



Bundesministerium
für Umwelt, Naturschutz
und nukleare Sicherheit

Climate legislation

Berlin, 28 May 2019

Dr Dirk Weinreich

Head of Division Legal issues Climate Policy and Energy, Climate
Legislation; Emissions Trading
Federal Ministry for the Environment, Nature Conservation and Nuclear
Safety



Background

Climate change act

- Coalition agreement:
Legal provisions ensuring fulfilment of 2030 climate targets to be adopted by 2019 at the latest

2030 climate programme of measures

- Serves to achieve 2030 sectoral targets set out in the Climate Action Plan 2050
- Climate Cabinet to ensure these goals are achieved
- Legal implementation required due to changes in specialised legislation



Background

- **Paris Agreement:** Implementation of 1.5/2 degree goal
- **EU legislation:** Contribution of 38% reduction by 2030 compared to 2005
 - EU climate action regulation sets out binding targets for Germany (effort sharing)
 - In addition: EU Emissions Trading sets out binding targets for companies directly
- **Climate Action Plan 2050:** Climate targets of the German government
 - Reduction of **80 to 95%** compared to 1990
 - **2030 target:** Reduction of **at least 55%** compared to 1990
 - 2030 **sectoral targets :**



- 62-61%



- 34-31%



- 51-49%



- 42-40%



- 67-66%

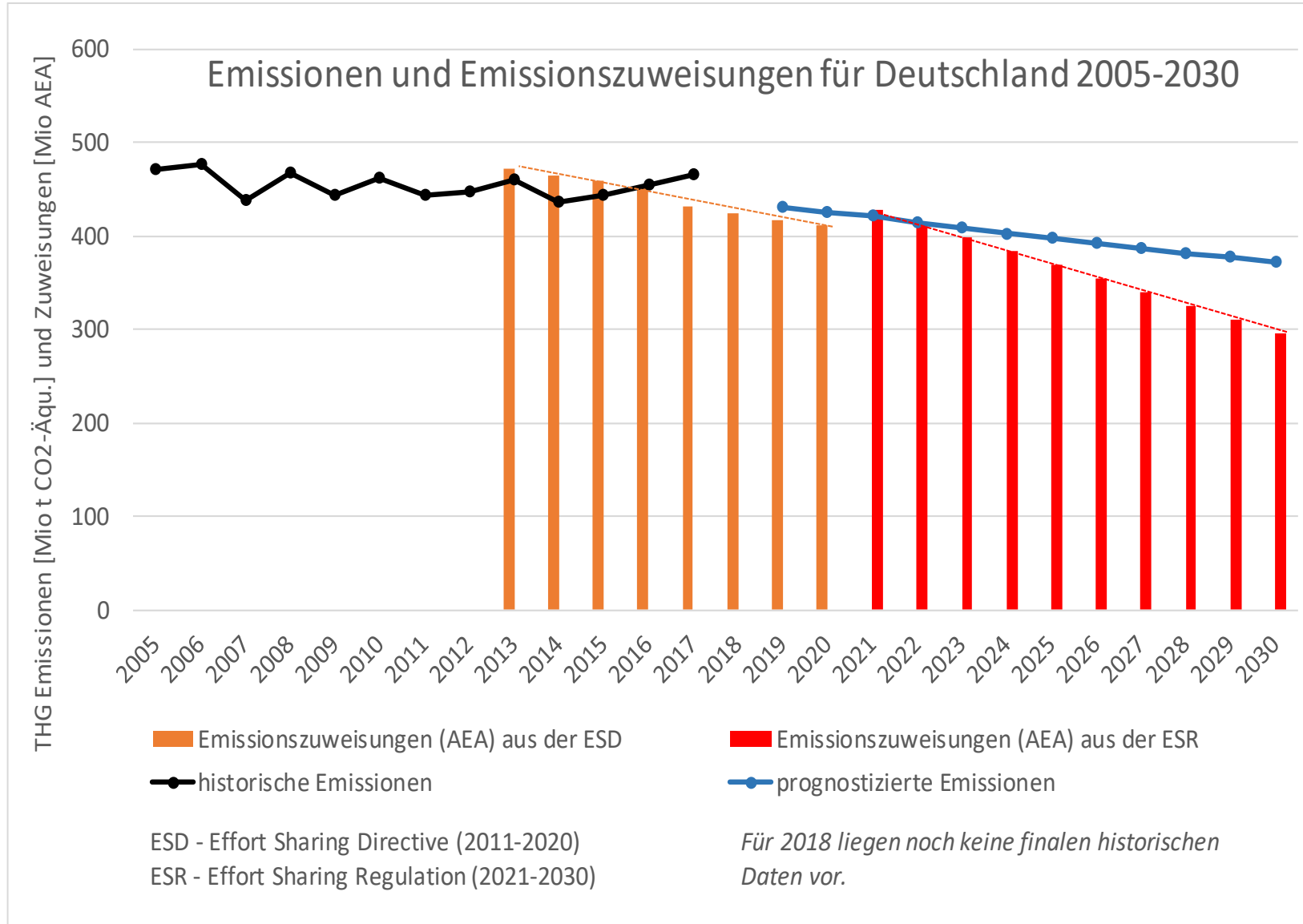


EU – Non-ETS regulation

- Germany's GHG emission reduction targets compared to 2005
 - 14% by 2020 (Effort Sharing Decision)
 - 38% by 2030 (Climate action regulation (EU) 2018/842)
- GHG emission reduction **until 2017: 3%** (0.3% annually)
- From 2021, sharp increase in mitigation obligations for these areas (2.4% annually)
- Failure to meet the EU binding targets leads to **hefty payment obligations** (from 2021 compensation will consist exclusively of purchase of annual emission allocations from other MS)
- Use of budget funds for failure to meet targets in transport, buildings, industry and agriculture to begin in 2020



Emissions Trends





Climate Change Act as framework act

Targets

Sectoral budgets

Responsibility

Monitoring

Enforcement

Planning

Consultation

Contribution of federal administration



Climate change act

Climate targets

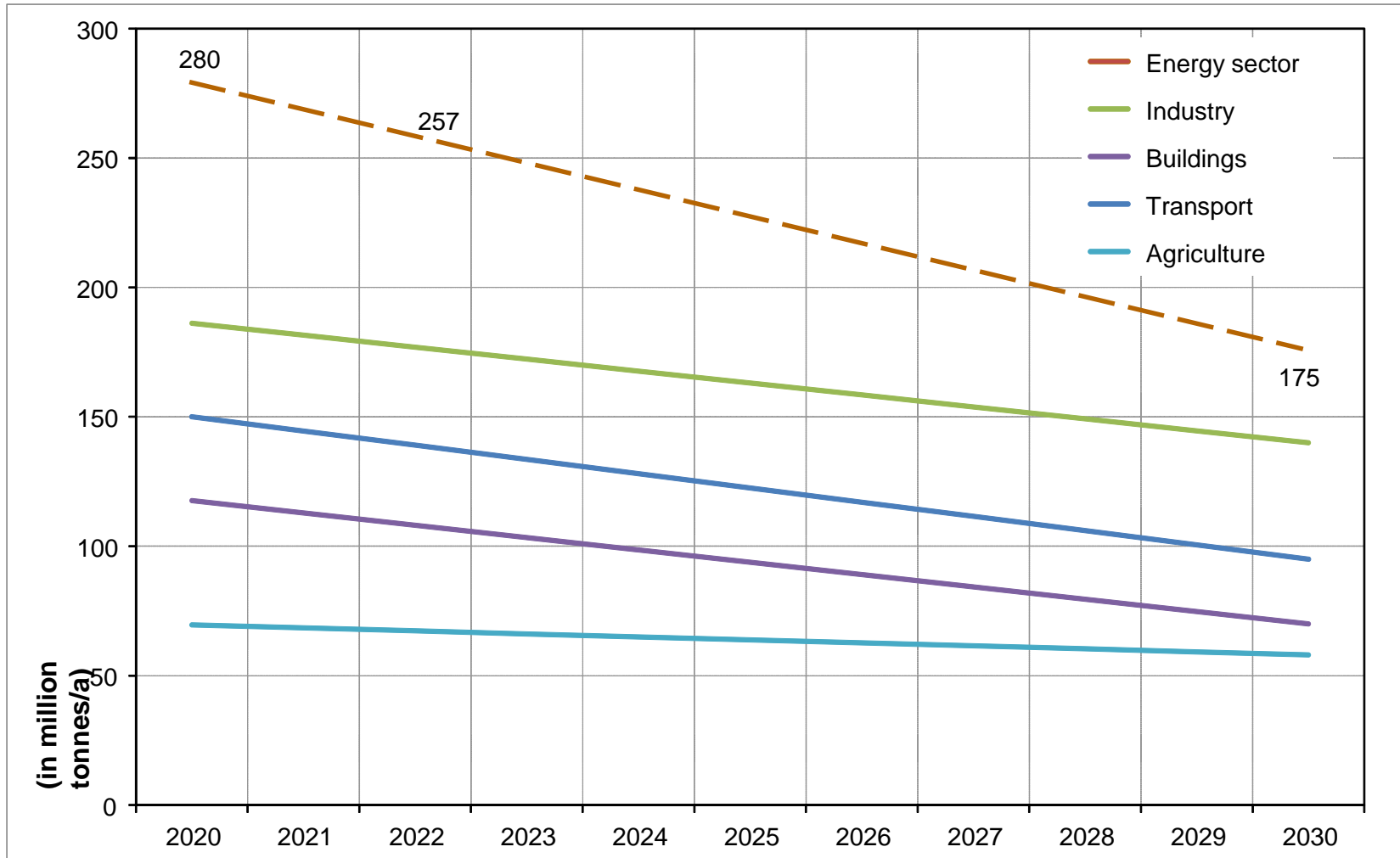
- 2030, 2040, 2050 reduction targets
- Long-term greenhouse gas neutrality 2050

Annual emission levels

- Budget approach prescribed by EU climate action regulation
- Commission on Growth, Structural Change and Employment: 2020, 2022 and 2030 CO₂ levels



Sectoral targets and annual emission levels



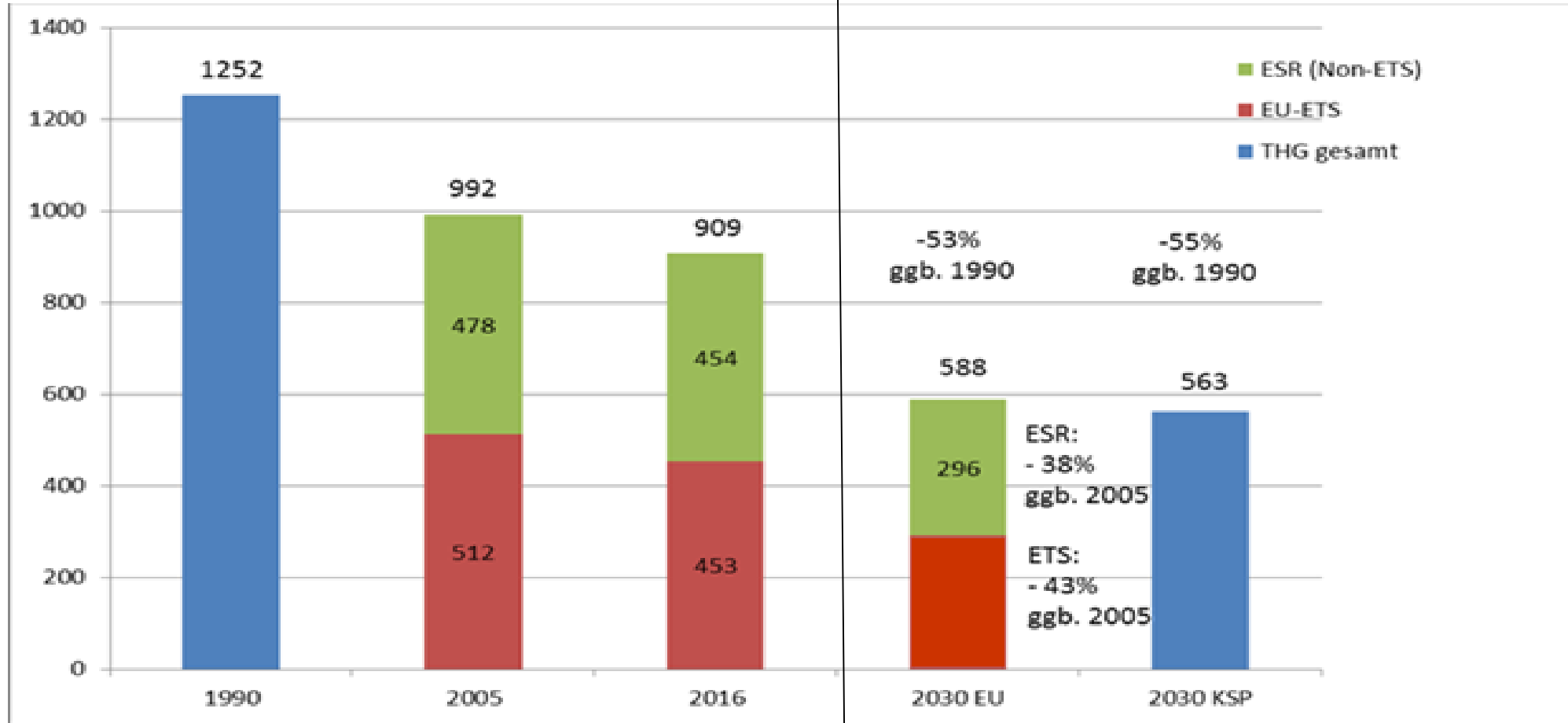


National targets under EU law

Actual emissions in Germany

2030 target emissions for Germany

million tonnes CO₂ equivalents



→ 2030 targets largely coincide



Climate change act

Responsibility

- Responsibility for greenhouse gas reduction in individual sectors assigned in line with competence

Budgetary law

- No change in existing budgetary law
- Responsible ministries must apply to use budget funds to purchase annual emission allocations if annual budgets have not been complied with in non-ETS sectors.



Climate change act

Reporting

- Federal Environment Agency (UBA) publishes emissions data for previous year in March
- Emissions data submitted to EU one year later

Immediate action programme

- German government can and must to make swift adjustments
- Competent ministries have duty to initiate action



Climate change act

Relationship Climate Action Plan - ETS

- ETS is part of Climate Action Plan 2050, our long-term strategy under the Paris Agreement.
- National inventory under international law

Special conditions for ETS sectors

- No payment obligation under EU climate action regulation
- Consequences of exceeding annual emissions levels:
 - Industrial sector: ETS differentiation for immediate action programme
 - Energy sector: review only every three years (cf. Commission on Growth, Structural Change and Employment)



Climate change act

Flexibilities

- Offsetting possible between non-ETS sectors
- Year-to-year flexibility within limits of EU climate action regulation
- Postponement through purchase of annual emission allocations
- Changes to annual emissions possible (through regulation)



Climate change act

Climate Action Plan and reports

- Legal basis for Climate Action Plan and programme of measures
- Legal regulation of existing climate reports

Board of experts

- Independent advisory board
- Members appointed by Bundestag
- Models in other EU member states (UK, Sweden)



Climate change act

Model function of Federal Government

- Climate neutral federal administration
- Investments of Federal Government
- Cooperation between Federal Government and Federal Länder



Thank you for your attention!

Dr Dirk Weinreich

Head of Division Legal Issues Climate Policy and Energy,
Climate Legislation; Emissions Trading
Federal Ministry for the Environment, Nature
Conservation and Nuclear Safety