

Energy Community Task Force on Environment 17th Meeting

21 November 2018

Conclusions

1. The Task Force congratulated Dr. Jürgen Schneider for his appointment as Director for Climate in the Federal Ministry for Sustainability and Tourism of Austria and expressed its most sincere gratitude and appreciation for his effective Chairmanship over the past seven years.
2. The Task Force endorsed Mr. Daniel Martin-Montalvo, Head of Group for Sustainable resource use and industry at the European Environment Agency (EEA, Copenhagen) as the new chairperson and recommended his appointment for the Permanent High Level Group's confirmation.
3. The Task Force regretted that its members from Montenegro and the Republic of Moldova were not able to be present at the meeting.
4. The Task Force adopted the draft agenda without amendments.

Implementation of the Large Combustion Plants Directive – Reporting of Emissions into the Air

5. Daniel Martin-Montalvo presented the currently existing reporting schemes for large combustion plants in the EU. He elaborated on the use of the common stack approach in emission reporting (meaning that emissions shall be reported at the level of the stack, not at the level of the unit). He also explained the practical modalities about emission reporting, the different obligations for Member States and how these could be used in an Energy Community context based on the agreement between the European Environment Agency and the Secretariat.
6. Depending on the maturity of the operators and authorities as well as other questions within the country, two options may be considered, the use of the web-form for LCP reporting (which is not in use in the EU any longer) or linking with E-PRTR / EU registry on industrial sites. It was emphasised that either reporting concept is not difficult and would not be time- and resource-consuming for Contracting Parties.
7. The representative of former Yugoslav Republic of Macedonia asked whether the applicable legal framework Contracting Parties (which is based on the LCP Directive for existing plants) is different from the presented scheme based on the Industrial Emission Directive.
8. The Energy Community Secretariat replied that based on previous discussions, the two options were presented for the reporting. Since there are indeed differences in the legal basis for the Contracting Parties, this is a possibility and an occasion to discuss the modalities, which may result in a tailor-made solution for the CPs. It was stressed that the basic obligation on reporting is stemming from the LCPD already, which forms part of the Energy Community environmental acquis since 2006. Therefore, the "old" EU approach to reporting would be the minimum option.

9. Serbia raised a question on timeframes for the reporting obligations related to National Emission Reduction Plans (NERPs) and stated that in case reporting is due next year, the only option may be the web-based solution.
10. The Secretariat recalled the NERP-related reporting obligations, stemming from Decision 2013/05/MC-EnC, starting for the year 2018 and continuing for each subsequent year. Based on legal framework, data collection will start as of January 2019 and on the basis of the agreement between the EEA and the Secretariat, the data will be managed by the EEA.
11. Furthermore, the Secretariat stated that the same approach of a written request for data submissions (which is used between the Commission and the EU Member States) can also be used by the Energy Community. It was also explained that the use of an existing tool, developed for the same purpose, would be a far easier solution than developing an own reporting scheme via, for instance, the submission of excel files.
12. Serbia stated that an internal agreement shall be reached with all stakeholders on the approach, as this has not yet been agreed.
13. The representative of DG Environment asked information on the national reporting systems of the Contracting Parties.
14. Serbia stated they are using the European Pollutant Release and Transfer Register (E-PRTR) system since 2010.
15. Kosovo* informed that reporting is done by the Environmental Agency to the EEA, using the web-form that was presented by Mr. Martin-Montalvo, however they are not under the E-PRTR.
16. The representative of former Yugoslav Republic of Macedonia informed that reporting is carried out under the PRTR Protocol and the Long-Range Transboundary Air Pollution Convention by the Macedonian Environmental Information Centre.
17. The representative of Albania pointed out that even though the Contracting Party does not have functioning large combustion plants for now, a PRTR system is used since 2015 and an IT system for the forthcoming reporting to the E-PRTR was developed via EU assistance.
18. The representative of Georgia stated that each stationary source of air pollution (including LCPs) has an obligation to report annual emissions to the Ministry of Environmental Protection and Agriculture of Georgia. Reporting system was paper-based until 2016, when the Ministry launched the new online reporting system and online map based on this system (map.emoe.gov.ge). The existing system is a good platform for the further development of reporting tools.
19. The representative from Bosnia and Herzegovina stated that in both entities, the operators of all plants are obliged to collect all data on the emissions and report. A procedure for the reporting to the Energy Community is being developed.
20. The Ukrainian representative informed they started work on the development of the draft law for E-PRTR reporting. Currently, a set of reforms under the Ministry of Ecology are ongoing. The draft concept on the implementation of the IED, defining a number of tasks and measures, timelines and key performance indicators to ensure the effective implementation of the Directive's provisions, was developed. The draft Concept has been sent to the central authorities for approval and public consultations on the draft document have started on 16 November.
21. Serbia stressed that firstly, an agreement has to be made among the Parties on how emission reporting will be carried out in practice and then begin with the obligation.
22. The Chairman also provided information on the experience with the EU members, stating that until the 2011 reporting year, reporting under the LCPD was based on the

submission of excel files which was problematic for both sides in practical terms due to the need for additional communication, uncertainty about the correct data, its time-consuming nature, etc. He stressed that based on the EU experience, this option is not recommendable for the Energy Community.

23. The representative from former Yugoslav Republic of Macedonia stressed that according to national legislation, reporting needs to be carried out until 31 March to the Ministry of Environment and Physical Planning, after that the data could be reported to the Energy Community and the EEA. Therefore, it was agreed internally that the department who carries out reporting to the EEA will also have to continue carrying out the obligation.
24. The Secretariat pointed out that for Contracting Parties, Energy Community legislation forms the basis of the obligations, which sets the obligation for reporting, without however specifying modalities or deadlines. Participants were also reminded that the E-PRTR system covers a much wider scope of installations than large combustion plants and hence more time is needed to gather all the information.
25. The Chairman pointed out that according to the EU experience and taking validation into account, it is approximately 10 to 14 months post-emissions when data would be available and that a similar dynamic should be expected in the Energy Community.
26. Albania asked why large combustion plants that under E-PRTR have also a separate reporting under the LCP Directive. The Chairman explained that the regulation has a double list of thresholds and small LCPs may not reach the substance thresholds.
27. Upon the question by Serbia on reporting of ongoing projects (related to NERP reporting), the Secretariat stated that the issue can only be addressed by a letter, since that part of the reporting would not contain any emissions data.
28. Nebojsa Redzic (Environmental Agency of Serbia) provided an overview on the national PRTR Register and air emissions data collection, with an outlook on ongoing and planned activities in the field of emission reporting.
29. The Serbian representative raised concerns about the confidentiality in the reporting system. The Chairman replied that in the EU system, confidentiality measures are in place and they are subject to the Commission's approval, if requested by the Member State authorities.
30. The Chairman, upon the Secretariat's suggestion invited Contracting Party representatives for a brief update on the current state of play of the LCPD.
31. Ukraine referred to the adoption of the NERP in November 2017 and explained that a Working Group by the Ministry of Energy and Coal Industry was created for the NERP implementation. Concerns were also raised about the submission of emissions data by the end of next year given the still ongoing development of the relevant legislation.
32. Bosnia and Herzegovina informed that the entity Ministries in collaboration with USAID drafted changes to the regulation on emission into the air. In the Federation of Bosnia and Herzegovina, regulations are in force since December 2017 and in Republika Srpska since October 2018. Elektroprivreda RS is on the way to finish the deSO_x for TPP Ugljevik. MOFTER received the last update on NERP implementation from Elektroprivreda BiH in January 2018, but no further information was received.
33. The Georgian representative gave an update on the the Georgian law on Industrial Emissions and the relevant bylaws adopted this year. The adoption was planned to be finished this year in September, however during the discussions it was completely re-written so the adoption was pushed to end of this year.

34. Albania reported that a new law on environmental permitting was developed with the EU technical assistance and a Governmental Order especially for the LCPs was developed and it is expected to be adopted next year.
35. The representative from FYROM informed that the Industrial Emissions Directive was supposed to be transposed in a new law and related bylaws. Only the public debates were done and consultations with other relevant institutions and companies. They have asked for additional follow up since they consider the project was too short in order to transpose the complete directive.
36. The Kosovo* representative stressed that the LCPD was transposed in two pieces of legislation, where all emission limit values are included and starting 31.12.2017 plants are under the obligation. Two LCPs and five units fall under the NERP, adopted on 29 May 2018. Emissions in both plants do not comply with the emissions and a feasibility study with the EU assistance was developed. Technical solutions are to be found for the improvement of the electrostatic precipitator for Kosovo B. The study recommended in order to achieve the emissions should replace the old electrostatic filters. The timeline for implementation for Kosovo B1 is 15 October 2020, and for B2 15 October 2020. In the Plant Kosovo A, ongoing measures are being taken to improve the operation. The IED is to be transposed by an amendment to the Law on IPPC and other legislation.
37. The Serbian representative stated that the Ministry of Environmental Protection used the SEA development budget and that two institutions are working for this document with a deadline to finish by 12 December 2018. The SEA and NERP after that will be sent for adoption in the Government. The Ministry informed the companies concerned that the NERP and the opt-out implementation has started and that they have to keep to the ceilings established therein.
38. The Chairman proposed written summaries to be send on the subject as well.

Potential new acquis – State of play of the Impact Assessment Study on Chapter II and IV of the IED / FQD

39. The representative from DG Environment addressed the importance of the inclusion of Chapter II and IV of the IED in the Energy Community Treaty. She stressed that many requirements are already in the Treaty, which are the minimum requirements, however other requirements are envisaged within, such as the application of best available techniques. It was mentioned that Contracting Parties contribute to a large extent to air pollution in Europe and therefore the uptake of these provisions would be important. Another reason is that applying these provisions as well as the BAT will ensure a level-playing field in the energy sector and will also help Contracting Parties with the implementation of the Gothenburg Protocol, which sets national emission ceilings.
40. Keir McAndrew (Wood plc) gave a presentation on the state of play of the impact assessment study on introducing Chapters II and IV of the IED and the Fuel Quality Directive into Energy Community law. The key concepts of the project were elaborated including the assumptions that were used, the aims i.e. to provide impact assessment for the potential inclusion of the new pieces of legislation as well as detailed information on the likely costs and benefits.
41. The presentation also covered the fuel quality specific assumptions in the project. The Contracting Parties were asked to verify the information on the actual situation in their refining sectors and the number of installations that are located in the respective

- countries. The Secretariat stressed that in order to have the best factual basis for the assessment the discussion is very beneficial.
42. The present Contracting Parties gave an update on the refining sectors, some of them promising to send additional information on the correct number of operational refineries and related data.
 43. The representative of DG Climate Action added a suggestion to identify the share of import of fuel in Contracting Parties that comes from origins that will not be compliant with the directive.
 44. Serbia asked whether it is possible to make a distinction between the different types of refineries.
 45. The presenter stressed the reasons why the bigger picture is highlighted and even in the negative scenarios, economic effectiveness is confirmed.
 46. The Chairman pointed out that experience in the EU shows that on a higher level, it is clearer in the decision that the country will need to take. That is more important than being stuck only with the numbers, which are never completely accurate.
 47. The representative of Bankwatch asked whether the current waste incineration BREF will be used since on the meeting it was mentioned that a revised version is under development. The Secretariat confirmed that the study as well as any potential proposal is carried on the basis of the applicable EU law, which does not include the new BAT conclusions on waste incineration and co-incineration yet.
 48. The representative of DG Environment pointed out that the existing BREF was not legally binding and the revision process will introduce advance changes in that sense which produce a document with a much better quality.
 49. Serbia posed a question on the baseline for the assessment when a new power plant is built, to which the Secretariat referred to the relevant Energy Community Policy Guidelines on the definition of existing and new plants (with a cut-off date of 1 January 2018, provided that the plant is put into operation by 1 January 2019).

Conclusions and any other business

The Secretariat emphasized that in relation to the assessment, the consultant is requested to take account the discussion at the meeting in the future final report. The Parties shall have the opportunity to provide comments on the actual text, which shall be considered in the final version.

The Secretariat the representatives of the countries agreed to further communicate in the coming days and weeks.

The indicative date for the next meeting of the Task Force is **20th March 2019**.