

Post-Paris EU climate policy briefings

At the Paris Climate Summit, 195 governments agreed to reduce man-made greenhouse gas emissions to zero during the second half of this century and to limit average global temperature rise to 1.5°C. As signatories to the Paris Agreement, the EU and its Member States now need to revise and strengthen their climate and energy policies, and all other relevant policies to make them coherent with the Paris objectives. Our briefing papers provide a top line overview of the processes that will contribute to the needed zero-carbon transformation.

Adoption of National Targets for non-ETS emissions

April 2016

What?

In order to achieve its greenhouse gas emission reduction target for 2020, the EU established both a European-wide Emissions Trading Scheme (ETS) and a set of binding national targets for each Member State to reduce their emissions outside the ETS. This includes emissions from road transport, buildings, agriculture and waste. The Effort-Sharing Decision, on the basis of an overall reduction of non-ETS emissions by 10% by 2020 as compared to 2005 emissions, laid down these targets, which were set on the basis of Member States' per capita Gross Domestic Product (GDP). For 2030, the European Council decided in October 2014 that non-ETS emissions would need to be reduced by 30% as compared to 2005 levels. This target would be divided, on the basis of GDP/capita for those countries whose GDP is below the European average, and on the basis of a combination of GDP/capita and cost-effective potential for those countries whose GDP is above the European average. These individual targets are still being negotiated and will be part of a proposal on how to deal with non-ETS emissions that the European Commission will likely present in July 2016.

What is at stake?

While the European Council agreed for the overall emission reduction target for 2030 to be "at least" 40%, leaving room to increase the target, the non-ETS target is set at -30% (not including the flexibility to increase the target provided by the "at least" prefix). This target is clearly not in line with the objectives of the Paris Agreement. It is therefore crucial that all Member States accept an automatic revision of their national targets, on the basis of the agreed criteria, once the *at least* 40% target is reviewed.

The lacking agreement on national targets is holding back the European Commission to make any substantial proposals to increase the EU's level of ambition to reduce its greenhouse gas emissions. It is therefore crucial that a compromise on these national targets is found as soon as possible, and this should not wait till the legislation on both the ETS and non-ETS emissions is finalised.

The absence of clarity on the targets of the richer Member States is creating a tension between those countries that should work together to increase the level of ambition of the EU's overall target.

Who are the key players?

For the European Commission: Commissioner for Climate Action and Energy Miguel Arias Cañete and his administration (DG Climate Action).

For the European Council: the 11 richer Member States: Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Luxembourg, the Netherlands, Sweden and the UK.

The European Parliament will debate the overall legislation on non-ETS emissions but is not expected to change the effort-sharing between Member States as that would be seen as inappropriate and politically unfeasible.



What has happened, will likely happen and when?

October 2014: Heads of State and Government agreed, by unanimity, the key elements of how to set national targets, which will be difficult to change without going back to them;

March till June 2016: Commissioner Arias Cañete visits all Member States to negotiate on their possible national target;

July 2016: the European Commission is expected to come with a proposal for a Decision/Directive on managing emission reductions outside the ETS, either replacing or reforming the Effort Sharing Decision. This proposal is expected to contain a compromise proposal for the national targets, as part of this Directive/Decision or as a stand-alone agreement;

2016/2017: Member States to agree, be it informally, on these or amended numbers, even if they are part of a legislative proposal that will need to be approved by the European Parliament and go into trilogue.

CAN Europe's position

For CAN Europe it is crucial that:

- EU Member States agree as soon as possible to increase their emission reduction target to at least 55% by 2030, as compared to 1990;
- As a result EU Member States agree to increase the target for reducing emissions outside the ETS sectors to at least 45% by 2030, as compared to 2005;
- And in order to make this happen, an automatic revision clause needs to be included in the non-ETS legislation, so that the national targets will automatically be adjusted when the overall target is made more coherent with the objectives of the Paris Agreement;
- Early action, pre-2020, is stimulated, and therefore the influence of the cost effective potential in the calculation of the richer Member States should be as minimal as possible (additional effort only).

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