



**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 24 November 2011

17549/11

**Interinstitutional File:
2011/0372 (COD)**

**ENV 901
ENER 380
TRANS 328
IND 153
ONU 144
AGRIFORET 33
ECOFIN 824
CODEC 2192**

COVER NOTE

from:	Secretary-General of the European Commission, signed by Mr Jordi AYET PUIGARNAU, Director
date of receipt:	23 November 2011
to:	Mr Uwe CORSEPIUS, Secretary-General of the Council of the European Union
No Cion doc.:	COM(2011) 789 final
Subject:	Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on a mechanism for monitoring and reporting greenhouse gas emissions and for reporting other information at national and Union level relevant to climate change

Delegations will find attached Commission document COM(2011) 789 final.

Encl.: COM(2011) 789 final



EUROPEAN COMMISSION

Brussels, 23.11.2011
COM(2011) 789 final

2011/0372 (COD)

Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on a mechanism for monitoring and reporting greenhouse gas emissions and for reporting other information at national and Union level relevant to climate change

{SEC(2011) 1406 final}

{SEC(2011) 1407 final}

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

Following broad consultation of Member States and stakeholders, and an impact assessment, the Commission proposes revising the monitoring mechanism established under Decision No 280/2004/EC of the European Parliament and of the Council¹ by replacing that Decision. The proposal seeks to improve the existing monitoring and reporting system to ensure compliance with Union and Member State commitments and obligations under current and future international climate change agreements, to fulfil the legal requirements of the Climate and Energy Package, and to support the development of climate mitigation and adaptation instruments at Union level.

The Commission proposes replacing Decision No 280/2004/EC by a Regulation on account of the broader scope of the legislation, the increased number of addressees, the highly technical and harmonised nature of the monitoring mechanism, and to facilitate its implementation.

- **Grounds for and objectives of the proposal**

The objective of the United Nations Framework Convention on Climate Change (UNFCCC), which was approved on behalf of the European Community by Council Decision No 94/69/EC² of 15 December 1993 concerning the conclusion of the United Nations Framework Convention on Climate Change, is to stabilise greenhouse gas (GHG) concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system. To meet this objective the overall global annual mean surface temperature increase should not exceed 2°C above pre-industrial levels. The fourth Intergovernmental Panel on Climate Change (IPCC) Assessment Report shows that, to reach this objective, global emissions of greenhouse gases must peak by 2020.

The Kyoto Protocol, which was ratified by the Union on 31 May 2002³, entered into force on 16 February 2005. The Protocol sets binding targets for reducing or limiting greenhouse gas emissions for the Union and the Member States (except Malta and Cyprus). The European Council of March 2007 also made a firm commitment to reduce the EU's overall greenhouse gas emissions by at least 20% below 1990 levels by 2020, and by 30% provided that other developed countries commit themselves to comparable emission reductions and economically more advanced developing countries contribute according to their respective capabilities. The Climate and Energy package agreed in December 2008 converted the 20% reduction targets into law. These targets also appear in Decision 2/CP.15 ("the Copenhagen Accord"), which the Union and the Member States endorsed on 28 January 2010.

The objective of Decision No 280/2004/EC, referred to hereafter as the "Monitoring Mechanism Decision," was to establish a mechanism for monitoring all anthropogenic emissions by sources and removals by sinks of greenhouse gases not controlled by the Montreal Protocol; evaluating Member States' progress on their obligations under the UNFCCC and the Kyoto Protocol; implementing the reporting requirements under the

¹ OJ L 49, 19.2.2004, p.1.

² OJ L 33, 7.2.1994, p.11.

³ OJ L 130, 15.5.2002, p.1.

UNFCCC and the Kyoto Protocol; and ensuring the timeliness, completeness, accuracy, consistency, comparability and transparency of reporting by the Union and the Member States to the UNFCCC Secretariat.

The aims of the proposed revision are to:

- reflect in the Monitoring Mechanism Regulation reporting obligations arising from the UNFCCC, the Kyoto Protocol and subsequent decisions adopted there under with regards to GHG emissions and financial and technology support provided to developing countries;
- help the Union and the Member States meet their mitigation commitments and implement the Climate and Energy package;
- support the development of new Union climate change mitigation and adaptation instruments.

This proposal also makes improvements to the monitoring and reporting requirements on GHG emissions resulting from six years of experience with Decision No 280/2004/EC and its implementing provisions, namely Decision No 2005/166/EC⁴, and experience in implementing various UNFCCC requirements.

- **General context**

The need to revise the Monitoring Mechanism Decision is based on the following reasons.

- Decision No 280/2004/EC concerning a mechanism for monitoring Community greenhouse gas emissions and for implementing the Kyoto Protocol and its implementing provisions are the main monitoring, reporting, and verification instruments on GHG emissions. They set out the details for reporting anthropogenic GHG emissions by sources and removals by sinks, for providing information on national programmes to reduce emissions, on GHG emission projections, and on climate change policies and measures in accordance with the UNFCCC.
- Six years of experience in implementing these two decisions and experience gained during international negotiations and in implementing various UNFCCC requirements have shown that there are areas where significant improvements could be made. In addition, the need to step up mitigation action at EU and Member State level and to fulfil new and upcoming international and domestic commitments, including the Europe 2020 strategy, requires an improved monitoring and reporting system.
- To address the concerns about the growing threat of global climate change resulting from increasing concentrations of greenhouse gases in the atmosphere, the Union is implementing and planning a series of mitigation policies and actions. Creating a solid monitoring, evaluation, reporting, and verification framework for GHG emissions is an important part of this process as it enables the EU to more effectively develop and implement future policies and to assess and demonstrate that it is meeting its commitments.

⁴ OJ L 55, 1.3.2005, p.57.

- At the Conference of the Parties (COP) under the UNFCCC in Copenhagen (COP 15), the Union and the Member States committed to providing significant fast-start and long-term climate financing and technological support to developing countries. At COP 16 in Cancun, countries agreed (paragraph 40 of Decision 1/CP.16) that each developed country under the UNFCCC shall enhance reporting on the provision of financial, technological and capacity-building support to developing country Parties. Enhanced reporting is essential for the recognition of the Union's and the Member States' efforts in fulfilling their commitments.

More specifically, the revision of the Monitoring Mechanism Decision will attempt to address the following issues:

- (1) The existing monitoring and reporting system for GHG emissions and mitigation actions is not adequate to implement new requirements resulting from new legislation and new international developments under the UNFCCC;

The Climate and Energy package agreed between the Council and the European Parliament in 2009 introduced new requirements on monitoring and reporting for Member States. These need to be incorporated into the existing monitoring and reporting system to enter into effect. The "Cancun Agreements" (Decision 1/CP.16) under the UNFCCC also require enhanced reporting on emissions and mitigation actions in the follow-up to the Kyoto Protocol.

- (2) There is insufficient data available at EU level to support future policy development and implementation;

In a number of areas/sectors of great significance in reducing GHG emissions and taking action at EU level, there is currently no, or insufficient data collected to underpin effective policy design and implementation. These areas are: a) maritime transport; b) aviation; c) land-use, land-use change and forestry (LULUCF), and d) adaptation.

- (3) The current monitoring and reporting system addresses GHG emissions and mitigation actions and does not take into consideration nor does it ensure compliance with new commitments under the UNFCCC related to the provision of financial and technological support to developing countries;

The Union made an international commitment to provide developing countries with significant fast-start and long-term climate financing and technological support. Transparent and comprehensive information on the type and amount of support provided is essential to ensure the Union's visibility, the efficient delivery of the Union's climate change message and credibility vis-à-vis our international partners. The problems identified above have often led to severe criticism by other countries that the Union and its Member States are not fulfilling their commitments and need to be resolved.

- (4) Additional data and information are needed to monitor progress towards emissions limitation targets, in particular under the Europe 2020 strategy;

The Europe 2020 strategy, the Union's new integrated economic policy strategy for growth and jobs, includes Union and national emissions limitation targets as headline targets.

- (5) There is an observed lack of transparency, timeliness, consistency, completeness and comparability of the information currently reported under the Monitoring Mechanism Decision;

The relatively high rate of non-compliance cases over the last years indicates that the transparency, accuracy, consistency and efficiency of the existing monitoring and reporting system could be improved.

- (6) Experience has shown that there is an urgent need for simplifying and streamline the current reporting requirements.

Experience in implementing the Monitoring Mechanism Decision has shown that certain reporting requirements did not deliver as expected or the information was not used as anticipated. It has also shown that links between reporting instruments could be improved.

- **Existing provisions in the area of the proposal**

The monitoring mechanism is currently established under Decision No 280/2004/EC, which will be repealed under this proposal.

- **Consistency with the other policies and objectives of the Union**

The revision of the Monitoring Mechanism Decision:

- contributes to the overall objectives of the Climate and Energy package to reduce global GHG emissions, is consistent with the individual legal instruments adopted as part of the package, and aims to improve the implementation of additional policies in areas not yet sufficiently covered by the package;
- is in line with the discussions under the UNFCCC on the future measurement, reporting, and verification (MRV) systems for emissions, actions and provision of financial support both in terms of the issues proposed to be covered and the reporting areas selected for enhancement;
- is in line with the Europe 2020 strategy which includes the commitment to limit emissions as one of its headline targets and which requires that updated and recent information be made available on climate change action to monitor the progress made by the Member States and the Union;
- is in line with the simplification and better regulation objectives of the Union, as the revision builds on experience in implementation and the feedback received from stakeholders. The revision aims to address the weaknesses and problems identified and to simplify reporting requirements, as applicable. New requirements are aligned with and have thoroughly taken into consideration existing reporting streams and information needs.

2. RESULTS OF CONSULTATIONS WITH THE INTERESTED PARTIES AND IMPACT ASSESSMENTS

- **Consultation methods, main sectors targeted and general profile of respondents**

In addition to expert meetings and workshops, an online public stakeholder consultation covering all aspects of the planned revision of Decision No 280/2004 was launched from 7 March 2011 to 29 April 2011. The on-line questionnaire was accessible from the DG Climate Action and "Your Voice" websites. The questionnaire was made available in all official

languages and due care was taken to inform stakeholders. Responses were received from private individuals, national administrations, non-governmental organisations, private companies, industry groups and a research institution.

- **Outcome of the online public consultation process**

The data collected through the online stakeholder consultation suggest that EU citizens have a keen interest in climate change information and support further improvements to the reporting system, in particular with regard to the comprehensiveness and transparency of information. Overall, respondents found that, despite a relatively good amount and quality of information and data on climate change, there is still scope for improvement and the majority of respondents considered that it would be worth improving the requirements in all the areas considered in this impact assessment. The results of the consultation are available online⁵.

- **Member States' consultation**

Two workshops, a series of technical and sector-specific expert meetings and a number of projects were conducted in 2009, 2010 and 2011 to inform Member States on the revision of the Monitoring Mechanism Decision. At these meetings, the Member States agreed that there was a need to revise the Monitoring Mechanism Decision to take into account developments at Union and international level, and lessons learned through its implementation. Member States were, however, concerned about any resulting increase in administrative burden.

Seven Member States (Finland, Germany, Hungary, Netherlands, Slovakia, Spain and Sweden) volunteered to provide information on the administrative burden/costs. These Member States were consulted twice via questionnaires. However, only 5 (Finland, Germany, Hungary, Netherlands and Sweden) provided answers to the second questionnaire. The low response rate to the second questionnaire is mostly due to the fact that the questions dealt primarily with new provisions that will come in under the new Monitoring Mechanism Regulation. Thus Member States found it difficult to estimate the potential administrative burden. As a follow-up, and in accordance with the advice of the Impact Assessment Steering Group, Member States representatives were contacted by phone and email to obtain additional data or to clarify the information submitted. This process generated the final administrative burden data that underpin the impact assessment.

- **Impact assessment**

The impact assessment investigated several issues, including:

- EU review and compliance cycle under the Effort Sharing Decision;
- Reporting requirements for emissions from international maritime transport;
- Reporting requirements related to the non-CO₂ impacts of aviation on the global climate;
- Reporting requirements on adaptation;
- Additional reporting requirements on LULUCF;

⁵ http://ec.europa.eu/clima/consultations/0008/index_en.htm

- Reporting requirements on financial and technology support provided to developing countries;
- Consistency with other EU legal instruments targeting air pollutants and improvements based on past experience with implementation.

The impact assessment considered various policy options for each of these issues. The potential economic and environmental impacts have been considered in detail. The detailed evaluation of the options is set out in the impact assessment accompanying the proposal which will be available at the following address: http://ec.europa.eu/clima/studies/g-gas/index_en.htm.

- **Summary of the proposed action**

The main objective of this Regulation is to help the Union and its Member States meet their national, Union, and international commitments and goals and to further develop policy through transparent, accurate, consistent, comparable and complete reporting.

Existing international reporting requirements already necessitate annual reporting of GHG emissions and reporting on other climate-related information (projections, mitigation actions, support provided to developing countries, adaptation) every 4 years. However, such reporting has long been considered insufficient and there has been a strong international push to enhance and add to the existing reporting requirements as well as to increase reporting frequency. This is particularly vital in these critical times where economic developments are having a marked impact on mitigation policy development and where providing early warning signals can significantly influence a country's ability to take action and can ensure that sustainable economic growth remains decoupled from GHG emissions. These very considerations were translated into concrete requirements in the recent international agreements in Cancun (Decision 1/CP.16) which indeed require a wealth of robust, comprehensive information (on projections, mitigation actions, support provided to developing countries) on a 2-year basis so as to underpin the commitments that Parties have decided to undertake. The international requirements complement also recently established requirements at the EU level through the climate and energy package where again there is clear acknowledgment of the need for better and more recent data and information. Finally, collecting more up-to-date information from Member States, particularly on their GHG projections and mitigation actions, will contribute to the implementation of the Europe 2020 strategy which includes the European and national emissions limitation targets as headline targets. In this context, this Regulation is proposing the enhancement of the monitoring, reporting and review framework within the EU thus enabling implementation of domestic and international commitments and enabling implementation of current policies and effective further policy development.

Given the uncertainties linked to a post-Kyoto Protocol climate regime and the need for an annual compliance cycle for the implementation of the ESD, this proposal includes setting up a Union level review process of the GHG data submitted by the Member States hence ensuring that compliance with the ESD targets is assessed in a comprehensive, transparent, credible and timely manner, as stipulated in the Climate and Energy package.

The proposal takes a prudent approach to reporting on emissions from international maritime transport and the LULUCF sector where policy discussions, both within the Union and internationally, are ongoing. It ensures that the monitoring mechanism provides an adequate

framework for setting detailed reporting requirements at a later stage when a concrete policy outcome is reached, be it at international or Union level. This ensures coherence with a future policy framework, avoids duplicating efforts and ensures that the Union is able to implement the detailed requirements most efficiently.

The proposal ensures coherence with existing Union policy on the non-CO₂ climate impacts of aviation, as it requires for the Commission to assess biennially those impacts on the basis of the latest available emission data and scientific advancements. This approach differs from those explored in the impact assessment and reflects the useful input received by other Commission services during the interservice consultation process. It was included in the proposal as it was deemed to achieve equivalent benefits at a significantly lower administrative burden.

With regard to reporting on projections, policies and measures the proposal requires annual reporting so as to enable the annual assessment of the commitments made by the EU at the national and international level but also so as to enable early and effective corrective action. It should be noted that many Member States are already reporting updated information every year if they consider that the information submitted during the previous year is obsolete. The proposal takes a pragmatic approach in that it does not request for duplicative background information to be submitted to the Commission but rather seeks to ensure that the existing technical background reports are made available for the public's information.

With regard to finance and technology support, the proposal enhances reporting on the basis of common methods, in line with the Union's obligation to provide transparent and complete information on the financial and technology support it provides to developing countries.

Annual reporting on adaptation action will help identify the action taken by Member States and develop a Union-wide adaptation strategy. It will also provide information and data to the EU Clearinghouse Mechanism, which will be a useful tool for national, regional and local policy makers. In line with the impact assessment, this is an efficient option as it involves a limited administrative burden but ensures that the Union is better able to meet its international reporting obligations.

Lastly, the proposal enhances existing national systems in the Member States to address reporting on projections, policies and measures and provides consistency with other legal instruments targeting air pollutants. This is an efficient way forward as, despite the related burden, it will lead in the long-run to better compliance, simplification and lower costs. The proposal also includes better quality assurance / quality control provisions and introduces streamlined reporting formats and guidance to increase the quality and completeness of the data provided and to simplify existing reporting requirements without imposing an undue administrative burden.

3. LEGAL ELEMENTS OF THE PROPOSAL

- **Legal basis**

The legal basis for the legislative proposal is Article 192(1) of the Treaty on the Functioning of the European Union. The proposal pursues a legitimate objective within the scope of Article 191(1) of the Treaty on the Functioning of the European Union, namely, combating climate change (mitigation and adaptation). The purpose of the proposal is to improve the

availability of information for Union policy and decision-making and the coordination and consistency of Union and Member State reporting under the UNFCCC. This objective cannot be achieved by less restrictive means. It does not affect the current general division of responsibilities between the Union and the Member States on monitoring, data collection and reporting as established under the Monitoring Mechanism Decision.

- **Subsidiarity principle**

For EU action to be justified, the subsidiarity principle must be respected:

(a) *Transnational nature of the problem (necessity test)*

The transnational nature of climate change is an important element in determining whether Union action is necessary. Domestic action alone would not achieve compliance with internationally agreed commitments and would not suffice to meet the objectives and the targets set under the Effort Sharing Decision. It is therefore necessary for the Union to create an enabling framework to meet international and Union requirements, ensuring harmonised reporting wherever possible. Improving reporting efficiency, which requires co-ordination across a range of instruments, and the timeliness and quality of reporting under the UNFCCC in compiling data from all 27 Member States, also require Union-level coordination.

(b) *Effectiveness test (added value)*

Besides the fact that most of the proposed revisions arise from existing or upcoming Union and international requirements, action at Union level would produce clear benefits compared to action at national level due to its effectiveness. As the overarching commitments are made at the Union level, it is more effective to develop the required reporting instruments at the Union level. In addition, overcoming the identified problems, such as the quality and timeliness of Union and Member States reporting, requires coordinating data and methods across all 27 Member States, which is more effective at Union level.

Experience, in particular with reporting on GHG emissions to the UNFCCC, has shown that the Monitoring Mechanism Decision has contributed significantly to facilitating and enforcing good quality reporting. The additional checks and analyses of Member State data under the Monitoring Mechanism Decision has led to better quality reporting to the UNFCCC, has proactively assisted Member States in fulfilling their commitments and has also contributed greatly to limiting non-compliance cases under the UNFCCC. The added level of compliance enforcement engendered by the possibility for the Commission to initiate infringement procedures has also been instrumental.

It is expected that extending reporting under the revised Monitoring Mechanism to new areas covered by the UNFCCC, such as finance and technology support, will yield similar significant benefits. Reporting under the revised Monitoring Mechanism will provide a more detailed assessment and appreciation of Member States' data and will ensure that gaps and weaknesses are clearly identified and concrete action is taken to address them which are two areas of reporting that are crucial to the Union's international credibility. In addition, reporting under the revised Monitoring Mechanism will ensure at least some common minimum standards, since the information has been reported in a rather inconsistent manner. Lastly, the application of infringement procedures will be important to ensure that any remaining issues are dealt internally within the Union as opposed to the UNFCCC where the political and legal implications could be significant.

With regard to reporting on adaptation, the revised Monitoring Mechanism will have similar benefits to those mentioned above with the added advantage that it will also provide a platform to share best practices. As adaptation is a problem shared by all Member States, centralising the reporting of information will be beneficial to understanding adaptation needs, and to identifying best practices and gaps that could be addressed, either through action at Union level or through cooperation among the Member States.

- **Proportionality principle**

The proposal complies with the proportionality principle for the following reasons:

It does not go beyond what is necessary to achieve the objectives of improving climate change data quality and ensuring compliance under international and Union requirements.

The proposal is proportionate to the Union's overall objective of reaching its Kyoto greenhouse gas emission reduction targets, the Union targets enshrined in the Climate and Energy package, the Copenhagen Accord, and Decision 1/CP.16 ("Cancun Agreements").

The proposal provides for the implementation of a monitoring mechanism that is similar, in practices and procedures, to the one already implemented under Decision No 280/2004/EC.

4. BUDGETARY IMPLICATION

As specified in the financial statement accompanying this Regulation, the Regulation will be implemented using the existing budget and will not have an impact on the multi-annual financial framework.

5. OPTIONAL ELEMENTS

- **Review/revision/sunset clause**

The proposal includes a provision allowing the Commission to review this Regulation in the context of future decisions relating to the UNFCCC and the Kyoto Protocol or other Union legislation. Where necessary, the Commission will propose amendments to this Regulation to the European Parliament and to the Council, amend existing delegated acts or adopt new ones.

Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on a mechanism for monitoring and reporting greenhouse gas emissions and for reporting other information at national and Union level relevant to climate change

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 192(1) thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national Parliaments,

Having regard to the opinion of the European Economic and Social Committee⁶,

Having regard to the opinion of the Committee of the Regions⁷,

Acting in accordance with the ordinary legislative procedure,

Whereas:

- (1) Decision No 280/2004/EC of the European Parliament and of the Council of 11 February 2004 concerning a mechanism for monitoring Community greenhouse gas emissions and for implementing the Kyoto Protocol⁸ established a framework for monitoring anthropogenic greenhouse gas emissions by sources and greenhouse gas removals by sinks, evaluating progress towards meeting commitments in respect of these emissions and implementing monitoring and reporting requirements under the United Nations Framework Convention on Climate Change ('UNFCCC')⁹ and the Kyoto Protocol¹⁰ in the European Union. To take into account recent and future developments at international level relating to the UNFCCC and the Kyoto Protocol, and to implement new monitoring and reporting requirements mandated by Union legislation, that Decision should be replaced. Decision No 280/2004/EC should be replaced by a Regulation on account of the broader scope of the legislation, the inclusion of additional categories of persons to which obligations are addressed, the more complex and highly technical nature of provisions introduced, the increased need for uniform rules applicable throughout the Union, and to facilitate implementation.

⁶ OJ C,, p. .

⁷ OJ C,, p. .

⁸ OJ L 49, 19.2.2004, p.1.

⁹ OJ L 33, 7.2.1994, p.13.

¹⁰ OJ L 130, 15.5.2002, p.4.

- (2) The ultimate objective of the UNFCCC is to stabilise greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system. To meet that objective, the overall global annual mean surface temperature increase should not exceed 2°C above pre-industrial levels.
- (3) There is a need for thorough monitoring and reporting, and regular assessment of Union and Member State greenhouse gas emissions and of their efforts to address climate change.
- (4) Decision 1/CP.15 of the Conference of the Parties to the UNFCCC ('Decision 1/CP.15' or the 'Copenhagen Accord') and Decision 1/CP.16 of the Conference of the Parties to the UNFCCC ('Decision 1/CP.16' or the 'Cancun Agreements') contributed significantly to progress in addressing the challenges raised by climate change in a balanced manner. Those decisions introduced new monitoring and reporting requirements that apply to the implementation of ambitious emission reductions to which the Union and its Member States have committed, and provided support to developing countries. Those decisions also recognised the importance of addressing adaptation with the same priority as mitigation. Decision 1/CP.16 also requires that developed countries elaborate low-carbon development strategies or plans. Such strategies or plans are expected to contribute towards building a low-carbon society and ensure continued high growth and sustainable development. This Regulation should facilitate, through its delegated acts, the implementation of these and future monitoring and reporting requirements arising from further decisions or the approval of an international agreement under the UNFCCC.
- (5) The Climate and Energy package adopted in 2009, in particular Decision No 406/2009/EC of 23 April 2009 on the efforts of Member States to reduce their greenhouse gas emissions to meet the Community's greenhouse gas emission reduction commitments up to 2020¹¹ and Directive 2009/29/EC of 23 April 2009 amending Directive 2003/87/EC to improve and extend the greenhouse gas emission allowance trading scheme of the Community¹², marks another firm commitment by the Union and the Member States to significantly reduce their greenhouse gas emissions. The Union's system for monitoring and reporting emissions also should be updated in the light of new requirements under that legislation.
- (6) The UNFCCC commits the Union and its Member States to develop, regularly update, publish and report to the Conference of the Parties national inventories of anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol of 1987 on substances that deplete the ozone layer to the Vienna Convention for the Protection of the Ozone Layer (the 'Montreal Protocol')¹³, using comparable methodologies agreed by the Conference of the Parties.
- (7) Article 5(1) of the Kyoto Protocol requires the Union and the Member States to establish and maintain a national system for estimating anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal

¹¹ OJ L 140, 5.6.2009, p.136.

¹² OJ L 140, 5.6.2009, p. 63.

¹³ OJ L 297, 31.10.1988, p.21.

Protocol, with a view to ensuring the implementation of other provisions of the Kyoto Protocol. Decision 1/CP.16 also requires the establishment of national arrangements to estimate anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol. This Regulation should enable the implementation of both those requirements.

- (8) Experience with implementing Decision No 280/2004/EC has shown the need to increase synergies and coherence with reporting under other legal instruments, in particular with Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a scheme for greenhouse gas emission allowance trading within the Community and amending Council Directive 96/61/EC¹⁴, with the Regulation (EC) No 166/2006 of the European Parliament and of the Council of 18 October 2006 concerning the establishment of a European Pollutant Release and Transfer Register and amending Council Directives 91/689/EEC and 96/61/EC¹⁵, with the Directive 2001/81/EC of the European Parliament and of the Council of 23 October 2001 on national emission ceilings for certain atmospheric pollutants¹⁶, with the Regulation (EC) No 842/2006 of the European Parliament and of the Council of 17 May 2006 on certain fluorinated greenhouse gases¹⁷, and with the Regulation (EC) No 1099/2008 of the European Parliament and of the Council of 22 October 2008¹⁸ on energy statistics. While streamlining reporting requirements will require amending individual legal instruments, the use of consistent data to report greenhouse gas emissions is essential to ensure the quality of emissions reporting.
- (9) The Fourth Assessment Report by the Intergovernmental Panel on Climate Change (IPCC) identified a global warming potential for nitrogen trifluoride ('NF₃') which is approximately 17 000 times that of CO₂. NF₃ is increasingly being used in the electronics industry to replace perfluorocarbons ('PFCs') and sulphur hexafluoride (SF₆). In accordance with Article 191(2) of the Treaty on the Functioning of the European Union, Union environment policy must be based on the precautionary principle. That principle requires monitoring NF₃ to assess the level of emissions in the Union and, if required, to define mitigation actions.
- (10) Data currently reported in the national greenhouse gas inventories and the national and Union registries are not sufficient to determine, at Member State level, the CO₂ civil aviation emissions at national level that are not covered by Directive 2003/87/EC. In adopting reporting obligations, the Union should not impose burdens on Member States and small and medium-sized enterprises ('SMEs') that are disproportionate to the objectives pursued. CO₂ emissions from flights not covered by Directive 2003/87/EC represent only a very minor part of the total greenhouse gas emissions, and establishing a reporting system for these emissions would be unduly burdensome in the light of existing requirements for the wider sector pursuant to Directive 2003/87/EC. Therefore, CO₂ emissions from IPCC source category '1.A.3.A civil aviation' should be treated as being equal to zero for the purposes of Articles 3 and 7(1) of Decision No 406/2009/EC.

¹⁴ OJ L 275, 25.10.2003, p. 32.

¹⁵ OJ L 33, 4.2.2006, p. 1.

¹⁶ OJ L 309, 27.11.2001, p. 22.

¹⁷ OJ L 161, 14.6.2006, p. 1.

¹⁸ OJ L 304, 4.11.2008, p. 1.

- (11) Whilst emissions and removals of greenhouse gases related to land use, land-use change and forestry ('LULUCF') count towards the Union's emissions reduction target under the Kyoto Protocol, they are not part of the 20% target for 2020 under the Climate and Energy package. Decision No 406/2009/EC and Directive 2003/87/EC require the Commission to assess ways to include LULUCF in the 2020 target. The timing of this work was made conditional on the outcome of the negotiations on an international agreement on climate change. In the absence of such an agreement at the end of 2010, the Commission may make a proposal with the aim of the proposed act entering into force from 2013. This Regulation should enable the implementation of the reporting requirements of an international agreement or of such Union legislation.
- (12) The Union and the Member States should strive to provide the most up-to-date information on their greenhouse gas emissions, in particular under the framework of the Europe 2020 strategy and its specified timelines. This Regulation should enable such estimates to be prepared in the shortest timeframes possible by using statistical and other information.
- (13) Requirements for the monitoring and reporting of emissions from maritime transport by Member States should be adopted in a manner which is complementary and consistent with any requirements agreed at the UNFCCC or, to the extent possible, with requirements applied to vessels as determined in the context of the International Maritime Organisation ('IMO') or through a Union measure addressing GHG emissions from maritime transport. Such monitoring and reporting would allow for an improved understanding of these emissions and would support effective policy implementation.
- (14) The experience gained by implementing Decision No 280/2004/EC demonstrated the need to improve the transparency, accuracy, consistency, completeness and comparability of information reported on policies, measures and projections. Decision No 406/2009/EC requires that Member States report their projected progress towards meeting their obligations under that Decision, including information on national policies, measures and national projections. The Europe 2020 strategy set an integrated economic policy agenda requiring the Union and the Member States to make further efforts on the timely reporting of climate change policies and measures and their projected effects on emissions. Creating national systems at Union and Member State level coupled with better guidance on reporting should significantly contribute towards those goals. To ensure the Union meets its international and internal reporting requirements on greenhouse gas projections and evaluate its progress towards meeting its international and internal commitments and obligations, the Commission should also prepare and use greenhouse gas projection estimates.
- (15) Improved information from Member States is needed to monitor their progress and action in adapting to climate change. This information is needed to devise a comprehensive Union adaptation strategy following the White paper entitled 'Adapting to climate change: Towards a European framework for action'.¹⁹ Reporting of information on adaptation will enable Member States to exchange best

¹⁹ COM(2009) 147 final.

practices and evaluate their needs and level of preparedness to deal with climate change.

- (16) Under Decision 1/CP.15, the Union and the Member States committed to providing substantial climate financing to support adaptation and mitigation actions in developing countries. In accordance with paragraph 40 of Decision 1/CP.16, each developed country Party to the UNFCCC must enhance reporting on the provision of financial, technological and capacity-building support to developing country Parties. Enhanced reporting is essential to recognise Union and Member State efforts to meet their commitments. Decision 1/CP.16 also established a new Technology Mechanism to enhance international technology transfer. This Regulation should ensure that robust up-to-date information on technology transfer activities to developing countries is made available.
- (17) As a result of amendments carried within Directive 2008/101/EC²⁰, Directive 2003/87/EC now applies the scheme for greenhouse gas emission trading within the Union also to aviation activities. This Directive contains provisions on the use of auctioning revenues, on reporting on the use of auctioning revenues by Member States, and on the actions taken to auction aviation allowances under Article 3d(1) or (2) of that Directive, to monitor that 100 % of those revenues or an equivalent amount is used for the purpose of one or more of the actions referred to in Article 3d(4) of Directive 2003/87/EC. As a result of amendments carried within Directive 2009/29/EC, Directive 2003/87/EC also now contains reporting requirements on the use of auctioning revenues, of which at least 50 % should be used for the purpose of one or more of the activities referred to in Article 10(3) of Directive 2003/87/EC. Transparency on the use of revenues generated from the auctioning of allowances under Directive 2003/87/EC is key to underpin Union commitments. Reporting on the use of those revenues should provide evidence of the actual disbursed amounts, of whether revenues are allocated for disbursement by means of direct project investments, investment funds, or fiscal or financial support policies and the type and reference of those policies, projects or funds.
- (18) The UNFCCC commits the Union and its Member States to develop, regularly update, publish and report to the Conference of the Parties national communications and biennial reports using the guidelines, methodologies, and formats agreed upon by the Conference of the Parties. Decision 1/CP.16 calls for enhanced reporting on mitigation targets and on the provision of financial, technological and capacity-building support to developing country parties.
- (19) Decision No 406/2009/EC converted the current annual reporting cycle into an annual commitment cycle requiring a comprehensive review of Member States' greenhouse gas inventories in a shorter time frame than the current UNFCCC inventory review, to enable the use of flexibilities and the application of corrective action at the end of each relevant year, as necessary. Given the uncertainties about the future developments under the UNFCCC and the Kyoto Protocol, setting up a Union-level review process of the greenhouse gas inventories submitted by Member States is required to ensure that compliance with the obligations under Decision No 406/2009/EC is assessed in a credible, consistent, transparent and timely manner.

²⁰ OJ L 8, 13.1.2009, p. 3.

- (20) A number of technical elements related to the reporting of greenhouse gas emissions from sources and removals by sinks, such as Global Warming Potentials (GWPs), the scope of greenhouse gases reported and methodological guidance from the IPCC to be used to prepare national greenhouse gas inventories, are currently being discussed under the UNFCCC process. Revisions of those methodological elements in the context of the UNFCCC process and subsequent recalculations of the time-series of greenhouse gas emissions may change the level and trends of greenhouse gas emissions. The Commission should monitor such developments at international level and, where necessary, propose revising this Regulation to ensure consistency with the methodologies used in the context of the UNFCCC process.
- (21) Greenhouse gas emissions across reported time-series should be estimated using the same methods. The underlying activity data and emission factors should be obtained and used in a consistent manner, ensuring that changes in emission trends are not introduced as a result of changes in estimation methods or assumptions. Recalculations should be performed in accordance with agreed guidelines and should be carried out with a view to improve the consistency, accuracy and completeness of the reported time-series, and the implementation of more detailed methods. Where the methodology or manner in which underlying activity data and emission factors are gathered has changed, Member States should recalculate inventories for the reported time-series and evaluate the need for recalculations based on the reasons provided in the agreed guidelines, in particular for key categories. This Regulation should lay down if and under which conditions the effects of such recalculations are taken into account.
- (22) Aviation has an impact on the global climate through releases of carbon dioxide (CO₂) but also through other emissions and mechanisms, including nitrogen oxides emissions and cirrus cloud enhancement. In the light of the rapidly developing scientific understanding of these impacts, an updated assessment of the non-CO₂ impacts of aviation on the global climate should be performed regularly in the context of this Regulation.
- (23) The European Environment Agency (EEA) aims to support sustainable development and to help achieve significant and measurable improvement in Europe's environment by providing timely, targeted, relevant and reliable information to policy-makers, public institutions and the public. The EEA should assist the Commission, as appropriate, with monitoring and reporting work, especially in the context of the Union's inventory system and its projections, policies and measures system, in conducting the annual expert review of Member States' inventories, evaluating progress towards its emission reduction commitments, climate change impacts, vulnerability and adaptation, and in communicating sound climate information to the public.
- (24) The Commission should follow the implementation of monitoring and reporting requirements under this Regulation and future developments under the UNFCCC and the Kyoto Protocol to ensure consistency. In this respect, where appropriate, the Commission should repeal or amend provisions of this Regulation.
- (25) In order to ensure uniform conditions for the implementation of Article 20(5) of this Regulation, implementing powers should be conferred on the Commission. In order to establish harmonised reporting requirements to monitor greenhouse gas emissions

and other information relevant to climate change policy, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission in respect of the revision of Annex I of this Regulation, Member States' reporting on LULUCF and maritime transport, Member States' national systems, the expert review of Member States' inventory data, the detailed requirements on the content, structure, format and submission processes of Member States' reporting as well as the repeal and amendment of certain obligations pursuant to this Regulation. It is of particular importance that the Commission carry out consultations during its preparatory work, including at expert level. The Commission, when preparing and drawing-up delegated acts, should ensure a simultaneous, timely and appropriate transmission of relevant documents to the European Parliament and the Council.

- (26) Since the objectives of the proposed action, as set out in Article 1 of this Regulation, cannot, by their very nature, be sufficiently achieved by the Member States and can therefore by reason of scale and effects of the action be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality, as set out in that Article, this Regulation does not go beyond what is necessary to achieve those objectives,

HAVE ADOPTED THIS REGULATION:

Chapter 1

Subject matter, scope and definitions

Article 1

Subject matter

This Regulation establishes a mechanism for:

- (a) ensuring the timeliness, transparency, accuracy, consistency, comparability and completeness of reporting by the Union and its Member States to the UNFCCC Secretariat;
- (b) reporting and verifying information relating to commitments pursuant to the UNFCCC and the Kyoto Protocol and to decisions adopted there under and evaluating progress towards meeting those commitments;
- (c) monitoring and reporting all anthropogenic emissions by sources and removals by sinks of greenhouse gases not controlled by the Montreal Protocol on substances that deplete the ozone layer in the Member States;
- (d) monitoring, reporting, reviewing and verifying greenhouse gas emissions and other information pursuant to Article 6 of Decision No 406/2009/EC;
- (e) reporting CO₂ emissions from maritime transport;
- (f) monitoring and reporting the use of revenues generated by auctioning allowances under Article 3d(1), (2) or 10(1) of Directive 2003/87/EC, pursuant to Articles 3d(4) and 10(3) of that Directive;
- (g) monitoring and reporting on the actions taken by Member States to adapt to the inevitable consequences of climate change;
- (h) evaluating progress by the Member States towards meeting their obligations under Decision No 406/2009/EC;
- (i) gathering information and data necessary to support future Union climate change policy formulation and assessment.

Article 2

Scope

This Regulation shall apply to:

- (a) the Union's and its Member States' low-carbon development strategies and any updates thereof in accordance with Decision 1/CP.16;
- (b) emissions of greenhouse gases listed in Annex I from sectors and sources and the removals by sinks covered by the national greenhouse gas inventories pursuant to Article 4, paragraph 1(a), of the UNFCCC and emitted within the territories of the Member States;
- (c) greenhouse gas emissions falling within the scope of Article 2(1) of Decision No 406/2009/EC;
- (d) greenhouse gas emissions from marine vessels calling at Member States' seaports;
- (e) the non-CO₂ related climate impacts associated with emissions from civil aviation;
- (f) the Union's and its Member States' projections of anthropogenic greenhouse gas emissions by sources and removals by sinks, and the Member States' policies and measures;
- (g) aggregate, project-specific and country-specific financial and technological support to developing countries;
- (h) the use of revenues from auctioning allowances pursuant to Articles 3d(1) and (2) and 10(1) of Directive 2003/87/EC;
- (i) Member States' action at national and regional level to adapt to climate change.

Article 3

Definitions

For the purposes of this Regulation, the following definitions apply:

- (1) 'global warming potential' of a gas means the total contribution to global warming resulting from the emission of one unit of that gas relative to one unit of the reference gas, carbon dioxide, which is assigned a value of 1;
- (2) 'national inventory system' means a system of institutional, legal and procedural arrangements established within a Member State for estimating anthropogenic emissions by sources and removals by sinks of greenhouse gases not covered by the Montreal Protocol, and for reporting and archiving inventory information in accordance with Decision 19/CMP.1 of the Conference of the Parties to the UNFCCC serving as the meeting of the Parties

to the Kyoto Protocol ('Decision 19/CMP.1') or other relevant decisions pursuant to the UNFCCC or the Kyoto Protocol;

- (3) 'competent inventory authorities' means any authority or authorities entrusted under a Member State's national inventory system with the task of compiling the greenhouse gas inventory;
- (4) 'quality assurance' or 'QA' means a planned system of review procedures to ensure that data quality objectives are met and that the best possible estimates and information is reported to support the effectiveness of the quality control programme and to assist Member States;
- (5) 'quality control' or 'QC' means a system of routine technical activities to measure and control the quality of the information and estimates compiled with the purpose of ensuring data integrity, correctness and completeness, identifying and addressing errors and omissions, documenting and archiving data and other material used, and recording all QA activities;
- (6) 'indicator' means a quantitative or qualitative factor or variable that contributes to better understanding progress in implementing policies and measures and greenhouse gas emission trends;
- (7) 'assigned amount unit' or 'AAU' is a unit issued pursuant to the relevant provisions in the annex to Decision 13/CMP.1 of the Conference of the Parties to the UNFCCC serving as the meeting of the Parties to the Kyoto Protocol ('Decision 13/CMP.1');
- (8) 'removal unit' or 'RMU' means a unit issued pursuant to the relevant provisions in the Annex to Decision 13/CMP.1 or in other relevant decisions of UNFCCC or Kyoto Protocol bodies;
- (9) 'emission reduction unit' or 'ERU' means a unit issued pursuant to the relevant provisions in the annex to Decision 13/CMP.1 and relevant decisions adopted pursuant to the UNFCCC or the Kyoto Protocol;
- (10) 'certified emission reduction' or 'CER' means a unit issued pursuant to Article 12 of the Kyoto Protocol and requirements thereunder, as well as the relevant provisions in the annex to Decision 13/CMP.1;
- (11) 'national registry' means a registry in the form of a standardised electronic database which includes data on the issue, holding, transfer, acquisition, cancellation and retirement of ERUs, CERs, AAUs and RMUs and the carry-over of ERUs, CERs and AAUs;
- (12) 'policies and measures' means all political, administrative, and legislative instruments which aim to implement commitments under Article 4, paragraphs 2(a) and (b), of the UNFCCC including those that do not have the limitation and reduction of greenhouse gas emissions as a primary objective;
- (13) 'national system for policies and measures and projections' means a system of institutional, legal and procedural arrangements established within a Member State for reporting policies and measures and for preparing and reporting

projections of anthropogenic greenhouse gas emissions by sources and removals by sinks as required by Article 13 of this Regulation;

- (14) ‘ex-ante assessment of policies and measures’ means an evaluation of the projected future effects of a policy or measure;
- (15) ‘ex-post assessment of policies and measures’ means an evaluation of the past effects of a policy or measure;
- (16) ‘projections without measures’ means projections of anthropogenic greenhouse gas emissions by sources and removals by sinks that exclude the effects of all policies and measures which are planned, adopted or implemented after the year chosen as the starting point for the relevant projection;
- (17) ‘projections with measures’ means projections of anthropogenic greenhouse gas emissions by sources and removals by sinks that encompass the effects, in terms of greenhouse gas emission reductions, of policies and measures that have been adopted and implemented;
- (18) ‘projections with additional measures’ means projections of anthropogenic greenhouse gas emissions by sources and removals by sinks that encompass the effects in terms of greenhouse gas emission reductions of policies and measures which have been adopted and implemented to mitigate climate change as well as policies and measures which are planned;
- (19) ‘sensitivity analysis’ means an investigation of a model algorithm or an assumption to quantify how sensitive or stable the model output data are in relation to variations in the input data or underlying assumptions. It is carried out by varying input values or model equations and observing how the model output varies correspondingly;
- (20) ‘climate change mitigation-related aid’ means support for activities in developing countries that contribute to the objective of stabilising greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system;
- (21) ‘climate change adaptation-related aid’ means support for activities in developing countries that are intended to reduce the vulnerability of human or natural systems to the impact of climate change and climate-related risks, by maintaining or increasing the developing countries' adaptive capacity and resilience;
- (22) ‘technical corrections’ means adjustments of the national greenhouse gas inventory estimates made in the context of the review pursuant to Article 20 of this Regulation when submitted inventory data are incomplete or are prepared in a way that is not consistent with international or Union rules or guidelines and that are intended to replace originally submitted estimates;
- (23) ‘recalculations’, consistent with the UNFCCC reporting guidelines on annual inventories, means a procedure for re-estimating anthropogenic greenhouse gas emissions by sources and removals by sinks of previously submitted inventories as a consequence of changes in methodologies, changes in the

manner in which emission factors and activity data are obtained and used, or the inclusion of new source and sink categories.

Chapter 2

Low-carbon development strategies

Article 4

Low-carbon development strategies

1. Member States, and the Commission on behalf of the Union, shall each devise and implement a low-carbon development strategy to contribute to:
 - (a) the transparent and accurate monitoring of the actual and projected progress made by Member States, including the contribution made by Union measures, in fulfilling the Union's and the Member States' commitments under the UNFCCC to limit or reduce anthropogenic greenhouse gas emissions;
 - (b) meeting the greenhouse gas emission reduction commitments of Member States under Decision No 406/2009/EC and achieving long-term emission reductions and enhancements of removals by sinks in all sectors in line with the Union's objective to reduce emissions by 80 to 95% by 2050 compared to 1990 levels, in the context of necessary reductions, according to the IPCC, by developed countries as a group.
2. Member States shall submit to the Commission their low-carbon development strategy one year after the entry into force of this Regulation or in accordance with any timetable agreed internationally in the context of the UNFCCC process.
3. The Commission and the Member States shall make available to the public forthwith their respective low-carbon development strategies and any updates thereof.

Chapter 3

Reporting on historical greenhouse gas emissions and removals

Article 5

National inventory systems

1. Member States shall establish, operate and seek to continuously improve national inventory systems to estimate anthropogenic emissions by sources and removals by sinks of greenhouse gases listed in Annex I to this Regulation and to ensure the

timeliness, transparency, accuracy, consistency, comparability and completeness of their greenhouse gas inventories.

2. Member States shall ensure that their competent inventory authorities have access to, and that their national inventory system provides that their competent authorities shall have access to:
 - (a) data and methods reported for activities and installations under Directive 2003/87/EC for the purpose of preparing national greenhouse gas inventories to ensure consistency of the reported greenhouse gas emissions under the Union's emissions trading scheme and in the national greenhouse gas inventories;
 - (b) data collected through the reporting systems on fluorinated gases in the various sectors, set up under Article 6(4) of Regulation (EC) No 842/2006 for the purpose of preparing national greenhouse gas inventories;
 - (c) emissions, underlying data and methodologies reported by facilities under Regulation (EC) No 166/2006 for the purpose of preparing national greenhouse gas inventories;
 - (d) data reported under Regulation (EC) No 1099/2008.
3. Member States shall ensure that their competent inventory authorities, and that their national inventory system provides that their competent inventory authorities:
 - (a) make use of the reporting systems established under Article 6(4) of Regulation (EC) No 842/2006 to improve the estimation of fluorinated gases in the greenhouse gas inventories;
 - (b) are able to undertake the annual consistency checks referred to in points (l) and (m) of Article 7(1) of this Regulation;

Article 6

Union inventory system

A Union inventory system to ensure the timeliness, transparency, accuracy, consistency, comparability and completeness of national inventories with regard to the Union greenhouse gas inventory is hereby established. The Commission shall administer, maintain and seek to continuously improve this system, which shall include:

- (a) a quality assurance and quality control programme, which shall include setting quality objectives and drafting an inventory quality assurance and quality control plan. The Commission shall assist Member States in implementing their quality assurance and quality control programmes;
- (b) a procedure to estimate, in consultation with the Member State concerned, any data missing from its national inventory;
- (c) an annual expert review of Member States' greenhouse gas inventories.

Article 7

Greenhouse gas inventories

1. Member States shall determine and report to the Commission by 15 January of each year ('year X'):
 - (a) their anthropogenic emissions of greenhouse gases listed in Annex I to this Regulation and the anthropogenic emissions of greenhouse gases referred to in Article 2(1) of Decision No 406/2009/EC for the year X-2. Without prejudice to the reporting of the greenhouse gases listed in Annex I to this Regulation, the carbon dioxide (CO₂) emissions from IPCC source category '1.A.3.A civil aviation' shall be considered equal to zero for the purposes of Articles 3 and 7(1) of Decision No 406/2009/EC;
 - (b) data on their anthropogenic emissions of carbon monoxide (CO), sulphur dioxide (SO₂), nitrogen oxides (NO_x) and volatile organic compounds (VOC) as also reported pursuant to Article 7 of Directive 2001/81/EC, for the year X-2;
 - (c) their anthropogenic greenhouse gas emissions by sources and removals of CO₂ by sinks resulting from LULUCF, for the year X-2;
 - (d) their anthropogenic greenhouse gas emissions by sources and removals of CO₂ by sinks resulting from LULUCF activities pursuant to the Kyoto Protocol and information on the accounting of these greenhouse gas emissions and removals from land use, land-use change and forestry activities, in accordance with Article 3, paragraph 3, and, where Member States decide to make use of it, Article 3, paragraph 4, of the Kyoto Protocol, and relevant decisions thereunder, for the years between 2008 and X-2. Member States that elected to account for cropland management, grazing land management or revegetation under Article 3, paragraph 4, of the Kyoto Protocol shall in addition report greenhouse gas emissions by sources and removals by sinks for each such activity for the year 1990;
 - (e) any changes to the information referred to in points (a) to (d) for the years between 1990 and the year X-3, indicating the reasons for these changes;
 - (f) information on indicators, for the year X-2;
 - (g) information from its national registry on the issue, acquisition, holding, transfer, cancellation, withdrawal and carry-over of AAUs, RMUs, ERUs and CERs, for the year X-1;
 - (h) summary information on concluded transfers pursuant to Article 3(4) and (5) of Decision No 406/2009/EC, for the year X-1;
 - (i) information on the use of joint implementation, the clean development mechanism and international emissions trading, pursuant to Articles 6, 12 and 17 of the Kyoto Protocol, or any other flexible mechanism provided for in other instruments adopted by the Conference of the Parties to the UNFCCC or

the Conference of the Parties to the UNFCCC serving as the meeting of the Parties to the Kyoto Protocol, to meet their quantified emission limitation or reduction commitments pursuant to Article 2 of Decision No 2002/358/EC²¹ and the Kyoto Protocol or any future commitments under the UNFCCC or the Kyoto Protocol, for the year X-2;

- (j) information on the steps taken to improve inventory estimates, in particular in areas of the inventory that have been subject to adjustments or recommendations following expert reviews;
- (k) the actual or estimated allocation of the verified emissions reported by installations and operators under Directive 2003/87/EC to the source categories of the national greenhouse gas inventory and the ratio of those verified emissions to the total reported greenhouse gas emissions in these source categories, for the year X-2;
- (l) the results of the checks performed on the consistency of the emissions reported in the greenhouse gas inventories, for the year X-2, with:
 - (i) the verified emissions reported under Directive 2003/87/EC;
 - (ii) the facility-level emissions reported under Regulation (EC) No 166/2006;
- (m) the results of the checks performed on the consistency of the activity, background data and assumptions used to estimate emissions in preparation of the greenhouse gas inventories, for the year X-2, with:
 - (i) the data and assumptions used to prepare inventories of air pollutants under Directive 2001/81/EC;
 - (ii) the data reported under Article 6(1) of Regulation (EC) No 842/2006;
 - (iii) the energy data reported pursuant to Article 4 and Annex B of Regulation (EC) No 1099/2008;
- (n) a description of any changes to their national inventory system;
- (o) a description of any changes to the national registry;
- (p) any other elements of the national greenhouse gas inventory report needed to prepare the Union greenhouse gas inventory report, such as information on the Member States' quality assurance and quality control plan, a general uncertainty evaluation, and a general assessment of completeness.

In the first reporting year under this Regulation Member States shall inform the Commission on their intention to make use of the provisions under Article 3(4) and (5) of Decision No 406/2009/EC.

²¹ OJ L 130, 15.5.2002, p. 1.

2. Member States shall communicate to the Commission by 15 March each year a complete and up-to-date national inventory report. Such report shall contain all of the information stipulated in paragraph 1 of this Article and any subsequent updates to that information;
3. Member States shall submit to the UNFCCC Secretariat each year by 15 April national inventories containing information identical to that submitted to the Commission in accordance with paragraph 2 of this Article.
4. The Commission shall, in cooperation with the Member States, annually compile a Union greenhouse gas inventory and a Union greenhouse gas inventory report and submit them to the UNFCCC Secretariat each year by 15 April.
5. The Commission shall be empowered to adopt delegated acts in accordance with Article 29 of this Regulation to:
 - (a) add or delete substances to or from the list of greenhouse gases in Annex I to this Regulation;
 - (b) set out monitoring and reporting requirements on LULUCF, in accordance with any new international agreement or a legislative act adopted in accordance with Article 9 of Decision No 406/2009/EC.

Article 8

Approximated greenhouse gas inventories

Member States shall by 31 July each year ('year X') submit to the Commission approximated greenhouse gas inventories for the year X-1. The Commission shall, on the basis of the Member States' approximated greenhouse gas inventories or, where necessary on the basis of its own estimates, annually compile a Union approximated greenhouse gas inventory. The Commission shall make this information available to the public each year by 30 September.

Article 9

Procedures for completing emission estimates

1. The Commission shall perform an initial check of the data submitted by Member States under Article 7(1) of this Regulation for completeness and potential problems. It shall send the results to Member States within 6 weeks from the submission deadline. Member States shall respond to any questions raised by the initial check by 15 March, together with the final inventory submission for the year X-2.
2. Where a Member State does not respond to the questions raised by the Commission or does not submit complete inventory estimates required to compile the Union inventory by 15 March, the Commission shall prepare estimates to be used instead of the relevant estimates in the Member State's inventory. The Commission shall use,

for this purpose, methods consistent with the guidelines applicable for drafting the national greenhouse gas inventories.

Article 10

Reporting CO₂ emissions from maritime transport

1. The Commission shall be empowered to adopt a delegated act in accordance with Article 29 of this Regulation to specify the requirements for the monitoring and reporting of CO₂ emissions from maritime transport relating to marine vessels calling at Member States' seaports. The monitoring and reporting requirements adopted shall be consistent with requirements agreed at the UNFCCC and, to the extent possible, with requirements applied to vessels in the context of the IMO or through Union legislation addressing GHG emissions from maritime transport. To the extent possible, monitoring and reporting requirements shall minimise Member States' workload including through the use of centralised data collection and maintenance.
2. Where an act has been adopted pursuant to paragraph 1, Member States shall determine and report to the Commission by 15 January each year ('year X') for the year X-2, the CO₂ emissions from maritime transport pursuant to that act.

Chapter 4

Registries

Article 11

Establishment and operation of registries

1. The Union and the Member States shall set up and maintain registries to accurately account for the issue, holding, transfer, acquisition, cancellation and withdrawal of AAUs, RMUs, ERUs and CERs and the carry-over of AAUs, RMUs, ERUs and CERs. Member States may also use these registries to accurately account for the units referred to in Article 11a(5) of Directive 2003/87/EC.
2. The Union and the Member States may maintain their registries in a consolidated system, together with one or more other Member States.
3. The data referred to in paragraph 1 of this Article shall be made available to the central administrator designated pursuant to Article 20 of Directive 2003/87/EC.
4. The Commission shall be empowered to adopt a delegated act in accordance with Article 29 of this Regulation to set up the Union registry referred to in paragraph 1 of this Article.

Article 12

Retirement of units under the Kyoto Protocol

1. Member States shall, following the completion of the review of their national inventories under the Kyoto Protocol for each year of the first commitment period under the Kyoto Protocol, including the resolution of any implementation issues, retire from the registry AAUs, RMUs, ERUs and CERs equivalent to their net emissions during that year.
2. In respect of the last year of the commitment period under the Kyoto Protocol, Member States shall retire units from the registry prior to the end of the additional period for fulfilling commitments set out in Decision 11/CMP.1 of the Conference of the Parties to the UNFCCC serving as the meeting of the Parties to the Kyoto Protocol.

Chapter 5

Reporting on policies and measures and on projections of anthropogenic greenhouse gas emissions by sources and removals by sinks

Article 13

National systems for policies, measures and projections

1. Member States and the Commission shall set up, by one year after the entry into force of this Regulation, operate and seek to continuously improve national systems for reporting on policies and measures and for preparing and reporting on projections of anthropogenic greenhouse gas emissions by sources and removals by sinks. These national systems shall include all institutional, legal and procedural arrangements established within a Member State and the Union for evaluating policy and making projections of anthropogenic greenhouse gas emissions by sources and removals by sinks.
2. They shall aim to ensure the timeliness, transparency, accuracy, consistency, comparability and completeness of the information reported on policies and measures and projections of anthropogenic greenhouse gas emissions by sources and removals by sinks, as referred to in Articles 14 and 15 of this Regulation, including the use and application of data, methods and models, and the implementation of quality assurance and quality control activities and sensitivity analysis.

Article 14

Reporting on policies and measures

1. Member States shall provide the Commission by 15 March each year ('year X') with:
 - (a) a description of their national system for reporting on policies and measures and for preparing and reporting on projections of anthropogenic greenhouse gas emissions by sources and removals by sinks pursuant to Article 13(1) of this Regulation, or information on any changes made to that system where such a description has already been provided;
 - (b) any additional information or updates relevant to their low-carbon development strategies referred to in Article 4 of this Regulation and progress in implementing these strategies;
 - (c) information on national policies and measures, and on implementation of Union policies and measures that limit or reduce greenhouse gas emissions by sources or enhance removals by sinks, presented on a sectoral basis for each greenhouse gas referred to in Annex I to this Regulation. This information shall make cross references with applicable national or Union policies, particularly those on air quality, and shall include:
 - (i) the objective of the policy or measure and a short description of the policy or measure;
 - (ii) the type of policy instrument;
 - (iii) the status of implementation;
 - (iv) indicators to monitor and evaluate progress over time;
 - (v) quantitative estimates of the effects on emissions by sources and removals by sinks of greenhouse gases broken down into:
 - the results of ex-ante assessment of the effects of each policy and measure. Estimates shall be provided for a sequence of 4 future years ending with 0 or 5 immediately following year X, with a distinction between greenhouse gas emissions covered by Directive 2003/87/EC and those covered by Decision No 406/2009/EC;
 - the results of ex-post assessment of the effects of each policy and measure on the mitigation of climate change where available, with a distinction between greenhouse gas emissions covered by Directive 2003/87/EC and those covered by Decision No 406/2009/EC.
 - (vi) estimates of the projected costs of policies and measures, as well as estimates, as appropriate, of the realised costs of policies and measures;

- (vii) all references to the assessment and the underpinning technical reports referred to in paragraph 2 of this Article;
 - (d) information on implemented or planned policies and measures intended to implement relevant Union legislation and information on national compliance and enforcement procedures;
 - (e) the information referred to in point (d) of Article 6(1) of Decision No 406/2009/EC;
 - (f) information on the extent to which the Member State's action constitutes a significant element of the efforts undertaken at national level as well as the extent to which the projected use of joint implementation, the clean development mechanism and international emissions trading is supplemental to domestic action in accordance with the relevant provisions of the Kyoto Protocol and the decisions adopted there under.
2. Member States shall make available to the public, in electronic form, any assessment of the costs and effects of national policies and measures, and any information on the implementation of Union policies and measures that limit or reduce greenhouse gas emissions by sources or enhance removals by sinks along with any technical reports that underpin these assessments. These should include descriptions of the models and methodological approaches used, definitions and underlying assumptions.

Article 15

Reporting on projections

1. Member States shall report to the Commission by 15 March each year ('year X') national projections of anthropogenic greenhouse gas emissions by sources and removals by sinks, organised by gas and by sector. Those projections shall include quantitative estimates for a sequence of 4 future years ending with 0 or 5 immediately following year X. National projections shall take into consideration any policies and measures adopted at Union level and include:
- (a) projections without measures, projections with measures, and projections with additional measures;
 - (b) total greenhouse gas projections and separate estimates for the projected greenhouse gas emissions for the emission sources covered by Directive 2003/87/EC and by Decision No 406/2009/EC;
 - (c) a clear identification of the national, regional and Union policies and measures included in the projections of anthropogenic greenhouse gas emissions by sources and removals by sinks. Where such policies and measures are not included, this shall be clearly stated and explained;
 - (d) results of the sensitivity analysis performed for the projections;
 - (e) all relevant references to the assessment and the technical reports that underpin these assessments referred to in paragraph 3 of this Article.

2. Where a Member State does not submit complete projection estimates by 15 March each year, the Commission may prepare estimates as required to compile Union projections.
3. Member States shall make available to the public, in electronic form, their national projections of greenhouse gas emissions by sources and removals by sinks along with any technical reports that underpin these projections. These should include descriptions of the models and methodological approaches used, definitions and underlying assumptions.

Chapter 6

Reporting on other information relevant for climate change

Article 16

Reporting on national adaptation actions

Member States shall report to the Commission by 15 March each year, information on their implemented or planned actions to adapt to climate change, in particular, on national or regional adaptation strategies and on adaptation measures. This information shall include the budget allocation by policy sector and, for each adaptation measure, the main objective, the type of instrument, the status of implementation and the climate-change impact category (such as flooding, sea level rise, extreme temperatures, droughts, and extreme weather events).

Article 17

Reporting on financial and technology support provided to developing countries

Member States shall, based on the best data available, report to the Commission by 15 March each year ('year X'):

- (a) information on financial support committed and disbursed to developing countries under the UNFCCC for the year X-1, on financial support committed for the year X and on the planned provision of support. The information reported shall include:
 - (i) whether the financial resources that the Member State has provided to developing countries are new and additional in the context of the UNFCCC and how this was calculated;
 - (ii) information on any financial resources allocated by the Member State related to the implementation of the UNFCCC by type of channel such as bilateral, regional or other multilateral channels;
 - (iii) quantitative information on financial flows based on the so-called "Rio markers for climate change mitigation-related aid and climate change adaptation-related aid" (the 'Rio markers') introduced by the OECD

Development Assistance Group and methodological information concerning the implementation of the climate change Rio markers methodology;

(iv) detailed information on assistance provided by both the public and private sectors, as appropriate, to developing countries that are particularly vulnerable to the effects of climate change in adapting to those climate change effects;

(v) detailed information on assistance provided by both the public and private sectors, as appropriate, to developing countries to mitigate greenhouse gas emissions;

- (b) information on activities by the Member State related to technology transfer to developing countries under the UNFCCC and on technologies transferred for the year X-1, information on planned activities related to technology transfer to developing countries under the UNFCCC and on technologies to be transferred for the year X and subsequent years. It should include information on whether the technology transferred was used for mitigating or adapting to the effects of climate change, recipient country, amount of support provided, and type of technology transferred.

Article 18

Reporting on the use of auctioning revenues and project credits

1. Member States shall submit to the Commission by 15 March each year ('year X') for the year X-1:
 - (a) a detailed justification as mentioned in Article 6(2) of Decision No 406/2009/EC;
 - (b) information on the use of revenues during the year X-1 generated by the Member State by auctioning allowances pursuant to Article 10(1) of Directive 2003/87/EC. This information shall also include specific and detailed information on the use of 50 % of the revenues, and resulting action taken, specifying the category of such actions taken in accordance with Article 10(3) of Directive 2003/87/EC and indicating the relevant beneficiary country or region;
 - (c) information on the use of all revenues generated by the Member State by auctioning aviation allowances pursuant to Article 3d(1) or (2) of Directive 2003/87/EC;
 - (d) information referred to in point (b) of Article 6(1) of Decision No 406/2009/EC and information on how their purchasing policy enhances the achievement of an international agreement on climate change.
2. For Member States which choose to use an amount equivalent to the generated auctioning revenues for purposes pursuant to Article 3d(4) and 10(3) of Directive

2003/87/EC, the requirements in points (b) and (c) of paragraph 1 of this Article apply to this amount.

3. Auctioning revenues not disbursed at the time a Member State submits a report to the Commission pursuant to this Article shall be quantified and reported in reports for subsequent years.
4. Member States shall make available to the public the reports submitted to the Commission pursuant to this Article.

Article 19

Biennial reports and national communications

1. The Union and the Member States shall submit biennial reports in accordance with Decision 1/CP.16 and national communications in accordance with Article 12 of the UNFCCC to the UNFCCC Secretariat.
2. Member States shall also submit national communications and biennial reports to the Commission.

Chapter 7

Union expert review of greenhouse gas emissions

Article 20

Expert inventory review

1. The Commission shall carry out an initial expert review of national inventory data submitted by Member States pursuant to Article 7(2) of this Regulation to determine the annual emission allocation provided in the fourth subparagraph of Article 3(2) of Decision No 406/2009/EC.
2. Starting with the data reported for the year 2013, the Commission shall conduct an annual expert review of national inventory data submitted by Member States pursuant to Article 7(2) of this Regulation with a view to monitoring Member States' achievement of their greenhouse gas emission reduction or limitation pursuant to Article 3 of Decision No 406/2009/EC, and any other greenhouse gas emission reduction or limitation targets set out in Union legislation.
3. The initial and annual expert reviews shall involve:
 - (a) checks to verify the transparency, accuracy, consistency, comparability and completeness of information submitted;
 - (b) checks to identify cases where inventory data is prepared in a manner inconsistent with UNFCCC guidance documentation or Union rules; and

- (c) where appropriate, calculating the resulting technical corrections necessary.
4. The Commission shall be empowered to adopt delegated acts in accordance with Article 29 of this Regulation to determine rules for the conduct of the expert reviews referred to in paragraphs 1 and 2 of this Article, including the tasks set out in paragraph 3 of this Article.
 5. The Commission shall adopt an implementing act to determine the total sum of emissions for the relevant year arising from the corrected inventory data for each Member State upon completion of the relevant annual review.
 6. The data for each Member State as recorded in the registries set up pursuant to Article 11 of Decision No 406/2009/EC and Article 19 of Directive 2003/87/EC as at the date falling one month from the date of publication of an implementing act adopted pursuant to paragraph 5 of this Article, including changes to such data arising as a result of that Member State making use of the flexibilities by that Member State pursuant to Articles 3 and 5 of Decision No 406/2009/EC, shall be relevant for the application of Article 7(1) of Decision No 406/2009/EC.

Article 21

Addressing the effects of recalculations

1. When the annual expert review of inventory data relating to the year 2020 has been completed pursuant to Article 20 of this Regulation, the Commission shall calculate in accordance with the formula set out in Annex II to this Regulation, the recalculated sum of greenhouse gas emissions for each Member State.
2. Without prejudice to Article 31(2) of this Regulation, the Commission shall use amongst others the recalculated sum referred to in paragraph 1 of this Article when proposing the targets for emission reductions or limitations for each Member State for the period after 2020 pursuant to Article 14 of Decision No 406/2009/EC.
3. The Commission shall forthwith publish the results of calculations made pursuant to paragraph 1 of this Article.

Chapter 8

Evaluation of progress towards Union and international commitments

Article 22

Evaluation of progress

1. The Commission shall annually assess, based on the information reported in Articles 7, 8, 11 and 15 to 18 of this Regulation, and in consultation with the Member States,

the progress made by the Union and its Member States to meet the following, with a view to determining whether sufficient progress has been made:

- (a) commitments under Article 4 of the UNFCCC and Article 3 of the Kyoto Protocol as further set out in decisions adopted by the Conference of the Parties to the UNFCCC, or by the Conference of the Parties to the UNFCCC serving as the meeting of the Parties to the Kyoto Protocol;
 - (b) obligations set out in Article 3 of Decision No 406/2009/EC.
2. The Commission shall biennially assess aviation's overall impact on the global climate including through non-CO₂ emissions, such as from nitrogen oxides, and effects, such as cirrus cloud enhancement, based on the emission data provided by Member States pursuant to Article 7 of this Regulation, and improve this quantification by reference to scientific advancements and air traffic data, as appropriate.
 3. The Commission shall submit a report summarising the conclusions of the assessments provided for in paragraphs 1 and 2 of this Article to the European Parliament and the Council by 31 October of every year.

Article 23

Report on the additional period for fulfilling commitments under the Kyoto Protocol

The Union and each Member State shall submit a report to the UNFCCC Secretariat on the additional period for fulfilling commitments referred to in paragraph 3 of Decision 13/CMP.1 upon the expiry of that period.

Chapter 9

Cooperation and support

Article 24

Cooperation between the Member States and the Union

Member States and the Union shall cooperate and coordinate fully with each other in relation to obligations under this Regulation concerning:

- (a) compiling the Union greenhouse gas inventory and the Union greenhouse gas inventory report, pursuant to Article 7(4) of this Regulation;
- (b) preparing the Union national communication pursuant to Article 12 of the UNFCCC and biennial report pursuant to Decision 1/CP.16;

- (c) review and compliance procedures under the UNFCCC and the Kyoto Protocol in accordance with any applicable decision under the UNFCCC or the Kyoto Protocol as well as the Union's procedure to review Member States greenhouse gas inventories referred to in Article 20 of this Regulation;
- (d) any adjustments pursuant to Article 5, paragraph 2, of the Kyoto Protocol or following the Union review process referred to in Article 20 of this Regulation or other changes to inventories and inventory reports submitted, or to be submitted, to the UNFCCC Secretariat;
- (e) compiling the Union approximated greenhouse gas inventory, pursuant to Article 8 of this Regulation;
- (f) reporting in relation to the retirement of AAUs, CERs, ERUs or RMUs after the additional period referred to in paragraph 14 of Decision 13/CMP.1 for fulfilling commitments pursuant to Article 3, paragraph 1, of the Kyoto Protocol.

Article 25

Role of the European Environment Agency

The European Environment Agency shall assist the Commission in its work to comply with Articles 6 to 10, 13 to 20, 22 and 23 of this Regulation in accordance with its annual work programme. This shall include assistance with:

- (a) compiling the Union greenhouse gas inventory and preparing the Union greenhouse gas inventory report;
- (b) performing quality assurance and quality control procedures to prepare the Union greenhouse gas inventory;
- (c) preparing estimates for data not reported in the national greenhouse gas inventories;
- (d) conducting the annual expert review;
- (e) compiling the Union approximated greenhouse gas inventory;
- (f) compiling the information reported by Member States on projections and policies and measures;
- (g) performing quality assurance and quality control procedures on the information reported by Member States on projections and policies and measures;
- (h) preparing estimates for data on projections not reported by the Member States;
- (i) compiling data as required for the annual report to the European Parliament and the Council prepared by the Commission;

- (j) disseminating information collected under this Regulation, including maintaining and updating a database on Member States' mitigation policies and measures, and a clearinghouse on impacts, vulnerabilities and adaptation to climate change.

Chapter 10

Delegation

Article 26

Detailed reporting requirements

The Commission shall be empowered to adopt delegated acts in accordance with Article 29 of this Regulation to set out detailed reporting rules, including rules on the content, structure, format and submission processes for Member States' reporting of information pursuant to Articles 4, 5, 7, 8 and 13 to 19 of this Regulation.

Article 27

Requirements on national systems

The Commission shall be empowered to adopt delegated acts in accordance with Article 29 of this Regulation to set out requirements on the establishment, operation and functioning of the Member States' national systems pursuant to Articles 5 and 13 of this Regulation.

Article 28

Repeal or amendment of obligations

The Commission shall be empowered to adopt delegated acts in accordance with Article 29 of this Regulation to repeal Articles 4 to 7, 10 to 12, 14, 15, 17 and 19 of this Regulation, or any part thereof, or to amend those same Articles, should it conclude that international or other developments give rise to a situation where the obligations pursuant to those Articles are no longer necessary, not proportionate to the corresponding benefits or not consistent with or duplicative of reporting requirements under the UNFCCC. Any act adopted pursuant to this Article shall not make Union and international reporting obligations, as a whole, more onerous for Member States.

Article 29

Exercise of the delegation

1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.
2. The delegation of power referred to in Articles 7, 10, 11, 20 and 26 to 28 of this Regulation shall be conferred on the Commission for an indeterminate period of time from the date of entry into force of the Regulation.
3. The European Parliament or the Council may revoke the delegation of power referred to in Articles 7, 10, 11, 20, and 26 to 28 of this Regulation at any time. A decision of revocation shall end the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the *Official Journal of the European Union* or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.
4. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.
5. A delegated act adopted pursuant to Articles 7, 10, 11, 20 or 26 to 28 of this Regulation shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of 2 months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by 2 months at the initiative of the European Parliament or the Council.

Chapter 11

Final Provisions

Article 30

Committee procedure

The Commission shall be assisted by a Climate Change Committee. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011²².

²² OJ L 55, 28.2.2011, p.13.

Article 31

Review

1. The Commission shall regularly review the conformity of the monitoring and reporting provisions under this Regulation with future decisions relating to the UNFCCC and the Kyoto Protocol or other Union legislation.
2. If, during the commitment period under Decision No 406/2009/EC, there is a change in the international rules relating to the estimation of greenhouse gas emissions for the preparation of greenhouse gas inventories, the Commission shall assess to what extent the new rules apply for the purposes of Decision No 406/2009/EC.

Article 32

Repeal

Decision No 280/2004/EC is repealed.

References to the repealed Decision shall be construed as references to this Regulation and shall be read in accordance with the correlation table in Annex III.

Article 33

Entry into force

This Regulation shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the European Parliament
The President

For the Council
The President

ANNEX I

Greenhouse Gases

Carbon dioxide (CO₂)

Methane (CH₄)

Nitrous Oxide (N₂O)

Sulphur hexafluoride (SF₆)

Nitrogen trifluoride (NF₃)

Hydrofluorocarbons (HFCs):

HFC-23 CHF₃

HFC-32 CH₂F₂

HFC-41 CH₃F

HFC-125 CHF₂CF₃

HFC-134 CHF₂CHF₂

HFC-134a CH₂FCF₃

HFC-143 CH₂FCHF₂

HFC-143a CH₃CF₃

HFC-152 CH₂FCH₂F

HFC-152a CH₃CHF₂

HFC-161 CH₃CH₂F

HFC-227ea CF₃CHF₂CF₃

HFC-236cb CF₃CF₂CH₂F

HFC-236ea CF₃CHFCHF₂

HFC-236fa CF₃CH₂CF₃

HFC-245fa CHF₂CH₂CF₃

HFC-245ca CH₂FCF₂CHF₂

HFC-365mfc CH₃CF₂CH₂CF₃

HFC-43-10mee CF₃CHFCHF₂CF₃ or (C₅H₂F₁₀)

Perfluorocarbons (PFCs):

PFC-14, Perfluoromethane, CF_4

PFC-116, Perfluoroethane, C_2F_6

PFC-218, Perfluoropropane, C_3F_8

PFC-318, Perfluorocyclobutane, $\text{c-C}_4\text{F}_8$

Perfluorocyclopropane $\text{c-C}_3\text{F}_6$

PFC-3-1-10, Perfluorobutane, C_4F_{10}

PFC-4-1-12, Perfluoropentane, C_5F_{12}

PFC-5-1-14, Perfluorohexane, C_6F_{14}

PFC-9-1-18, $\text{C}_{10}\text{F}_{18}$

ANNEX II

The Recalculated Sum of Greenhouse Gas Emissions by Member State Referred to in Article 21(1)

The recalculated sum of greenhouse gas emissions by Member State shall be calculated according to the following formula:

$$\sum_{i=2013}^{2020} [t_{i,2022} - e_{i,2022} - (t_{i,2012} - e_{i,i+2})]$$

Where:

- $t_{i,2012}$ is the Member State's annual emission allocation as determined pursuant to the fourth paragraph of Article 3(2) and Article 10 of Decision No 406/2009/EC;
- $t_{i,2022}$ is the Member State's annual emission allocation for year i pursuant to the fourth paragraph of Article 3(2) and Article 10 of Decision No 406/2009/EC as it would have been calculated if reviewed inventory data submitted in 2022 had been used as an input;
- $e_{i,j}$ is the Member State's greenhouse gas emissions for year i as established pursuant to acts adopted by the Commission pursuant to Article 20(5) following the expert inventory review in year j .

ANNEX III

Correlation Table

Decision No 280/2004/EC	This Regulation
Article 1	Article 1
Article 2(1)	Article 4(1)
Article 2(2)	-
Article 2(3)	Article 4(3)
Article 3(1)	Article 7(1) and Article 7(2)
Article 3(2)	Article 14(1) and Article 15(1)
Article 3(3)	Article 26, Article 27, Article 28, Article 29
Article 4(1)	Article 6
Article 4(2)	Article 6
Article 4(3)	Article 25
Article 4(4)	Article 5(1)
Article 5(1)	Article 22(1)
Article 5(2)	Article 22(3)
Article 5(3)	-
Article 5(4)	-
Article 5(5)	Article 23
Article 5(6)	-
Article 5(7)	Article 25
Article 6(1)	Article 11(1)
Article 6(2)	Article 11(3)
Article 7(1)	-
Article 7(2)	Article 12(1) and Article 12(2)
Article 7(3)	-
Article 8(1)	Article 24
Article 8(2)	Article 7(3)

Article 8(3)	-
Article 9(1)	Article 30
Article 9(2)	-
Article 9(3)	-
Article 10	
Article 11	Article 32
Article 12	Article 33

LEGISLATIVE FINANCIAL STATEMENT FOR PROPOSALS

1. FRAMEWORK OF THE PROPOSAL/INITIATIVE

1.1. Title of the proposal/initiative

Regulation of the European Parliament and of the Council on a mechanism for monitoring and reporting greenhouse gas emissions and for reporting other information at national and Union level relevant to climate change

1.2. Policy area(s) concerned in the ABM/ABB structure²³

ENVIRONMENT AND CLIMATE ACTION [07]

1.3. Nature of the proposal/initiative

- The proposal/initiative relates to **a new action**
- The proposal/initiative relates to **a new action following a pilot project/preparatory action**²⁴
- The proposal/initiative relates to **the extension of an existing action**
- The proposal/initiative relates to **an action redirected towards a new action.**

1.4. Objectives

1.4.1. *The Commission's multiannual strategic objective(s) targeted by the proposal/initiative*

This proposal is entrenched in the Europe 2020 Strategy for smart, sustainable and inclusive growth. It directly contributes to achieving one of the five headline targets set by the Strategy, to achieve the target of 20% emission reduction by 2020.

1.4.2. *Specific objective(s) and ABM/ABB activity(ies) concerned AMP*

Specific objective:

Implementation of EU policy and legislation on climate action (ABB code 07 12)

ABM/ABB activities concerned:

07 12 01 (Implementation of EU policy and legislation on climate action)

²³ ABM: Activity-Based Management, ABB: Activity-Based Budgeting.
²⁴ As referred to in Article 49(6)(a) or (b) of the Financial Regulation.

1.4.3. *Expected result(s) and impact*

Specify the effects which the proposal/initiative should have on the beneficiaries/groups targeted.

It is necessary to amend the existing monitoring mechanism to implement certain climate change policies and to deliver benefits to all citizens and businesses, in particular with regards to enhancing air quality, securing energy supply, promoting green economic growth and innovation. This proposal will also help increase the EU's credibility internationally by providing high quality information on the action taken to combat climate change. By collecting this information, this proposal will also ensure that the EU is better prepared to face any future climate change related challenges.

1.4.4. *Indicators of results and impact*

Specify the indicators for monitoring implementation of the proposal/initiative.

The following indicators correspond to the general, specific and operational objectives of the proposal:

- Number of non-compliance cases identified at EU level or under the UNFCCC;
- Number of reports submitted on time to the Commission and/or the UNFCCC;
- The consistency of the EU level reports with those submitted by the Member States as shown in the EU and UNFCCC reviews;
- The consistency of the emissions data reported by the Member States under MMD and other reporting instruments as shown in the EU and UNFCCC reviews;
- The completeness of MS reports submitted to the Commission and under the UNFCCC when compared to existing requirements;
- Use by the Member States of common reporting methodologies and formats when reporting on financial and technology support;
- Use by the Member States of domestic and international methodological and reporting guidelines;
- The completeness of Member State reports submitted to the Commission and the UNFCCC compared to existing requirements;
- Use by the Member States of common reporting practices and formats for projections, policies, measures and actual emissions;
- The availability of data and information and the creation of new information flows in the areas targeted by the proposal.

1.5. Grounds for the proposal/initiative

1.5.1. Requirement(s) to be met in the short or long term

The short-term objective of this proposal is to significantly contribute to the EU emission reduction objective for 2020 and the achievement of the EU 2020 Strategy. The proposal has also a long-term objective, namely to achieve emission reductions within the EU beyond 2020.

In the short term, the Commission will need to launch procurement procedures to obtain the technical assistance required to implement the proposal, in particular for the expert inventory review provided for in Article 20 of the proposal.

1.5.2. Added value of EU involvement

Some of the provisions included in this proposal need to be implemented at EU level because this is required under EU law, namely Decision No 406/2009/EC and revised Directive 2003/87/EC.

As the overarching climate commitments are made at EU level, it is also more effective to develop the required reporting instruments at EU level. Furthermore, overcoming the identified problems, such as consistency and timeliness of EU and Member States' reporting to the United Nations Framework Convention on Climate Change, requires the coordination of data and methods across all 27 Member States which can be carried out more effectively at EU level.

1.5.3. Lessons learned from similar experiences in the past

The proposal takes into consideration lessons learned in implementing Decision No 280/2004/EC and the feedback received from stakeholders. The proposal aims to address the weaknesses and problems identified and to simplify the reporting requirements, as applicable. In particular, experience in implementing the MMD has shown that certain reporting requirements did not deliver the expected results (e.g. indicators requested), or the information was not used as anticipated. These requirements are therefore amended to ensure that the reporting is meaningful and purposeful. New requirements are aligned with existing reporting streams and information needs.

1.5.4. Coherence and possible synergy with other instruments

The proposal is closely related to the Europe 2020 Strategy and the Europe 2020 flagship initiative for a resource-efficient Europe. It is consistent and complementary with EU climate, energy and social policies.

1.6. Duration and financial impact

Proposal/initiative of **limited duration**

– Proposal/initiative in effect from [DD/MM]YYYY to [DD/MM]YYYY

– Financial impact from YYYY to YYYY

Proposal/initiative of **unlimited duration**

– Implementation is likely to start in 2013, depending on progress with the legislative process

1.7. Management mode(s) envisaged²⁵

Centralised direct management by the Commission

Centralised indirect management with the delegation of implementation tasks to:

– executive agencies

– bodies set up by the Communities²⁶

– national public-sector bodies/bodies with public-service mission

– persons entrusted with the implementation of specific actions pursuant to Title V of the Treaty on European Union and identified in the relevant basic act within the meaning of Article 49 of the Financial Regulation

Shared management with the Member States

Decentralised management with third countries

Joint management with international organisations (*to be specified*)

If more than one management mode is indicated, please provide details in the 'Comments' section.

Comments

The Member States will be responsible for implementing the bulk of this proposal. The Commission will provide guidance to the Member States and will assess the reports submitted by them. It will check, review and compile some of the information included in these reports.

²⁵ Details of management modes and references to the Financial Regulation may be found on the BudgWeb site: http://www.cc.cec/budg/man/budgmanag/budgmanag_en.html.

²⁶ As referred to in Article 185 of the Financial Regulation.

2. MANAGEMENT MEASURES

2.1. Monitoring and reporting rules

Specify frequency and conditions.

Compliance of the reports requested under the proposal with domestic and international requirements will demonstrate whether the proposal achieves its objectives.

The reports prepared under the proposal will continue to be assessed at EU and/or international level annually, every 2 and/or every 4 years. The assessment of actual emissions will continue to be comprehensive and conducted by experts at both EU and international level. The goal of the assessment is to help improve reporting and to assess compliance with targets and commitments. The assessment of all other climate data and information is now proposed to be conducted also on an annual basis at EU level with the focus being on completeness and compliance with guidance, while at international level this assessment will be made every 2 and/or every 4 years. Again, the assessment is conducted by experts and the goal is to assess compliance and identify areas for further improvement.

2.2. Management and control system

2.2.1. Risk(s) identified

As the proposal is a regulation, it does not involve national transposition. The risks related to implementation of this regulation are limited because the proposed mechanism is a continuation and improvement of the current mechanism.

2.2.2. Control method(s) envisaged

The measures taken to address such risks will be the same as now: increased dialogue and cooperation with the Member States, notably through the Climate Change Committee and its working groups, the use of comitology and technical assistance from the European Environment Agency.

2.3. Measures to prevent fraud and irregularities

Specify existing or envisaged prevention and protection measures.

Given the amounts involved and the type of procurement, this initiative does not present particular risks of fraud. The Commission will manage and control the work by using all its regular tools, such as DG CLIMA's Annual Management Plan.

Internal control standards No 2, 7, 8, 9, 11, 12, 13, 15 and 16 are of particular relevance. In addition, the principles laid down in Council Regulation (EC, Euratom) No 1605/2002 (the 'Financial Regulation') and its implementing rules will be fully applied.

The procurement procedures will be governed by the DG CLIMA financial circuit: a partially decentralised circuit which features hierarchical independence from the AO(s)D of the persons performing financial initiation and verification.

An internal control committee (ENVAC) will also examine the process of selecting the contractor and verify the consistency of the procedures adopted by the Authorising Officers with the rules of the Financial Regulation and the Implementing Rules for a combination of a random sample and a risk-based sample of public procurement contracts.

In addition to these measures, delegated acts will also lay down technical guidelines governing the expert reviews referred to in Article 20. These guidelines will ensure that the persons conducting the expert reviews are independent and appropriately qualified.

3. ESTIMATED FINANCIAL IMPACT OF THE PROPOSAL/INITIATIVE

3.1. Heading(s) of the multiannual financial framework and expenditure budget line(s) affected

- Existing expenditure budget lines

In order of multiannual financial framework headings and budget lines.

Heading of multiannual financial framework	Budget line	Type of expenditure	Contribution			
	Number [Description.....]	Diff./non-diff (27)	from EFTA ²⁸ countries	from candidate countries ²⁹	from third countries	within the meaning of Article 18(1)(aa) of the Financial Regulation
2	07.12.01 [Implementation of Union policy and legislation on climate action]	Diff.	NO	NO	NO	NO
5	07.01.02.11 [Other management expenditure]	Non-diff	NO	NO	NO	NO

- New budget lines requested — NO

In order of multiannual financial framework headings and budget lines.

Heading of multiannual financial framework	Budget line	Type of expenditure	Contribution			
	Number [Heading.....]	Diff./non-diff.	from EFTA countries	from candidate countries	from third countries	within the meaning of Article 18(1)(aa) of the Financial Regulation
	[XX.YY.YY.YY]		YES/NO	YES/NO	YES/NO	YES/NO

²⁷ Diff. = Differentiated appropriations / Non-Diff. = Non-differentiated appropriations.

²⁸ EFTA: European Free Trade Association. .

²⁹ Candidate countries and, where applicable, potential candidate countries from the Western Balkans.

3.2. Estimated impact on expenditure

3.2.1. Summary of estimated impact on expenditure

THE PROPOSAL WILL BE IMPLEMENTED USING THE EXISTING BUDGET AND WILL NOT HAVE AN IMPACT ON THE MULTIANNUAL FINANCIAL FRAMEWORK.

EUR million (to 3 decimal places)

Heading of multiannual financial framework:	Number	[Heading 2]
--	--------	-------------

DG: <CLIMA>			Year N ³⁰	Year N+1	Year N+2	Year N+3	... enter as many years as necessary to show the duration of the impact (see point 1.6)			TOTAL
• Operational appropriations										
Number of budget line 07.12.01	Commitments	(1)	0.2540	1.6310	1.631	1.631	1.631	1.631	1.631	10.04
	Payments	(2)	0.2540	1.256	1.631	1.631	1.631	1.631	1.631	9.665
Appropriations of an administrative nature financed from the envelope for specific programmes ³¹										
Number of budget line		(3)								
TOTAL appropriations for DG <CLIMA>	Commitments	=1+1a +3	0.2540	1.6310	1.631	1.631	1.631	1.631	1.631	10.04
	Payments	=2+2a +3	0.2540	1.256	1.631	1.631	1.631	1.631	1.631	9.665
• TOTAL operational appropriations	Commitments	(4)	0.2540	1.6310	1.631	1.631	1.631	1.631	1.631	10.04

³⁰ Year N is the year in which implementation of the proposal/initiative starts. The currently best estimate for N is 2013.

³¹ Technical and/or administrative assistance and expenditure in support of the implementation of EU programmes and/or actions (former 'BA' lines), indirect research, direct research.

	Payments	(5)	0.2540	1.256	1.631	1.631	1.631	1.631	1.631	9.665
• TOTAL appropriations of an administrative nature financed from the envelope for specific programmes		(6)								
TOTAL appropriations under HEADING <2> of the multiannual financial framework	Commitments	=4+ 6	0.2540	1.631	1.631	1.631	1.631	1.631	1.631	10.04
	Payments	=5+ 6	0.2540	1.256	1.631	1.631	1.631	1.631	1.631	9.665

If more than one heading is affected by the proposal / initiative:

• TOTAL operational appropriations	Commitments	(4)	0.2540	1.631	1.631	1.631	1.631	1.631	1.631	10,04
	Payments	(5)	0.2540	1.256	1.631	1.631	1.631	1.631	1.631	9,665
• TOTAL appropriations of an administrative nature financed from the envelope for specific programmes		(6)	0	0	0	0	0	0	0	0
TOTAL appropriations under HEADINGS 1 to 4 of the multiannual financial framework (Reference amount)	Commitments	=4+ 6	0.2540	1.631	1.631	1.631	1.631	1.631	1.631	10,04
	Payments	=5+ 6	0.2540	1.256	1.631	1.631	1.631	1.631	1.631	9,665

Heading of multiannual financial framework:	5	Administrative expenditure ‘
--	----------	------------------------------

EUR million (to 3 decimal places)

		Year N	Year N+1	Year N+2	Year N+3	... enter as many years as necessary to show the duration of the impact (see point 1.6)			TOTAL
DG: <CLIMA>									
• Human resources		0.254	0.508	0.508	0.508	0.508	0.508	0.508	3.302
• Other administrative expenditure		0.275	0.275	0.275	0.275	0.275	0.275	0.275	1.925
TOTAL DG <CLIMA>	Appropriations	0.529	0.783	0.783	0.783	0.783	0.783	0.783	5.227

TOTAL appropriations under HEADING 5 of the multiannual financial framework	(Total commitments = Total payments)	0.529	0.783	0.783	0.783	0.783	0.783	0.783	5.227
--	--------------------------------------	-------	-------	-------	-------	-------	-------	-------	--------------

EUR million (to 3 decimal places)

		Year N ³²	Year N+1	Year N+2	Year N+3	... enter as many years as necessary to show the duration of the impact (see point 1.6)			TOTAL
TOTAL appropriations under HEADINGS 1 to 5 of the multiannual financial framework	Commitments	0.783	2.414	2.414	2.414	2.414	2.414	2.414	15.267
	Payments	0.783	2.039	2.414	2.414	2.414	2.414	2.414	14.892

³² Year N is the year in which implementation of the proposal/initiative starts.

3.2.2. *Estimated impact on operational appropriations*

- The proposal/initiative does not require the use of new operational appropriations (the initiative is part of the current financial framework)
- The proposal/initiative requires the use of operational appropriations, as explained below:

Commitment appropriations in EUR million (to 3 decimal places)

Indicate objectives and outputs ↓			Year N	Year N+1	Year N+2	Year N+3	... enter as many years as necessary to show the duration of the impact (see point 1.6)										TOTAL			
	OUTPUTS																			
	Type of output ³³	Average cost of the output	Number of outputs	Cost	Number of outputs	Cost	Number of outputs	Cost	Number of outputs	Cost	Number of outputs	Cost	Number of outputs	Cost	Number of outputs	Cost	Total number of outputs	Total cost		
SPECIFIC OBJECTIVE Implementation of EU policy and legislation on climate action (ABB code 07 12)																				
- Output	Technical assistance	0.717	2	0.254	2	1.631	2	1.631	2	1.631	2	1.631	2	1.631	2	1.631	2	1.631	14	10.04
Sub-total for specific objective			1	0.254	1	1.631	1	1.631	1	1.631	1	1.631	1	1.631	1	1.631	1	1.631	7	10.04
TOTAL COST			1	0.254	1	1.631	1	1.631	1	1.631	1	1.631	1	1.631	1	1.631	1	1.631	7	10.04

³³ Outputs are products and services to be supplied (e.g.: number of student exchanges financed, number of km of roads built, etc.).

3.2.3. Estimated impact on appropriations of an administrative nature

3.2.3.1. Summary

- The proposal/initiative does not require the use of administrative appropriations
- The proposal/initiative requires the use of administrative appropriations, as explained below: (the initiative is part of the current financial framework)

The needs for administrative appropriations shall be covered by the allocation already granted for managing this action and/or redeployed within the DG, supplemented as the case may be by any additional allocation granted to the managing DG in the framework of the annual allocation procedure, subject to budgetary constraints.

EUR million (to 3 decimal places)

	Year N ³⁴	Year N+1	Year N+2	Year N+3	... enter as many years as necessary to show the duration of the impact (see point 1.6)			TOTAL
HEADING 5 of the multiannual financial framework								
Human resources	0.254 ³⁵	0.508	0.508	0.508	0.508	0.508	0.508	3.302
Other administrative expenditure	0.275 ³⁶	0.275	0.275	0.275	0.275	0.275	0.275	1.925
Subtotal HEADING 5 of the multiannual financial framework	0.529	0.783	0.783	0.783	0.783	0.783	0.783	5.227
Outside HEADING 5³⁷ of the multiannual financial framework								
Human resources	0	0	0	0	0	0	0	0
Other expenditure of an administrative	0	0	0	0	0	0	0	0

³⁴ Year N is the year in which implementation of the proposal/initiative starts.

³⁵ Each annual amount on this line includes 0,127M€ corresponding to staff members working on the implementation of Decision No 280/2004/EC (that is repealed under the Proposal).

³⁶ The annual amounts on this line correspond to existing costs related to the implementation of Decision No 280/2004/EC (that is repealed under the Proposal).

³⁷ Technical and/or administrative assistance and expenditure in support of the implementation of EU programmes and/or actions (former 'BA' lines), indirect research, direct research.

nature								
Subtotal outside HEADING 5 of the multiannual financial framework	0	0	0	0	0	0	0	0
TOTAL	0.529	0.783	0.783	0.783	0.783	0.783	0.783	5.227

3.2.3.2. Estimated requirements of human resources

- The proposal/initiative does not require the use of human resources
- The proposal/initiative requires the use of the currently allocated human resources, as explained below:

Estimate to be expressed in full amounts (or at most to one decimal place)

	Year N	Year N+1	Year N+2	Year N+3	... enter as many years as necessary to show the duration of the impact (see point 1.6)		
• Establishment plan posts (officials and temporary agents)							
07 01 01 01 (Headquarters and Commission's Representation Offices)	254000 ³⁸	508000	508000	508000	508000	508000	508000
XX 01 01 02 (Delegations)							
XX 01 05 01 (Indirect research)							
10 01 05 01 (Direct research)							
• External personnel (in Full Time Equivalent unit: FTE)³⁹							
XX 01 02 01 (CA, INT, SNE from the 'global envelope')							
XX 01 02 02 (CA, INT, JED, LA and SNE in the delegations)							
XX 01 04 yy ⁴⁰	- at Headquarters ⁴¹						
	- in delegations						
XX 01 05 02 (CA, INT, SNE — Indirect research)							
10 01 05 02 (CA, INT, SNE — Direct research)							
Other budget lines (specify)							
TOTAL	254000	508000	508000	508000	508000	508000	508000

XX is the policy area or budget title concerned.

The human resources required will be met by staff from the DG who are already assigned to management of the action and/or have been redeployed within the DG, together if necessary with any additional allocation granted to the managing DG under the annual allocation procedure, subject to budgetary constraints.

³⁸ Each annual amount on this line includes 0,127M€ corresponding to staff members working on the implementation of Decision No 280/2004/EC (that is repealed under the Proposal).

³⁹ CA= Contract Agent; INT= agency staff ('*Intérimaire*'); JED= '*Jeune Expert en Délégation*' (Young Experts in Delegations); LA= Local Agent; SNE= Seconded National Expert; .

⁴⁰ Under the ceiling for external personnel from operational appropriations (former 'BA' lines).

⁴¹ Essentially for Structural Funds, European Agricultural Fund for Rural Development (EAFRD) and European Fisheries Fund (EFF).

Description of tasks to be carried out:

Officials and temporary agents	Take action to implement the Commission's requirements (e.g. review MS reports, carry out analysis, monitor implementation.)
External personnel	

3.2.4. *Compatibility with the current multiannual financial framework*

- Proposal/initiative is compatible with the current multiannual financial framework.
- Proposal/initiative will entail reprogramming the relevant heading in the multiannual financial framework.

Explain what reprogramming is required, specifying the budget lines concerned and the corresponding amounts.

- Proposal/initiative requires application of the flexibility instrument or revision of the multiannual financial framework⁴².

Explain what is required, specifying the headings and budget lines concerned and the corresponding amounts.

3.2.5. *Third-party contributions*

- The proposal/initiative does not provide for co-financing by third parties
- The proposal/initiative provides for the co-financing estimated below:

Appropriations in EUR million (to 3 decimal places)

	Year N	Year N+1	Year N+2	Year N+3	... enter as many years as necessary to show the duration of the impact (see point 1.6)			Total
Specify the co-financing body								
TOTAL appropriations cofinanced								

⁴² See points 19 and 24 of the Interinstitutional Agreement.

3.3. Estimated impact on revenue

- Proposal/initiative has no financial impact on revenue.
- Proposal/initiative has the following financial impact:
 - on own resources
 - on miscellaneous revenue

EUR million (to 3 decimal places)

Budget revenue line:	Appropriations available for the ongoing budget year	Impact of the proposal/initiative ⁴³						
		Year N	Year N+1	Year N+2	Year N+3	... insert as many columns as necessary in order to reflect the duration of the impact (see point 1.6)		
Article								

For miscellaneous assigned revenue, specify the budget expenditure line(s) affected.

....

Specify the method for calculating the impact on revenue.

....

⁴³ As regards traditional own resources (customs duties, sugar levies), the amounts indicated must be net amounts, i.e. gross amounts after deduction of 25 % for collection costs.