

# Outlook for 2023-2024

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## **1. Governance Regulation**

- a) Transposition**
- b) Long-term Strategies**
- c) NECPs**
- d) GHG inventories**

## **2. MRV & carbon pricing**

## **3. Main tasks for 2023 and organizational issues**

## Transposition

- Deadline: **31 December 2022**;
- Mixed picture, no full transposition in any of the CPs, usually transposed in various laws (i.e. energy, climate), no single “law on governance”;
- Climate part is often inspired by the MMR (GR precursor) or from UNFCCC/PA;
- NECPs – often high-level provisions included only (technical details to go to secondary acts);
- Missing provisions on reporting, targets, deadlines;

➔ **The Secretariat is ready to provide input on draft acts;**

➔ **Please submit the adopted acts (primary and secondary) shortly after adoption!**

## Long-term Strategies (Low-carbon Development Strategies)

- Deadline: **1 December 2021** → **1 January 2029** → and every 10 years thereafter;
  - Update: where necessary – every 5 years;
  - Formal and structural requirements for the LTS in the Gov. Reg.;
  - NECPs to be consistent with the LTS;
  - LTSs to be submitted to the EnCS + publication;
  - EnCS role: guidance during the development & assessment of LTSs regarding the achievement of the EnC and CP 2030 targets;
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- ➔ **Please keep the EnCS updated about the LTS development process and share draft versions when possible;**
  - ➔ **Please submit the adopted LTS to the EnCS without delay!;**
  - ➔ **For LTSs dating pre-2021 and where the LTS was adopted before the LTS – consider an LTS update in 2025 the latest;**

## NECPs

- Deadline: draft NECPs by **30 June 2023** – adopted NECPs **30 June 2024**;
- EnCS assessment and recommendations on the draft NECPs: **within 6 months** after submission;
- Public and regional consultations + SEA(!);
- Presentation of the draft NECPs in the ECC (TWG) between June 2023 – 2024;
- NDCs to be consistent with NECPs!

→ **Allow sufficient time for public and regional consultations of the NECP;**

→ **Please submit the SEA report together with the draft NECP;**

## NECPs → Energy and climate modelling capacities

- EnCS + GIZ support to the institutionalizing and strengthening of energy and climate modelling capacity in the Energy Community;
- Regular exchanges of modellers and technical experts involved in NECP development continue - to enhance technical capabilities and strengthen regional coordination;
- Evaluation of second meetings cycle (WB6) finalized – 2023 agenda to be discussed with participants in Q1/2023;
- Milestone(s): continuous activities at least until NECPs adopted by **30 June 2024**;

**→ Nominate modellers and technical experts to participate;**

## GHG inventories

- Deadline: establishment by **1 January 2023**
- EEA is planned to support the reporting and the verification of inventory data;
- Several CPs have transposed this part from the MMR;
- Reporting – each year(!):
  - ✓ 15 January 2025 – preliminary GHG inventory data to EnCS/EEA;
  - ✓ 15 March 2025 – final GHG inventory data to EnCS/EEA (incl. complete ntl. inv. Report);
  - ✓ 31 July 2025 – approximated GHG inventory reported for year (X-1) to the EnCS/EEA → data to be published by 30 September
- Comprehensive GHG inventory reviews: 2027 and 2032

**→ Please nominate your contact points for the GHG inventory area;**

## Conclusions from the EnC Ministerial Council

14. The Ministerial Council adopts the Decision incorporating the system for monitoring, reporting and verification (MRV) of greenhouse gas emissions comprising Regulation (EU) 2018/2066 on monitoring and reporting, Regulation (EU) 2018/2067 on accreditation and verification as well as certain basic elements of Directive 2003/87/EC establishing a system for greenhouse gas emission allowance trading. The Ministerial Council invites its Energy and Climate Committee to establish an MRV working group dedicated to providing support to Contracting Parties in implementing the system and exchanging experience with the European Union.



## MRV – Monitoring, reporting and verification of GHGs emitted by installations

- Deadline: transposition by **31 December 2023**;
- Adopted by the EnC Ministerial Council on 15 December 2022;
- Tentative period: 2024 – 2026;
- Objective: to establish the system of ***installation-level*** GHG monitoring in CPs;
- Possible topics for discussion in the TWG:
  - ✓ Sharing the experience from those CPs, who already have an MRV system in place (or are currently building one) – scope of activities and gases, roles of stakeholders in the compliance cycle, methodology to be used etc.;
  - ✓ Identifying tools/areas of cross-border interest (e.g. registries, verifiers, harmonized templates etc.);

## Conclusions from the EnC Ministerial Council

23. In this spirit and to further implement the Decarbonisation Roadmap, the Ministerial Council invites its Energy and Climate Committee to establish a dedicated working group on the conceptualization of a carbon pricing system, and to develop proposals for discussion at the next Ministerial Council meeting. Besides provisional and conditional suspension of the European Union's carbon border adjustment (CBAM) in case of electricity market coupling, as foreseen in the draft CBAM Regulation, an effective carbon pricing system may allow, under strict conditions, to deduct such a carbon price from the carbon border adjustment, as provisionally agreed by the EU co-legislators.

## Carbon pricing

- Continued implementation of the EnC Decarbonisation Roadmap;
- As part of a holistic regional approach to transition + CBAM relevance;
- Possible actions:
  - ✓ Take stock of the individual CP strategies and provisions for carbon pricing;
  - ✓ Map out possible policy solutions for carbon pricing, pinpointing where a regional approach could have added value;
  - ✓ Propose to the Ministerial Council what a regional approach could look like.
- Discussions planned also with large energy consumers.



# Main tasks for 2023 and organizational issues

## Milestones 2023

- **1 January** – establishment of GHG inventories and systems for reporting on (GHG) PaMs and a system for reporting on projections of anthropogenic GHG emissions and sinks by CPs;
- **10 March** – CPs long-term renovation strategy to be submitted to the EnCS;
- **15 March** – CP reporting on:
  - ✓ GHG policies and measures;
  - ✓ national climate change adaptation planning and strategies incl. implemented and planned actions;
  - ✓ Emergency oil stocks (Art. 6(2) of Dir. 2009/119/EC);
- **30 June** – draft NECPs submitted to the EnCS;
- **31 July** – reporting on the use of revenues from carbon pricing;
- **31 December** – CPs request (optional) for a derogation from the prescribed methodology on monitoring and reporting in the LULUCF sector;

+ Energy Community E-Platform  
+ EnC biennial report on bioenergy sustainability  
+ Possible EC proposal for including CPs in the EU renewable energy financing mechanism

# Main tasks for 2023 and organizational issues

## Organization of the work

- Main high-level body: Energy and Climate Committee – to endorse the TWG WG;
- Technical Working Group to carry out in-depth technical work;
- Activities are proposed to be grouped in the following categories:

### Governance

- Transposition of GR;
- NECP, LTS, SEA;
- Assessment of progress towards the 2030 targets;
- Reporting, E-Platform, EEA;
- Just Transition.

### MRV & carbon pricing

- Transposition & impl. of MRV;
- CP initiatives in carbon pricing;
- CBAM;

### GHG inventories, PaMs & projections

- Implementation;
- Reporting & cooperation with the EEA (GR impl. acts.);
- UNFCCC and PA reporting and coop.



**THANK YOU**  
**FOR YOUR ATTENTION**

## **GET IN TOUCH**

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