

EU ETS

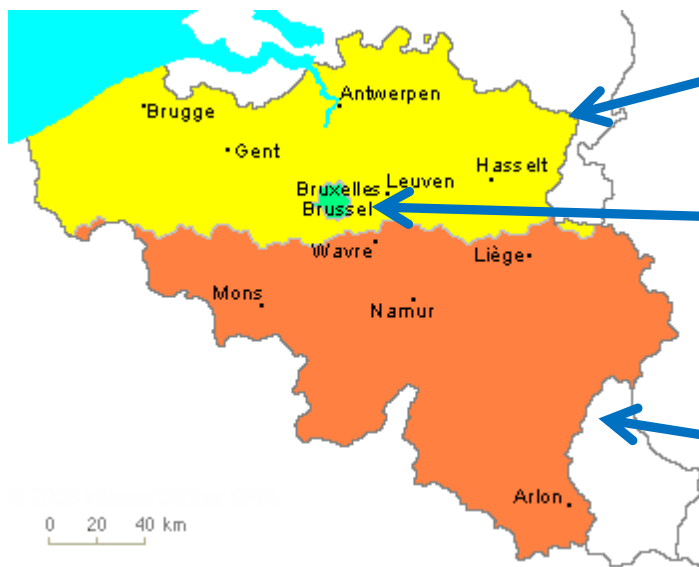
Roles and responsibilities for operators



- *Introduction Belgium - AwAC*
- *Gases and sectors covered by EU ETS*
- *Obligations for operators and overview main actors in the EU ETS*
- *Monitoring, reporting and verification*
 - *Importance MRV*
 - *Legislation*
 - *Compliance cycle: principle, timeline, roles main actors*
 - *Monitoring plan + annual emission report + independent verification*
 - *Lessons learned in Wallonia*

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Introduction Belgium - AwAC



Flanders
(Dutch)

Brussels
(Dutch + French)

Wallonia
(French + German)

Level	Name Competent authority ETS
Federal level	BE Registry/BELAC
Regio Flanders	LNE
Regio Brussels	IBGE
Regio Wallonia	AwAC



Different levels & different competent authorities for ETS-issues in Belgium

AwAC

- *Walloon Air and Climate Agency*
- *Created in 2008*
- *Competent authority for EU ETS in Wallonia*

Main tasks AwAC for EU ETS

- *Monitoring plans + annual emission report*
- *Allocation of free allowances*
- *Sanctions*
- *Exchange with other regions in Belgium + with federal level (register, accreditation verifiers, etc)*

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Does my installation falls under the scope of the EU ETS?



Gases and sectors covered by EU ETS

- **Carbon dioxide (CO₂)** from
 - *power and heat generation (> 20 MWth)*
 - *energy-intensive industry sectors including oil refineries, steel works and production of iron, aluminium, metals, cement, lime, glass, ceramics, pulp, paper, cardboard, acids and bulk organic chemicals*
 - *commercial aviation*
- **Nitrous oxide (N₂O)** from
 - *production of nitric, adipic, glyoxal and glyoxlic acids*
- **Perfluorocarbons (PFCs)** from
 - *aluminium production*

Gases and sectors covered by EU ETS

- *Legislation scope EU ETS:*
 - *EU 2003\87\EU => Annex 1*
 - <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:02003L0087-20140430&from=EN>
 - *Guidance on interpretation on annex 1*
 - http://ec.europa.eu/clima/policies/ets/docs/guidance_interpretation_en.pdf

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Am I free to participate to EU ETS if my installation falls under the scope of the EU ETS?



My installation falls under the scope of EU ETS => what does this mean for me as an operator?

=> You have to comply with legal ETS obligations !



ETS obligations for operators

Submit a monitoring plan and get a GHG permit

Carry out monitoring

Submit a verified annual emissions report

Submit an improvement report

Open a registry account

Surrender allowances

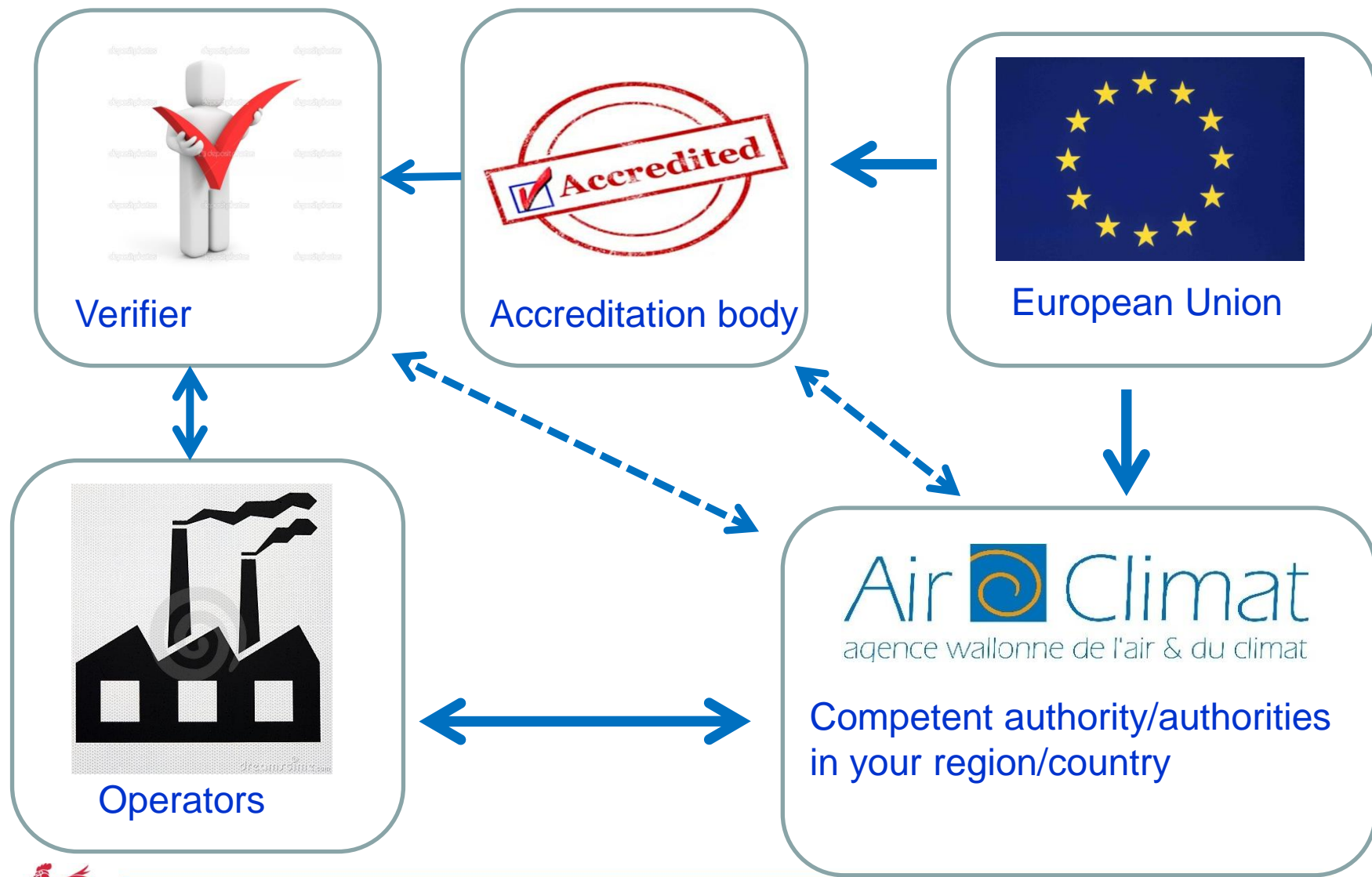
Obtain free allowances (optional)

Report on allocation changes



TRADING

Overview main actors in the EU ETS



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Why is monitoring, reporting and verification (MRV) that important ?



Monitoring, reporting, verification

Importance MRV

« Monitoring, reporting and verification plays a key role in the credibility of any emission trading system, ensuring that 'a tonne emitted is a tonne reported' »



« You cannot manage what you do not measure »

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What are the rules for MRV?



Monitoring, reporting and verification *Legislation*

- **MRR**

- *Monitoring and reporting regulation*
- *EU 601/2012*
- *<http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32012R0601&from=EN>*

- **AVR**

- *Accreditation and verification regulation*
- *EU 600/2012*
- *<http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32012R0600&from=EN>*

Monitoring, reporting and verification Legislation

- **Guidances Monitoring and Reporting Regulation (MRR)**

- *Guidance 1: General guidance (stationary installations)*
- *Guidance 3: Biomass issues*
- *Guidance 4: Uncertainty assessment*
- *Guidance 5: Sampling and analysis*
- *Guidance 6: Data flow activities and control system*
- *Guidance 7: Continuous emissions monitoring systems*
- *Quick guide for stationary installations*

Currently
In Development

- **Key guidance notes Accreditation and Verification
Regulation (AVR)**

http://ec.europa.eu/clima/policies/ets/monitoring/documentation_en.htm

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What is the 'compliance cycle' ?

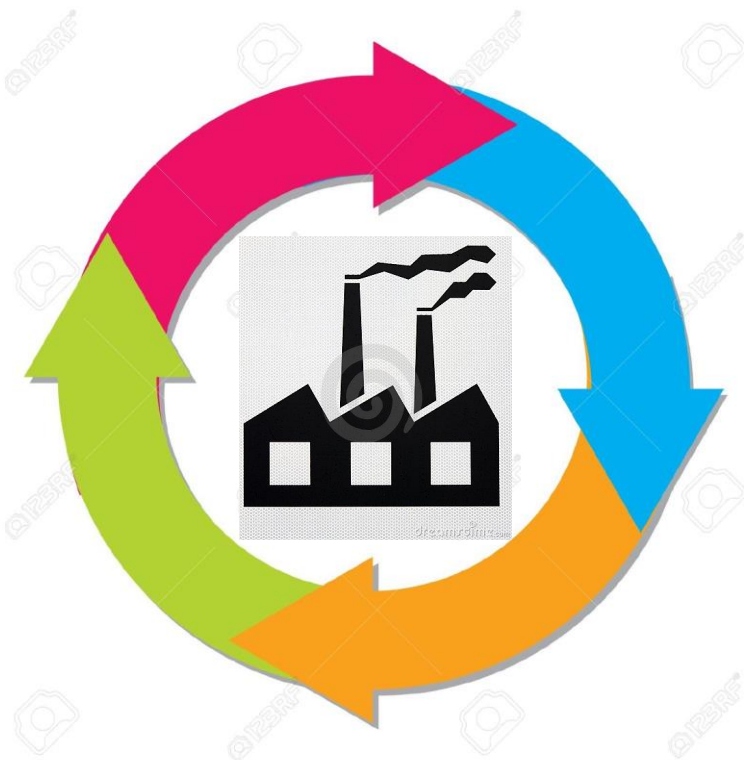
***What about the timeline and my roles
and responsibilities as an operator?***



***Who are the other ETS-actors and what
are their roles/responsibilities?***

Monitoring, reporting and verification

Compliance cycle: principle

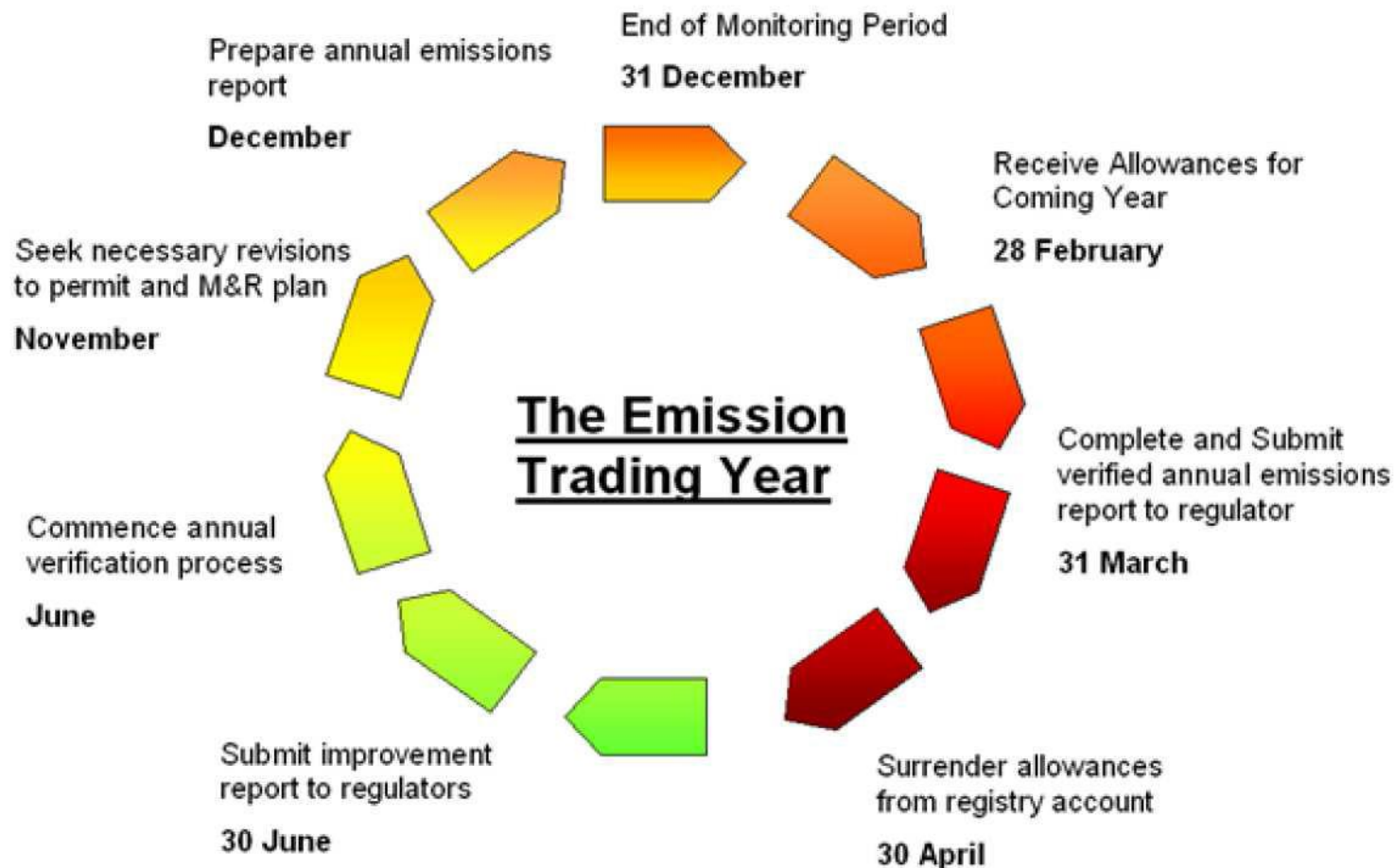


Each installation, each year

has to monitor his emissions,
ask for independent verification
and has to surrender
allowances to cover the
emissions of the previous year

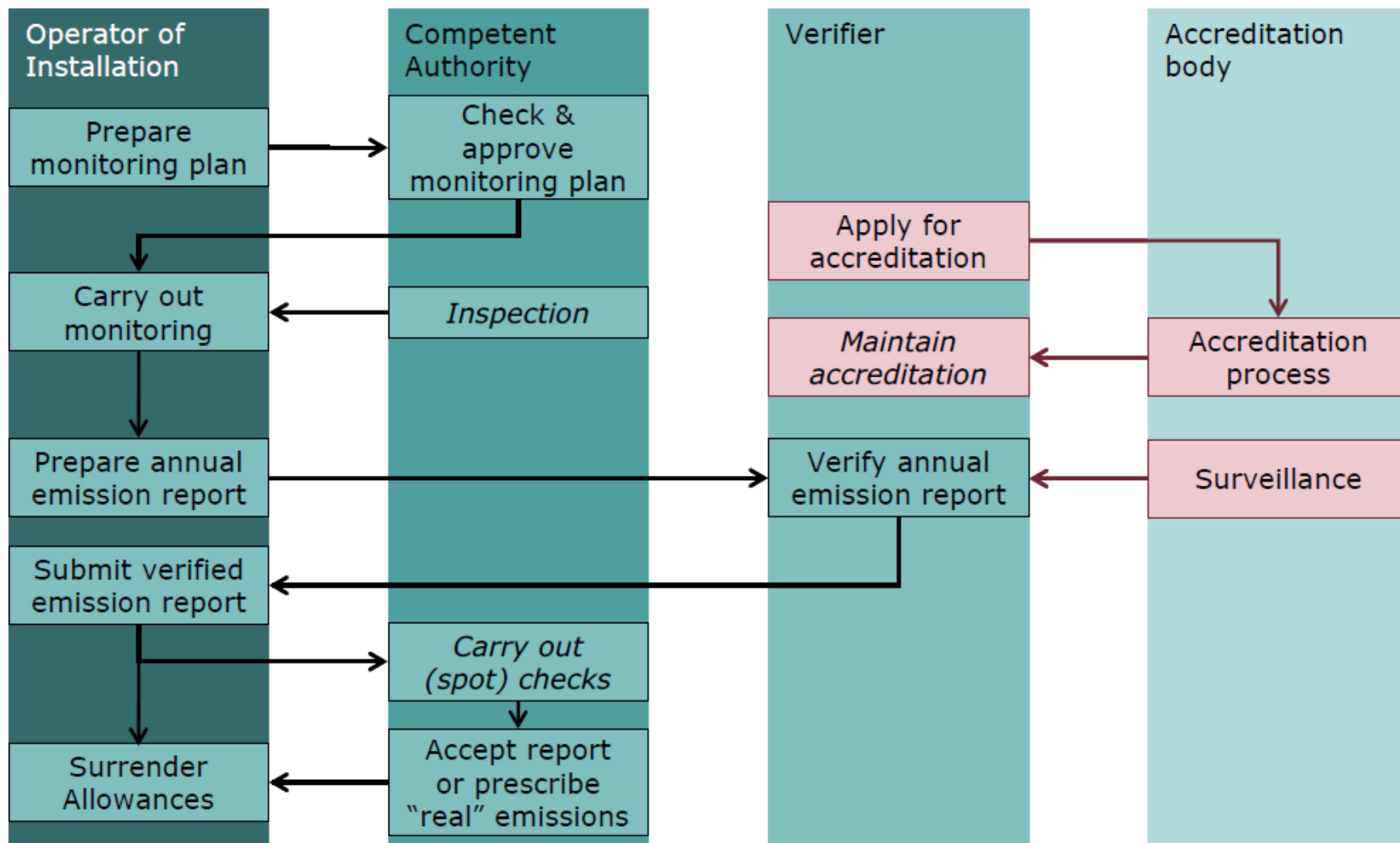
Monitoring, reporting and verification

Compliance cycle: timeline



Monitoring, reporting and verification

Compliance cycle: roles main actors



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What is a 'monitoring plan'?



Monitoring, reporting and verification

Monitoring plan

- *Very important document !*
 - *Description of monitoring methodology*
 - *Installation specific application of monitoring requirements*
 - *Operator responsible for content*
 - *Basis for reporting, verification and inspection*
- => Sort of 'handbook' for operator tasks*
- *Has to be approved by competent authority in your region/country*

Monitoring, reporting and verification

Monitoring plan

Content monitoring plan

- Overall information about the operator and the installation
- Detailed information about the installation activities
- Detailed information about the emissions, per 'source stream' or per 'emission point'
- Description of the monitoring approach:
 - calculation/measurement
 - source of the data (consumption data, calculation factors, sampling and analysis, etc)
 - uncertainty assessment
 - applied tiers
- Management: procedures, data flow, risk assessment

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What is an 'annual emissions report'?



Monitoring, reporting and verification

Annual emissions report

- *Very important document !*
- *Report the CO₂-emissions of the year N-1*
- *Details of emissions per source stream/emission point*
- *Operator responsible for content*
- *Checked by accredited verifier*
- *Basis for surrendering allowances*
- *Possible check by competent authority in your region/country*

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Why do we need verification of emission reports? Who are the verifiers?



Monitoring, reporting and verification

Independent verification

Verification principles

Objective:

Ensure that data are monitored and reported according to the Monitoring and Reporting Regulation (MRR)

=> Check implementation monitoring plan + check data in emissions report

- Reliability: correct and free from material misstatements*
- Independence: from operator and competent authority*
- Professional scepticism*
- Reasonable level of assurance*

=> Accreditation for ETS-verifiers by national accreditation body's

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What did we learned in Wallonia?



Monitoring, reporting and verification

Lessons learned in Wallonia

Operator feedback

- *ETS is complex*
- *Operators want to be compliant*
- *Operators need extensive guidance on MRV*
- *Workshops with concrete cases are very useful*
- *Dedicated ETS-team within CA helps operators*
- *Sufficient time for preparation is needed*
- *IT-system facilitates reporting and data storage for operators and facilitates exchange of information between operators, verifiers and competent authority (CA)*

Thank you for your attention!



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