



T.M.C Asser Institute

Climate Change and Clean Energy Policy Interactions in South and Eastern Europe

Leonardo Massai
T.M.C. Asser Institute

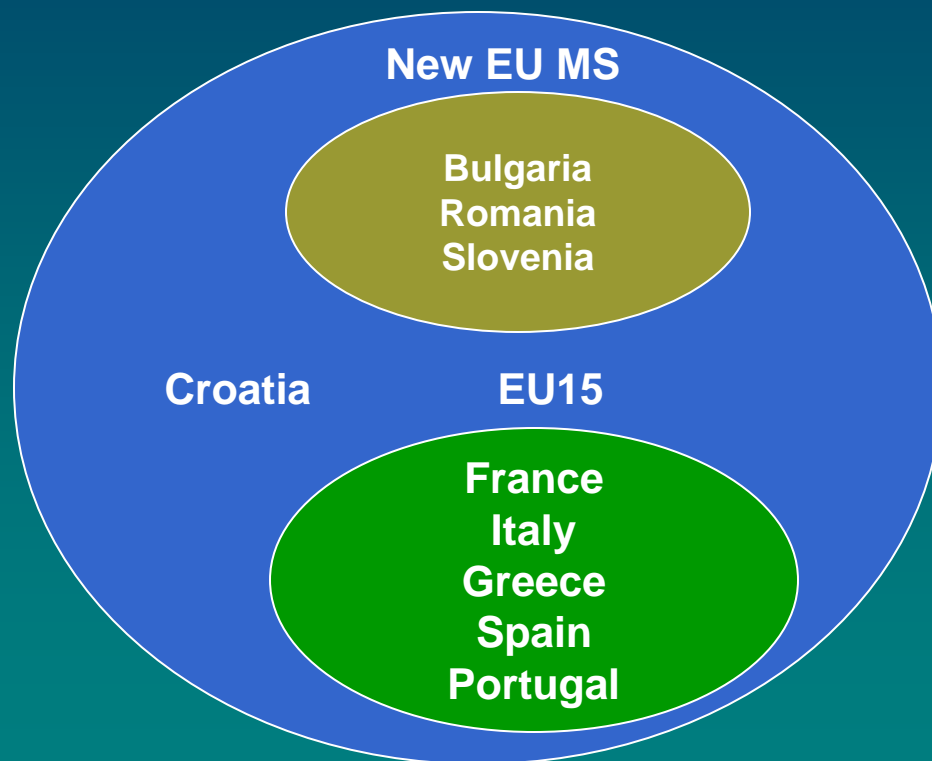
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SEE and the Kyoto Protocol

Annex I Parties



Non-Annex I Parties



GHG Emissions in the EU (I)

MEMBER STATE	Base year ¹⁾ (million tonnes)	2004 (million tonnes)	Change 2003–2004 (million tonnes)	Change 2003–2004 (%)	Change base year–2004 (%)	Targets 2008–12 under Kyoto Protocol and "EU burden sharing" (%)
Austria	79.0	91.3	-1.2	-1.3%	15.7%	-13.0%
Belgium	146.9	147.9	0.3	0.2%	0.7%	-7.5%
Cyprus ²⁾	6.0	8.9	-0.3	-3.0%	48.2%	-
Czech Republic	196.3	147.1	-0.5	-0.3%	-25.1%	-8.0%
Denmark	69.3	68.1	-6.0	-8.1%	-1.8%	-21.0%
Estonia	43.0	21.4	0.2	0.8%	-50.3%	-8.0%
Finland	71.1	81.4	-4.2	-4.9%	14.5%	0.0%
France	567.1	562.6	1.5	0.3%	-0.8%	0.0%
Germany	1232.5	1015.3	-9.1	-0.9%	-17.6%	-21.0%
Greece	111.1	137.6	0.3	0.3%	23.9%	25.0%
Hungary	123.0	83.9	-0.4	-0.5%	-31.8%	-6.0%
Ireland	55.8	68.5	0.1	0.1%	22.7%	13.0%
Italy	519.5	580.8	3.4	0.6%	11.8%	-6.5%
Latvia	25.9	10.7	0.0	0.4%	-58.5%	-8.0%
Lithuania	48.1	21.1	1.0	5.0%	-56.2%	-8.0%
Luxembourg	12.7	12.8	1.5	13.7%	0.8%	-28.0%
Malta ²⁾	2.2	3.2	0.1	4.2%	45.9%	-
Netherlands	214.3	218.1	2.4	1.1%	1.8%	-6.0%
Poland	565.3	388.1	5.4	1.4%	-31.3%	-6.0%
Portugal	60.0	84.4	1.2	1.4%	40.7%	27.0%
Slovakia	73.4	51.0	-0.1	-0.1%	-30.4%	-8.0%
Slovenia	20.2	19.9	0.4	2.0%	-1.3%	-8.0%
Spain	289.4	427.9	19.7	4.8%	47.9%	15.0%
Sweden	72.3	69.7	-1.0	-1.5%	-3.5%	4.0%
United Kingdom	779.5	665.3	0.9	0.1%	-14.7%	-12.5%
EU-15	4280.4	4231.7	9.9	0.2%	-1.1%	-8.0%

Source: EEA (2006)

GHG Emissions in the EU (II)

- EU15 Kyoto Protocol obligation: - 8%
- GHG EU15 2003-2004: + 0,2%
- GHG EU15 1990: - 1,1%
- GHG EU25 1990-2004: - 4,9%

- KP obligations met if:
 - ALL existing and planned measures are implemented
 - KP flex mex
 - Inclusion of carbon sinks

SEE and KP flexible mechanisms

- Buyers: FRA,ITA,GRE,POR,SPA,SLV
 - GHG emissions deficit: 376 Mt CO₂
- Supply
 - GHG emissions surplus (Rom/Bul): 159 Mt CO₂
 - JI: Romania and Bulgaria
 - CDM: Serbia, Montenegro, Albania, (Cyprus, Malta, Bosnia and Croatia)

EU ETS

- European Climate Change Programme II: focus on carbon capture and storage, aviation, EU ETS review
- EU Allowance Trading Directive (EATD 2003/87/EC): evaluation of NAPs II (19 approved so far)
- Linking directive (2004/101/EC): double counting rules
- Linking ET scheme with third countries

Article 25 EATD

1. Agreements should be concluded with third countries listed in Annex B to the Kyoto Protocol which have ratified the Protocol to provide for the mutual recognition of allowances between the Community scheme and other greenhouse gas emissions trading schemes in accordance with the rules set out in Article 300 of the Treaty.
2. Where an agreement referred to in paragraph 1 has been concluded, the Commission shall draw up any necessary provisions relating to the mutual recognition of allowances under that agreement in accordance with the procedure referred to in Article 23(2).

Linking Directive

Recital (18):

- Following entry into force of the Kyoto Protocol, the Commission should examine whether it could be possible to conclude agreements with countries listed in Annex B to the Kyoto Protocol which have yet to ratify it, to provide for the recognition of allowances between the Community scheme and mandatory greenhouse gas emission trading schemes capping absolute emissions established within those countries

Linking ET schemes

Links with Annex B Parties

- 27 parties to the EU ETS (with Cyprus and Malta)
- Norway in the pipeline
- Iceland and Liechtenstein - EEA agreement
- Japan, Canada, Russia, Ukraine, New Zealand, Switzerland, Monaco – linking agreements possible

Links with non Kyoto Parties

- US Regional Greenhouse Gas Initiative
- National Emissions Trading Scheme in Australian States and Territories
- Californian Emissions Trading Scheme
- Croatia, Macedonia (?)
- EU ETS review

Renewable energy sources (RES) in the EU

- Directive 2001/77/EC on renewables
 - National indicative targets and issuance of guarantee of origin for RES-E
- Directive 2003/30/EC on the promotion of biofuels
- Directive 2003/54/EC on internal electricity market
- Energy policy for Europe (2007)
 - RES share of 20% by 2020/Biofuels share of 10% by 2020
- What about instruments?

RES in the EU: existing support systems

- Feed-in tariffs
- Green certificate system (RECS)
- Tendering systems
- Tax incentives

SEE and renewable energy

- EU Accession
- Energy Community Treaty
- Preference for feed-in tariffs

RES overview of main policies instruments in SEE

Country	Support schemes for RES promotion
Albania	
Bulgaria	Feed in tariffs – tax incentives – purchase obligation
Bosnia Her	Feed in tariffs
Croatia	Feed in tariffs with financial incentives
Cyprus	Grant scheme promotion RES financed by electricity consumption tax + tax incentives (additional policy tool)
France	Tendering + feed in tariffs
Greece	Feed-in tariffs combined with investment incentives
Italy	Quota (TREC) + Feed in taiff (PV)
Macedonia	Feed in tariffs
Malta	Tax incentives (low VAT rate for solar)
Montenegro	
Portugal	Feed-in tariffs combined with investment incentives
Romania	Subsidy fund and feed in tariffs
Serbia	
Slovenia	Feed in tariffs + long term guaranteed contracts, CO2 taxation and public funds for env investments
Spain	Feed in tariffs

The case of Italy

- Interesting energy instrument mix
- Recent shift in climate policy
- JI/CDM option
- Assistance in Western Balkans for Kyoto Protocol implementation

Italy: green certificate system

- Stimulate production of electricity from RES (2002)
- Electricity producers: 2% of total production from RES (+0,35% every year)
- Producers received pre defined “green certificate” and are hand over the same amount by a fixed deadline
- Verification system
- MOUs: Serbia, Montenegro, Albania, Bosnia, ...
- Reciprocity agreement required: mutual recognition of green certificates

Information on EEL

European Environmental Law (EEL) Network

www.eel.nl

EEL News Service

- Free Electronic bi-weekly newsletter
- Regular updates of EEL Homepage
- 20 national editors in Europe
- **LOOKING FOR NATIONAL EDITORS** in Albania, Bosnia, Czech Republic, Georgia, Hungary, Moldova, Montenegro, Romania, Serbia, Slovenia, Slovakia, Ukraine

Journals

- European Environmental Law Review, Journal for European Environmental & Planning Law, Review of Community and Int Envl Law (RECIEL), Environmental Data Service (ENDS)

I.massai@asser.nl