ESR sectors combined	11.873	10.752	10.054	-15,3 %	-28 %	12,7 %

Zelenimo jutri.

Draft updated NECP – projections



Challenge nr. 1: LULUCF

- Reference level set at the time of a good state of Slovenian forests (2000–2009).
- 2014–2018: several damages to forests (sleet, windthrows, bark beetle).
- Result: net emissions in LULUCF.
- Damaged areas cannot be removed from reporting.
- Such occurrences are exacerbated by climate change.
- Difficulties in reaching LULUCF targets for the period 2021–2025.

Challenge nr. 2: transport

- Important transit country and very dispersed population.
- Slovenians are sceptic towards electric cars → perception: expensive, unreliable and a safety hazard (only around 1.5 % of Slovenia's car fleet).
- Outdated railways, huge investments needed.
- Hydrogen and alternative fuels are currently virtually non-existent on the market.
- ETS BRT, additional investments from Climate Fund, Modernisation Fund needed, but not enough.



Challenge nr. 3: dependence on EU legislation

- Progress at national level often hindered due to lack of EU legislation.
- Draft Climate Law, attempt to phase out fossil fuel subsidies (refunding excise duties on fuels used as propellants for commercial purposes).
- In line with science, COP28 GST decision.
- Three out of four neighboring countries have similar schemes, failed attempt.
- Importance of regulation at the EU level (revision of the Energy Taxation Directive).

Challenge nr. 4: low level of innovation

- Innovation gap between Slovenia and comparable countries is widening.
- Index of innovation in Slovenia is below the EU average.
- By 2030: significantly increase investment in research, development and innovation to support transition to a climate-neutral society.
- Innovation Fund an important source of these funds.
- Possible solution: reserving a certain amount/percentage of Innovation Fund for MS with low participation.



Challenge nr. 5: implementation of ETS legislation

- Small MS with very limited number of experts working on ETS.
- Growing amount of ETS legislation, number of experts staying more or less the same.
- No ready-made experts in Slovenia, years to educate a new employee.
- Implementation: challenge in reaching the shipping companies that are attributed to Slovenia but are registered outside the EU.



Implementing measures

- Climate coordinators (draft NECP) → regular reaction to slow implementation of measures.
- Climate neutrality plans for all ETS installations.
- Climate Fund (budgetary fund, 100 % earmarking).
- Action plan to fight energy poverty (2023).

Discussion

Please raise your flag (in the room), or use the chat for asking questions



Thank you for your attention

