



# Learning from Parties' experiences in Preparing INDCs:

## The European Union

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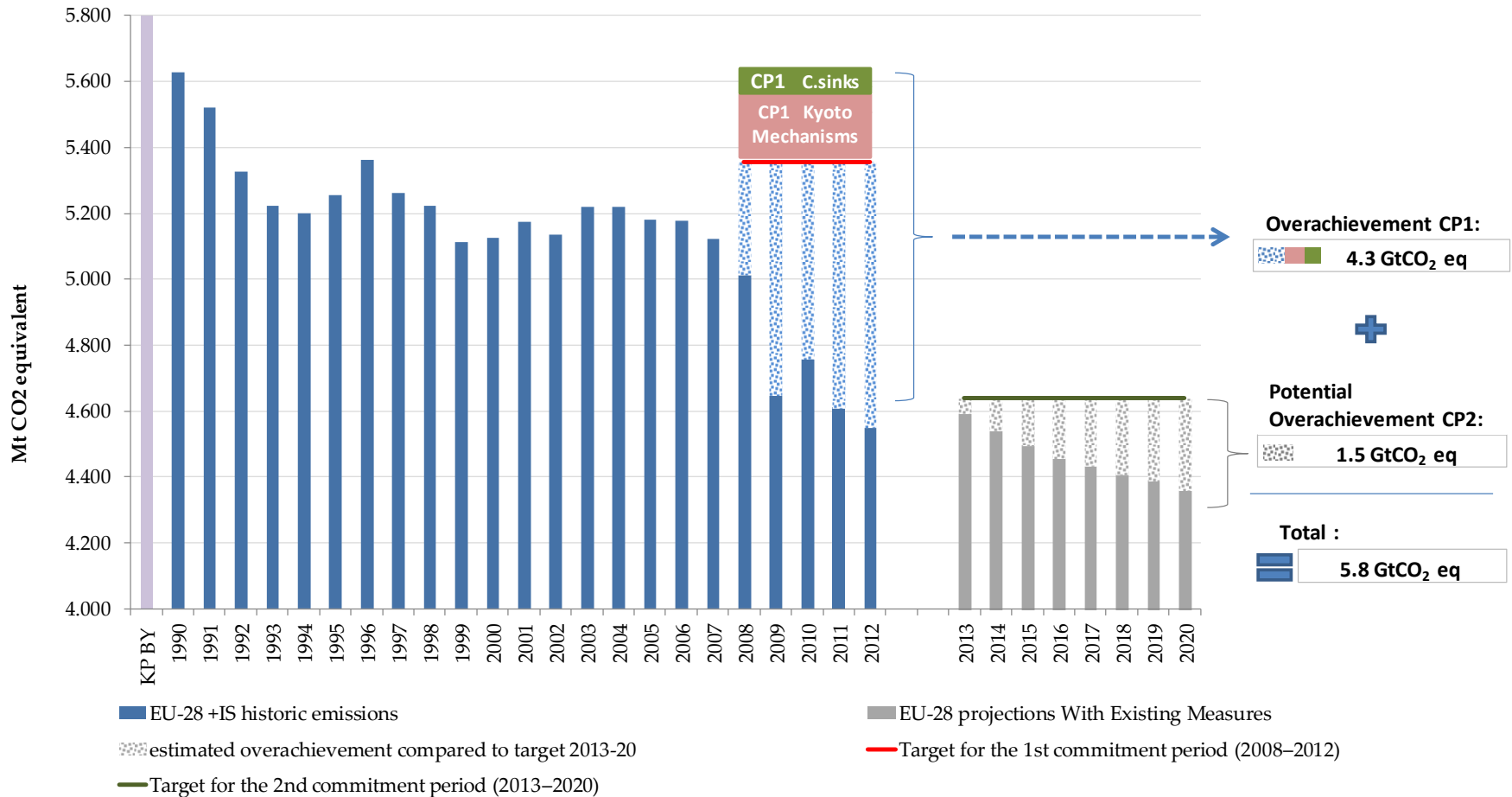


**1. The foundations of EU climate and energy policy**

**2. The process and politics of setting a long term target through the EU 2030 Climate and Energy package**

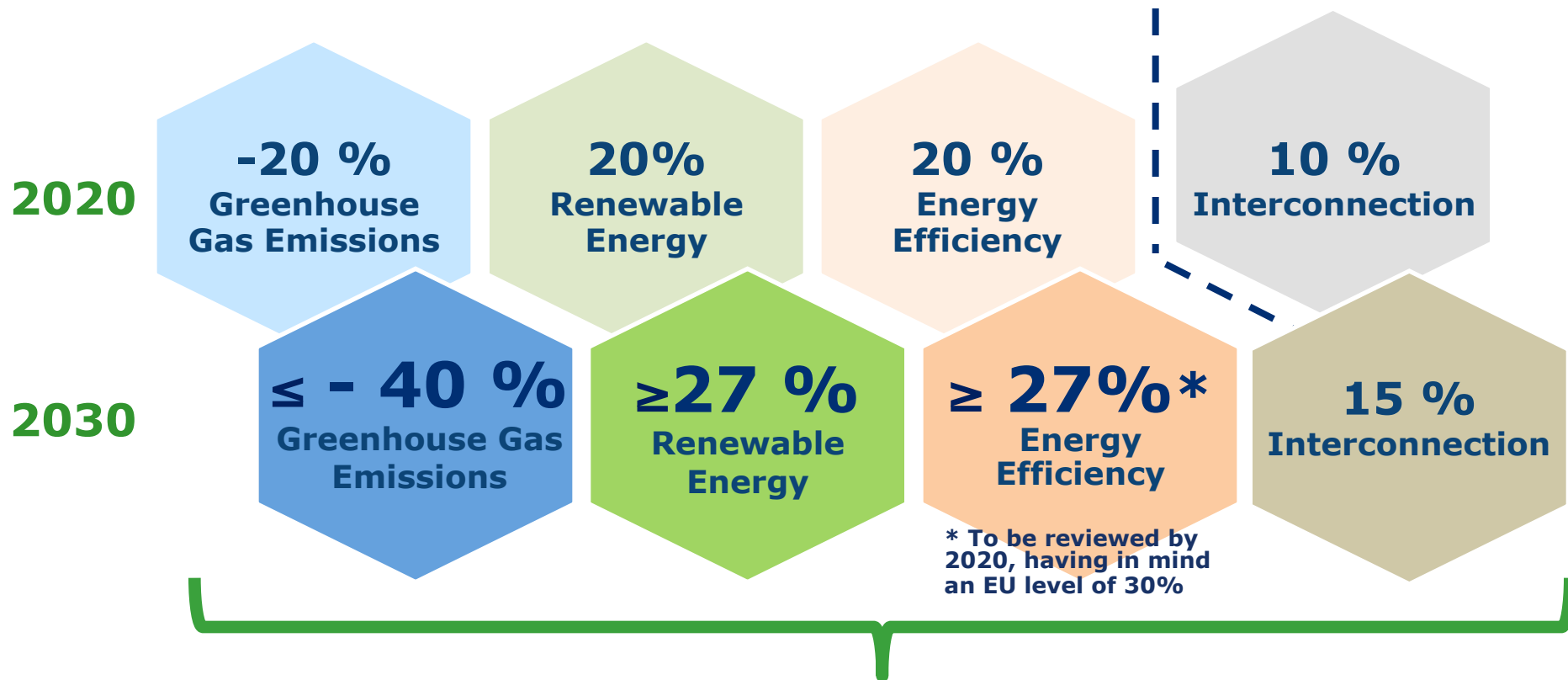
**3. Communicating and finalizing the EU's 2030 target as an INDC under the 2015 Agreement**

# EU climate and energy policy up to 2020: Greenhouse gas emissions since 1990



# 2030 Framework: Agreed headline targets

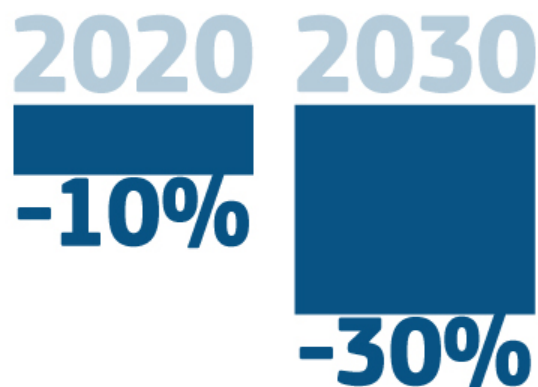
## 2030 Framework for Climate and Energy



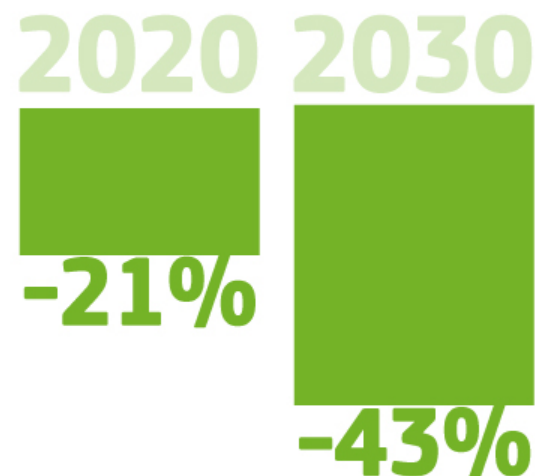
**New governance system + indicators**

## Emission reductions in ETS and non-ETS

EMISSION  
REDUCTIONS  
IN ETS AND  
NON-ETS  
COMPARED TO 2005



**NON  
ETS**  
INCLUDING  
ROAD TRANSPORT,  
HOUSING,  
AGRICULTURE  
etc.



**ETS**  
INCLUDING  
POWER/ENERGY  
SECTOR & INDUSTRY

GHG Emissions



2030

FRAMEWORK for CLIMATE & ENERGY  
#EU2030



## The European carbon market after 2020

### Well-functioning reformed EU ETS as the main instrument

Cap to decline with **2.2 %** from 2021 onwards

**Free allocation** to prevent carbon leakage **continued**

**Redistribution:** 90 % among all 28 Member States / 10 % among lower income Member States

**Innovation fund** created ("**NER400**")

**Modernisation fund** set up

**GHG Emissions**



# INDCs and the Lima Call for Climate Action

From nationally determined to collectively ambitious and individually fair – well in advance of Paris

## Clarity

- In a manner that **facilitates the clarity, transparency and understanding**
- To be accompanied by **upfront information: detailed and quantifiable**
- May also contain an **adaptation** component
- **No finance or support** component (no constraint on conditionality)

## Fairness

- INDC content is **nationally determined**
- The **least developed countries and small island developing States** may communicate strategies, plans and actions (rather than targets)
- Upfront information to describe **how Parties consider their contributions fair** and ambitious
- **Support available** for preparation of INDCs

## Ambition

- INDCs to contribute towards achieving the objective of the Convention a **"progression beyond current undertaking"**
- Parties invited again to communicate INDCs **"well in advance of" Paris**
- **Multiple discussions** to be expected in different context thanks to transparency of INDCs
- UNFCCC Sec to prepare synthesis report on the **aggregate effect** of INDCs by 1 November 2015

- **Success of Paris will hinge on a critical mass of clear, ambitious, timely contributions**
  - **UNFCCC Sec Synthesis will help set the stage for Paris**

<b>Intended Nationally Determined Contribution of the EU and its Member States</b>	
<b>Parties</b>	EU and its Member States (Belgium, Bulgaria, Croatia, Czech Republic, Denmark, Germany, Estonia, Ireland, Greece, Spain, France, Italy, Cyprus, Latvia, Lithuania, Luxembourg, Hungary, Malta, Netherlands, Austria, Poland, Portugal, Romania, Slovenia, Slovakia, Finland, Sweden, United Kingdom) acting jointly
<b>Type</b>	Absolute reduction from base year emissions.
<b>Coverage</b>	Economy-wide absolute reduction from base year emissions.
<b>Scope</b>	All greenhouse gases not controlled by the Montreal Protocol: Carbon Dioxide (CO <sub>2</sub> ) <ul style="list-style-type: none"> <li>• Methane (CH<sub>4</sub>)</li> <li>• Nitrous Oxide (N<sub>2</sub>O)</li> <li>• Hydrofluorocarbons (HFCs)</li> <li>• Perfluorocarbons (PFCs)</li> <li>• Sulphur hexafluoride (SF<sub>6</sub>)</li> <li>• Nitrogen trifluoride (NF<sub>3</sub>)</li> </ul>
<b>Base Year</b>	1990.
<b>Period</b>	1 January 2021- 31 December 2030.
<b>Reduction Level</b>	At least 40% domestic reduction in greenhouse gas emissions by 2030.
<b>% of Emissions Covered</b>	100%.
<b>Agriculture, forestry and other land uses</b>	Policy on how to include Land Use, Land Use Change and Forestry into the 2030 greenhouse gas mitigation framework will be established as soon as technical conditions allow and in any case before 2020.
<b>Net Contribution of International Market Based Mechanisms</b>	No contribution from international credits.





<b>Planning Process</b>	Domestic legally-binding legislation already in place for the 2020 climate and energy package. The existing legislation for land use, land-use change and forestry (EU Decision 529/2013) is based on the existing accounting rules under the second commitment period of the Kyoto Protocol. Legislative proposals to implement the 2030 climate and energy framework, both in the emissions trading sector and in the non-traded sector, to be submitted by the European Commission to the Council and European Parliament in 2015-2016 on the basis of the general political directions by the European Council, taking into account environmental integrity.
<b>Fair and ambitious</b>	The target represents a significant progression beyond its current undertaking of a 20% emission reduction commitment by 2020 compared to 1990 (which includes the use of offsets). It is in line with the EU objective, in the context of necessary reductions according to the IPCC by developed countries as a group, to reduce its emissions by 80-95% by 2050 compared to 1990. Furthermore, it is consistent with the need for at least halving global emissions by 2050 compared to 1990. The EU and its Member States have already reduced their emissions by around 19% on 1990 levels while GDP has grown by more than 44% over the same period. As a result, average per capita emissions across the EU and its Member States have fallen from 12 tonnes CO <sub>2</sub> -eq. in 1990 to 9 tonnes CO <sub>2</sub> -eq. in 2012 and are projected to fall to around 6 tonnes CO <sub>2</sub> -eq. in 2030. The emissions in the EU and its Member States peaked in 1979.

Key Assumptions	
<b>Metric Applied</b>	Global Warming Potential on a 100 year timescale in accordance with the IPCC's 4th Assessment Report.
<b>Methodologies for Estimating Emissions</b>	IPCC Guidelines 2006 and IPCC 2013 KP Supplement.
<b>Approach to accounting for agriculture, forestry and other land uses</b>	Comprehensive accounting framework, activity or land-based approach, for emissions and removals from land use, land-use change and forestry.
Coverage	
<b>Sectors/Source Categories</b>	<ul style="list-style-type: none"> <li>• Energy <ul style="list-style-type: none"> <li>○ Fuel Combustion <ul style="list-style-type: none"> <li>▪ Energy industries</li> <li>▪ Manufacturing industries and construction</li> <li>▪ Transport</li> <li>▪ Other sectors</li> <li>▪ Other</li> </ul> </li> <li>○ Fugitive emissions from fuels <ul style="list-style-type: none"> <li>▪ Solid fuels</li> <li>▪ Oil and natural gas and other emissions from energy production</li> </ul> </li> <li>○ CO<sub>2</sub> transport and storage</li> </ul> </li> <li>• Industrial processes and product use <ul style="list-style-type: none"> <li>○ Mineral industry</li> <li>○ Chemical industry</li> <li>○ Metal industry</li> <li>○ Non-energy products from fuels and solvent use</li> <li>○ Electronic industry</li> <li>○ Product uses as substitutes for ODS</li> <li>○ Other product manufacture and use</li> </ul> </li> </ul>

- Agriculture
  - Enteric fermentation
  - Manure management
  - Rice cultivation
  - Agricultural soils
  - Prescribed burning of savannas
  - Field burning of agricultural residues
  - Liming
  - Urea application
  - Other carbon-containing fertilisers
  - Other
- Waste
  - Solid waste disposal
  - Biological treatment of solid waste
  - Incineration and open burning of waste
  - Wastewater treatment and discharge
  - Other
- Land Use, Land-Use Change and Forestry set out in Decision 529/2013/EU
  - Afforestation, reforestation
  - Deforestation
  - Forest management
  - Cropland management
  - Grazing land management
  - Or equivalent land-based accounting using UNFCCC reporting categories
  - Other categories/activities elected by the EU and its Member States as Parties to the Kyoto Protocol and its Doha Amendment.