

CROATIAN EXPERIENCE IN ESTABLISHING A NATIONAL SYSTEM FOR REPORTING ON GREENHOUSE GAS EMISSIONS

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EU LEGAL ARRANGEMENT

- 1.) *Regulation (EU) No 525/2013 (MMR)*
 - on a **mechanism for monitoring and reporting greenhouse gas emissions** and
 - for **reporting other information** at national and Union level relevant to climate change
 - Article 4 (LCDS), Article 5 (NIS) and Article 12 (National and Union systems for policies, measures and projections)
- 2.) *Decision No 529/2013/EU*
 - on **accounting rules on greenhouse gas emissions and removals resulting from activities relating to land use, land-use change and forestry (LULUCF)** and
 - on **information concerning actions relating to those activities**
- 3.) *Commission Implementing Regulation (EU) No 749/2014*
 - on **structure, format, submission processes and review of information** reported by Member States pursuant to Regulation (EU) No 525/2013
- 4.) *Commission Delegated Regulation (EU) No 666/2014*
 - **establishing substantive requirements for a Union inventory system** and
 - **taking into account changes in the global warming potentials (GWPs) and internationally agreed inventory guidelines** pursuant to Regulation (EU) No. 525/2013

CROATIAN LEGAL ARRANGEMENT

- I. *Air Protection Act* (Official Gazette, No.130/11, 47/14)
 - Chapter VIII of the Act is related to:
 - a.) **monitoring** greenhouse gas (GHG) emissions and
 - b.) **measures for mitigating and adapting** to climate change
- II. *Regulation on the Monitoring of Greenhouse Gas Emissions, Policies and Mitigation measures in the Republic of Croatia* (Official Gazette, No. 87/12)
 - **legal basis for establishment of the National System** (Part III)
- III. *Decision on the adoption of the **Plan for the protection of air, ozone layer and climate change mitigation** in the Republic of Croatia for the period 2013 - 2017* (Official Gazette, No. 139/13)
- IV. *Decision on the establishment of the **Committee for inter-sectoral coordination for the National System of greenhouse gas monitoring*** (Official Gazette, No. 6/14)
- V. *Decision on the establishment of the **Committee for inter-sectoral coordination of policies and measures on adaptation and mitigation to climate change*** (Official Gazette, No. 114/14)

OBLIGATIONS (CHANGE OF OBLIGATION REGIME) (I)

WHY IS SO IMPORTANT TO ESTABLISH A NATIONAL INVENTORY SYSTEM AS SOON AS POSSIBLE

Countries that are not yet in the EU:

- a.) **until 2020** - no obligation to reduce GHG emissions (no obligations to UNFCCC) (except if they decide to do so on their own)
- b.) **from 2020** - they will get obligations under the Paris Agreement
 - they will have Intended Nationally Determined Contributions (INDCs) (countries themselves will decide on their INDCs and enclose them to its instruments of ratification of the Paris Agreement) (after that they will have obligations according their own INDCs)
- c.) **after accession to the EU**
 - very important change of obligation regime (from regime adapted to the country to regime with more strict obligations)
 - country will get: I. Strict obligation to reduce GHG emissions (in the period 2020 - 2030 there are NO positive aims)
 - II. Emission Trading Scheme (ETS)
 - III. Annual national emission allocations for non-ETS sectors (Effort Sharing Decision, ESD)
 - IV. Obligations to monitor and report on GHG emissions



In other words: **COMPLETE OBLIGATIONS TO MMR**

OBLIGATIONS (CHANGE OF OBLIGATION REGIME) (II)

CONCLUSION:

Importance to establish:

- **national system for monitoring and reporting and for monitoring the implementation of policies and measures for the reduction of the GHG emissions and projections**

(Regulation on the Monitoring of Greenhouse Gas Emissions, Policies and Mitigation measures in the Republic of Croatia, Part III)



INSTITUTIONAL ARRANGEMENT (I)

- Requirement from the *Regulation (EU) 525/13* (MMR)

- Article 5:

Member States shall

- **establish,**
- **operate** and
- **seek to continuously improve national inventory systems,**

in accordance with UNFCCC requirements on national 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,**

(TTACCC) - **transparency,**

- **accuracy,**

- **consistency,**

- **comparability** and

- **completeness** of their greenhouse gas inventories.

- It could be characterized as:

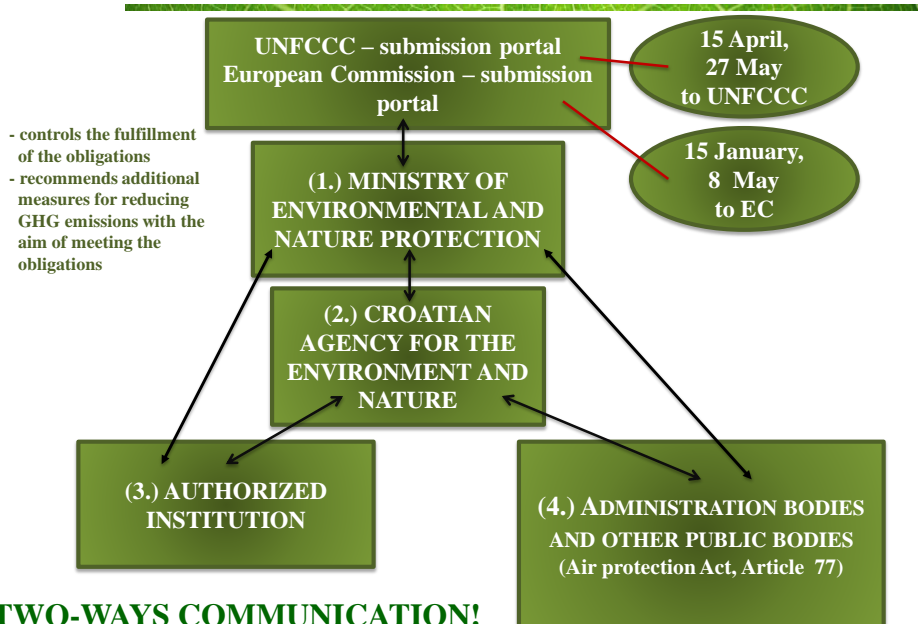
- **decentralized** and
- **out-sourced** with
- **clear tasks distribution**

INSTITUTIONAL ARRANGEMENT (II)

main components of the Croatian National System:

- (1) **Ministry of Environmental and Nature Protection (MENP)**
 - central national authority responsible for maintaining the National System
- (2) **Croatian Agency for the Environment and Nature (CAEN)**
 - central place for data collection, data compiler
- (3) **Authorized Institution** selected on three year period (based on public tender)
- (4) **Data sources:**
 - public bodies competent for:
 - environmental protection,
 - economy,
 - agriculture,
 - forestry,
 - water management,
 - sea,
 - transport,
 - official statistics,
 - as well as the companies:
 - Hrvatske šume d. o. o. (Croatian Forests),
 - Hrvatska kontrola zračne plovidbe (Croatia Control Ltd.)

COMMUNICATION SCHEME



TWO-WAYS COMMUNICATION!

INSTITUTIONAL ARRANGEMENT (III)

- for improving our National System in 2014 we established by Government decision two committies:

- 1.) **Committee for inter-sectorial coordination for the National System of GHG monitoring** and
- 2.) **Committee for inter-sectoral coordination for climate change mitigation and adaptation policies and measures**

I. Technical Working Group
(experts from the Ministries
and other relevant institutions)

II. Coordination Working group
(members with the rank of
assistant ministers)

FULFILLMENT OF OBLIGATIONS

I. Emission Trading Scheme (ETS)

- facilities includes in the EU ETS
- fulfill the obligation to limit emissions through emission trading

II. Non-ETS (ESD)

- the fulfillment of the obligation to limit emissions to the **National annual emission allocation** is under the competence of state administration authorities competent for activities related to:
 - environmental protection,
 - construction,
 - economy,
 - energy,
 - industry,
 - entrepreneurship,
 - agriculture,
 - forestry,
 - tourism and
 - transport

EXPERIENCE

- A.) Croatia has functional National System in place (capable and succeeds in fulfillment its obligations)
- B.) Croatia has undergone eleven reviews so far:
 - a.) Three in-country reviews in 2004, 2008 and 2012
 - b.) centralized reviews in 2005, 2006, 2009, 2010, 2011, 2012, 2013 and 2014
- C.) Issues recommended by the Expert Reviewing Team (ERT) have been included in Report as far as possible
- D.) CORNERSTONE FOR THE FUTURE DEVELOPMENT OF THE OVERALL SOCIETY ON A SUSTAINABLE BASIS IN CROATIA (low GHG emissions):
 - In accordance to: - Article 4 of the *Regulation (EU) No 525/2013* (on preparation of LCDSs) and
 - Article 74 of the *Croatian Air protection act*
 - the Republic of Croatia has developed **expert basis for the Croatian low-carbon development strategy**:
The expert basis for the development of the Low-carbon development strategy of the Republic of Croatia for the period until 2030 with the view to the 2050 with the Action Plan
 (1. Green Book → 2. White Book)
 (defines the Croatian way towards a competitive economy with low GHG emissions)
 (IMPORTANT: includes ALL aspects of human social and private life, from our own behaviour in personal way of life to the social aspects - economy and politics)
- E.) Inventory development is never-ending process - its constant improving is imperative

ACHIEVEMENTS (I)

- 1.) Established national system with all legal and institutional arrangements
- 2.) **Clear defined roles** in the *Air Protection Act* (Article 77)
 - **regulates timeliness and completeness of requirements** for the state administration bodies and other public bodies, which collect and/or hold data on activities according to sectors in which greenhouse gas emissions are emitted or removed
 (for example:
 CEAN asked data and information related to aviation from the Croatian Civil Aviation Agency; before delivering data they asked for explanation on legal basis, Article 77 of the *Air Protection Act*)
- 3.) **Established:**
 - a.) Committee for inter-sectorial coordination for National System and
 - b.) Committee for inter-sectoral coordination for climate change mitigation and adaptation policies and measures
 (coordination and technical working group)

ACHIEVEMENTS (II)


a.) experts of the Technical Working Group (TASKS):

- **monitor and evaluate** the implementation and planning of policies and measures to mitigate and adapt to climate change in Croatia
- **giving opinions** on the planning and strategy documents, draft regulations
- **giving opinions** to the existing policies and measures, planned policies and measures
- **tracking and analyzing** of the effects of these policies and measures
- **providing opinions** on the objectives, policies, measures and projections

b.) experts of the Coordination Working group

- make recommendations based on the opinions and proposals of the Technical Working Group to the Croatian Government on policies and measures

ACHIEVEMENTS (III)

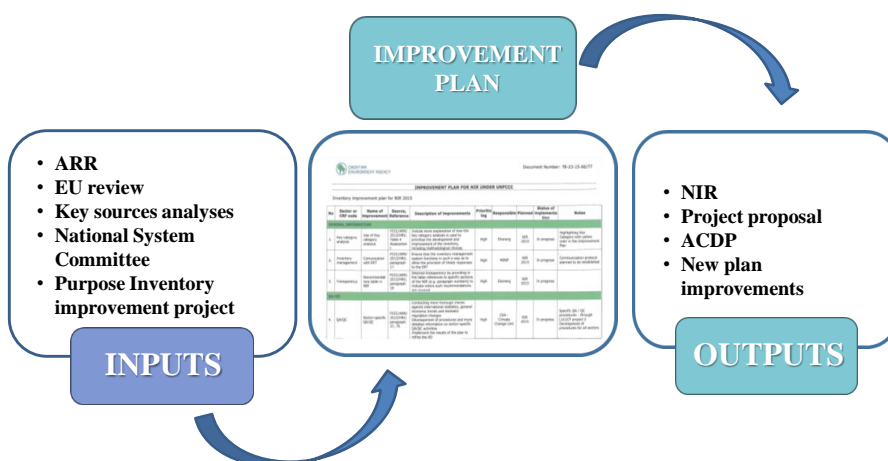
- 4.) From 2015 substantial financial means for necessary researches are available from auctioning revenues
(**Plan of usage financial resources received from the sale of emission allowances through auctions in the Republic of Croatia for the period from 2014 to 2016**, OG 140/14)
- 5.) To improve the quality of reporting is made the **Plan for implementation of additional projects from all sectors** (mostly from Agriculture, Forestry, Other Land Use (AFOLU), Energy and Waste) in the period 2016 to 2018
- 6.) **Authorized Institution elected for three year period by public tender** (determining specific requirements in the public tender - possibility of finding the **best and the most appropriate authorized institution for a given job**) (outsourcing) 
- 7.) **Authorized Institution has enough capacity and knowledge for fulfilment of all obligations from contract** (based on our experience outsourcing do not impact on quality of reports)
- 8.) **Good cooperation** established with:
 - research institutions and
 - all stakeholders involved in preparation and making of reports

ACHIEVEMENTS (IV)

- 9.) Continuous two-way communication** with experts in particular areas (solving of problems, clarification of requests, adherence to deadlines)
- 10.) Making of the Annual data collection programme**
(includes everything needed for:
- reporting,
 - ensuring continuous data collection,
 - specification of institutions responsible for providing data)
- (with this Programme we have **possibility to improve and adapt the data collection mechanism**)
- 11.) Annual data collection makes for each sector**
- 12.) It contains:**
- source categories,
 - activity,
 - activity data,
 - data source and
 - competent authority
- 13.) Preparation by the Authorized Institution in collaboration with Agency and Ministry**

ACHIEVEMENTS (V)

- 14.) making Improvement plan**
(tool for **controlling development process and optimization of resources**)



RECOMMENDATIONS

- (I.) It can be expected **misunderstanding of stakeholders** who have the data or are obliged to deliver them
(request for compensation for the delivery of data because it is not clearly required by law)
- (II.) **National authority should be involved** in the development of sectoral legislation in order to ensure continuous collection and submission of data
(example: LULUCF data and Ordinance - their legislative is adapted to our demands for reporting)
- (III.) **Using many years of experience for better and more accurate expression/describe of certain issues in the reports**
(auditors pointed to a specific insufficiently clear explanations)
- (IV.) **To ensure sufficient time** for clear, concrete, concise clarification and generally ensure a timely start of preparation
(problem in reporting in 2015 related to non functionality of Common Reporting Format (CRF))
- (V.) Based on experience, **should anticipate the occurrence of any problems** both in data collection and in drafting reports so you should make priorities

WEAKNESS

- A.) **insufficient number of experts** in public institutions
- B.) according to new guidelines **need for additional data** has arisen
- C.) for now **restiction of employment** (makes it difficult reconstruction of the necessary personnel, problem to increase the number of experts)
- D.) **frequent changes of experts** in public institutions related to low salery
- E.) it is **difficult to find people in certain occupations and experiences** (for example chemical technologists, engineers) that will work for relatively low salery
- F.) **long period needed for obtaining of necessary knowledge** to become inventory experts



Thank you for your attention!



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