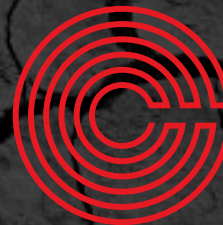


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KEY EU CLIMATE CHANGE LEGISLATION

Further references, explanation and analysis can be found at www.ieep.eu/briefingsonclimate

KEY EU CLIMATE CHANGE LEGISLATION

Reference	Description	Challenges and Next Steps	Key Issues
2008 Climate and Energy Package			
Directive 2009/28/EC Promoting renewable energy	<ul style="list-style-type: none"> – Common framework for the promotion of energy from renewable sources (RES). – Mandatory national targets for the overall share of RES in gross final consumption of energy – 20% by 2020, divided across Member States based on existing scale of effort and GDP; for the share of RES in transport – 10% by 2020 for all Member States (MS). – Rules for determining the trading or offsetting of RES target requirements both within Europe and with third countries. – Sustainability criteria for biofuels and bioliquids contributing towards the EU targets. 	<ul style="list-style-type: none"> – Finalising biofuel sustainability requirements – elements yet to be defined: identifying highly biodiverse grasslands (via comitology autumn/winter 2009); the inclusion of Indirect Land Use Change in greenhouse gas (GHG) calculations (Commission proposals spring 2010); assessing voluntary schemes for determining compliance with EU requirements (via comitology 2010). – The sustainability of bioenergy – Commission to propose criteria for solid biomass (end 2009). – The implementation challenge – considered the most challenging EU climate requirements for many MS. – Review and monitoring of progress – regular monitoring of progress will be vital to ensure MS delivery and assess the impact of energy choices. Commission reporting from 2012 with an impact and implementation review in 2014. 	<ul style="list-style-type: none"> – Applying pressure during comitology to retain robust sustainability requirements for biofuels. – Holding MS to account on implementation. – Ensuring robust review processes to measure the impacts and how they can be addressed.
Decision No 406/2009/EC Effort sharing	<ul style="list-style-type: none"> – Binding national targets for GHG emissions in each MS from non-ETS sectors in 2020 – maximum reduction required is 20%, some countries are permitted to increase emissions. – If national annual emission limits are exceeded, this must be compensated in the following year. – Transfer/offset – MS may transfer unused emission allocations to the following year or to other MS and purchase a proportion of credits from third countries. 	<ul style="list-style-type: none"> – Dealing with land use and change – Commission to assess the inclusion of emissions and removals related to land use, land use change and forestry (LULUCF) – anticipated to follow up on any international agreement on forestry and deforestation. – Delivering Efficiency – Strengthened or new measures to accelerate energy efficiency improvements (Commission proposals by December 2012). This would complement efforts around the review of the energy efficiency action plan scheduled for publication end of 2009. 	<ul style="list-style-type: none"> – Maintain pressure to effectively address efficiency. – Broaden the debate to lifestyles and consumption patterns.
Directive 2009/29/EC Improving and extending the EU ETS – EU ETS established by Directive 2003/87/EC	<ul style="list-style-type: none"> – From 1 January 2013 (phase III of EU ETS, 2013-2020) the revised ETS will incorporate new sectors including petrochemicals, ammonia and aluminium, nitrous oxide and perfluorocarbons, and aviation. – A single EU-wide cap on total allowances will replace nationally-determined caps. – A principle of full auctioning for the allocation of allowances will begin in 2013 with power stations. Transitional allocations will see auctioning phased in gradually for other sectors. – Smaller emitters (<25,000 tCO₂/year) may opt out of the EU ETS. – CO₂ captured and safely stored will be considered as 'not emitted'. – At least 50% of auctioning proceeds should be used for climate-related adaptation and mitigation. 	<ul style="list-style-type: none"> – Carbon leakage – Commission to identify industrial sectors at risk of leakage (via comitology by December 2009); Commission to report on the carbon leakage implications of any new international agreement and put forward a proposal (by June 2010). – Maritime emissions – Consideration of the inclusion of maritime emissions within the EU ETS (depending on discussions at the IMO) (Commission proposal by 31 December 2011). – Specifying details on the use of credits from outside the EU under the Clean Development Mechanism (CDM) – exact percentages of CDM credits permitted and their quality to be determined (via comitology before 2012). – Aviation emissions – Under Directive 2008/101/EC, all flights that arrive or depart from a MS's territory shall be subject to the EU ETS (by 1 Jan 2012). From 2013 allowances available will be based on 95% of historical aviation emissions with 15% auctioning applied. 	<ul style="list-style-type: none"> – Ensuring the carbon leakage debate does not lead to weakening of the EU ETS. – Addressing maritime emissions. – Ensuring levels of offsetting retain the need for domestic action. – Continued assessment of quality of MS implementation. Is the EU ETS sufficient to deliver change alone?
Directive 2009/31/EC Geological storage of CO ₂	<ul style="list-style-type: none"> – Legal framework for the environmentally safe geological storage of CO₂ (carbon capture and storage – CCS) by permanent containment in the ground. – Permit regime for exploration and storage, and selection criteria for storage sites. – Covers operation, closure and post-closure obligations, CO₂ acceptance criteria, monitoring and reporting obligations, inspections, measures in case of irregularities and/or leakage and provision of financial security. 	<ul style="list-style-type: none"> – Commission to report on progress and success of the Directive, crucially including whether permanent containment of CO₂ has been sufficiently demonstrated to prevent and reduce negative effects to human health and the environment (by 31 March 2015). – Key relationship between CCS and the EU ETS in terms of financing and also that CO₂ captured and stored will be considered as 'not emitted'. 	<ul style="list-style-type: none"> – Key debate will be linked to financing of CCS both in terms of support from EU and national funds and recycling of revenues from the EU ETS.
Regulation EC/443/2009 Emission performance standards for new passenger cars – reducing CO ₂ from cars	<ul style="list-style-type: none"> – CO₂ emissions performance requirements for new passenger cars. – Car manufacturers must ensure their average annual CO₂ emissions do not exceed 130g CO₂/km. – Manufacturers' average emissions are determined based on a proportion of their new passenger cars registered that year – 65% in 2012 rising to 100% by 2015. – If targets are exceeded manufacturers must pay an excess emissions premium. 	<ul style="list-style-type: none"> – Average CO₂ emissions for new passenger cars set at 130g CO₂/km, to be delivered by improvements in vehicle motor technology. – From 2020 onwards average emissions for the new car fleet must be 95g CO₂/km. – Commission to report on implementation by 2010. – Commission to publish performance indicators for each manufacturer, highlighting success or failure to comply (by 31 October each year, beginning in 2011). 	<ul style="list-style-type: none"> – Funding additional effort. Details finalised before state support of the car industry following the economic crisis. Financing should support delivery of achievements beyond the legislative targets, not fund compliance.
Directive 2009/30/EC Reducing GHG emissions from transport fuels	<ul style="list-style-type: none"> – Binding target for the reduction of life cycle GHG emissions. – MS to require suppliers to reduce life cycle GHG emissions per unit of energy from fuel and energy supplied by up to 10% by 31 December 2020. – 'Life cycle GHG emissions' means all net emissions of CO₂, CH₄ and N₂O that can be assigned to the fuel or energy supplied. This includes emissions from extraction or cultivation (taking account of land use changes), transport and distribution, processing and combustion. 	<ul style="list-style-type: none"> – Suppliers to report annually on the GHG intensity of fuel and energy supplied within each MS (from 1 January 2011). – Commission to report on amendments to be made (by 31 December 2012, and every three years thereafter). – Sustainability and eligibility criteria applied to biofuels – these criteria are established jointly with the renewable energy Directive. They are being developed for GHG balances and environmental protection. 	<ul style="list-style-type: none"> – Debates on biofuel sustainability under the renewable energy Directive will be vital.

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Reference	Description	Challenges and Next Steps	Key Issues
Other Relevant Legislation			
Directive 2002/9 and Recast Proposal COM(2008)780 Energy performance of buildings	<ul style="list-style-type: none"> – Aims to promote improvement in the energy performance of buildings in the EU. Buildings, both as a consequence of construction and use, are responsible for significant energy use and emissions. <p>Recast Proposal</p> <ul style="list-style-type: none"> – Intended to clarify, strengthen and extend the scope of the existing Directive. – Commission proposed extending the scope, requiring minimum standards to be set for major renovation as well as new build, and the promotion of zero energy and carbon buildings. 	<p>Recast Proposal</p> <ul style="list-style-type: none"> – Proposal will be an important piece of legislation in the new Parliament – the European Parliament's first reading Opinion was adopted on 23 April 2009; Council first reading is awaited. – Common Position expected in December 2009. – Responsible EP committee – Industry, Research and Energy (ITRE). 	<ul style="list-style-type: none"> – Energy use and emissions should be minimised for new builds, but mechanisms for dealing with existing stock must also be developed. The latter account for the majority of buildings in Europe.
Directive 92/75/EEC and Recast Proposal COM(2008)778 Energy labelling for household appliances	<ul style="list-style-type: none"> – Aims to provide consumers with information regarding the energy use and efficiency of household appliances, aiding choice of the most efficient models. <p>Recast Proposal</p> <ul style="list-style-type: none"> – Intended to extend the scope of the existing Directive to all energy-related products, excluding means of transport (energy-related products are those that have an impact on energy consumption during use). – Commission proposed setting minimum efficiency standards for green public procurement (GPP) and incentives to buy greener products. 	<p>Recast Proposal</p> <ul style="list-style-type: none"> – Proposal will be an important piece of legislation in the new Parliament – the European Parliament's first reading Opinion was adopted on 5 May 2009; Council first reading is awaited – Common Position expected in December 2009. – Responsible EP committee – Industry, Research and Energy (ITRE). – Commission has proposed that the precise specifications of the label be defined on a product-by-product basis via comitology. 	<ul style="list-style-type: none"> – Ambitious, clear labelling is vital to the greening of consumer decisions and harnessing consumer demand to promote innovation. – Greening of products and their production should be a key focus for the coming 5 years to reduce the resource intensity of our demand.
Directive 2005/32/EC and Recast Proposal COM((2008)399 Eco-design of energy-using products	<ul style="list-style-type: none"> – Aims to establish a coherent framework for ecodesign requirements applied to energy-using products (EuP). Mandatory minimum requirements are set for products taking account of life cycle costs. – Specific product standards to be developed to improve the overall environmental performance of these products. <p>Recast Proposal</p> <ul style="list-style-type: none"> – At present this Directive only covers energy-using products, the proposed amendments would extend its scope to encompass all energy related products. 	<p>Recast Proposal</p> <ul style="list-style-type: none"> – Following negotiations between the Council and Parliament during the first reading a compromise appears to have been reached adopting the recast Directive. – During discussions Parliament inserted the requirement that by 2012 the effectiveness of the Directive and implementing measures be reviewed. – Following on from this review the possible extension of the Directive's scope to non-energy-related products should be considered. 	<ul style="list-style-type: none"> – At present the EuP Directive only offers a framework; efforts are ongoing to deliver product standards. Rigorous requirements must be ensured for all products.
Directive 2006/32/EC End-use energy efficiency and energy services	<ul style="list-style-type: none"> – Aims to enhance the cost-effective improvement of energy end-use efficiency in the MS. – Sets indicative targets and promotes the removal of market barriers and the promotion of a market for energy efficiency services. 	<ul style="list-style-type: none"> – MS shall adopt a national indicative energy savings target of 9%, to be achieved in 2016. – MS required to develop a series of National Energy Efficiency Action Plans – first action plan due 30 June 2007; second action plan due 30 June 2011; third action plan due 30 June 2014. 	<ul style="list-style-type: none"> – Efforts to develop EU law promoting energy efficiency have been limited to date. – There is a need to develop a more robust EU approach to efficiency.
Regulation 842/2006 Fluorinated greenhouse gases	<ul style="list-style-type: none"> – Aims to curb emissions of fluorinated greenhouse gases (f-GHG), including perfluorocarbons (PFCs), hydrofluorocarbons (HFCs) and sulphur hexafluoride (SF₆). – Phases out gases in mobile air conditioning that have high 'global warming potentials'. 	<ul style="list-style-type: none"> – Commission to report on application of this Regulation by 4 July 2011. – Regulation is complemented by Directive 2006/40/EC on emissions from air conditioning systems in motor vehicles. – Specific approaches to f-GHG management are set out in supporting Commission Regulations. 	<ul style="list-style-type: none"> – Technical standards for specific management practices for f-GHGs will be key to success.

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- Briefing materials translated into Bulgarian, Czech, French, German, Hungarian, Italian, Polish, Romanian and Spanish.
- A full bibliography, lists of the key organisations engaged in the development of EU climate policy and further analysis including a timetable for EU and international action on climate between 2009 and 2014.

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