# Status EU National Allocation Plans (NAP) (updated: September 27th , 2004)

info@emissierechten.nl (Jos Cozijnsen, consulting attorney)

| Entity | Status of NAP and consultations | Discussed/Agreed allocation method | Install. | Emissions Cap | Competence |
|---|---|---|---|---|---|
| **European Commission** | - NAP Guidance published 2004 (COM 203/830<br>- GHG Monitoring Guidance (Decision C(2004)130) published (Febr 2004)<br>- NAP Decision July 7th<br>- Community Registry and Community Independent Transaction Log (CITL), Exp. August, 2004<br>- Amendment to ETS Directive on linkage with JI/CDM (May 2004; to be adopted August)<br>- Amendment to ETS Directive (sectors, gases, threshold), Dec. 2004 | | 14000 (approx) | | |
| **15 Member States, NAP due March 31st, 2004** | | | | | |
| **1.Austria** | **NAP and CAP published March 31**<br><br>**Approved by EC, under conditions 7/7**<br><br>After EC decision: 100kt less for Voest Alpine (steel) and delete transfer provision for unused reserve.<br>Gov is expected to purchase of JI/CDM 3.2 Mt per year<br><br>EXAA (Electricity Exchange) is interested to facilitate the trade | base years for allocation will be 1998-2001<br><br>Industry: following emission trends<br>Power industry: additional reductions5.5Mt<br><br>Allocation criteria: targets for sectors; Business-as-usual growth factors for individual branches; Differentiated standard reduction factors for energy and process related emissions;<br>Benchmarks for Best Available Technology (BAT) and efficient CHP, and; a correction factor to comply with sectoral targets."<br>20MW installation include only energy related emissions, process emissions are excluded | 230 | **Cap 33,9 Mt/a**<br>base'98-'01: 30,23Mt<br>=+6% compared to base years;<br>=-7.5% of BAU<br>1,2% reserve for newcomers:<br>-75% for industry (- 0.6mT)<br>-25% for E-sector (0.6Mt)<br>KP target: -13%: actual emissions now 16.8% above | Min.Env: Plan<br>Min Agric. |
| **2.Belgium** | Separate NAP for each region and Brussels<br><br>Commission asked questions (Sept 20) about some unclear issues<br><br>Regional burden sharing:<br>- Flamand: -5,2% compared to 2001: 83,37Mt<br>- Wallonia: -7.5% compared to 1990, 50,23Mt<br>- Brussels: 3,47%, compared to 1990, 4,13Mt<br>- federal; contribution: 2.5Mton/annum (60 m€ for 3 yr)<br>Wide definition for combustion installation | All regions<br>2,2% reserve (2,46) | 440 | **Cap: 60,8**<br>**+4,9 for steel** | Bureau de Plan |
| | | **Flamand**: NAP April 5<br>Benchmarking Covenant (164), CHP is included.<br>E-sector not included; Allocation formula: allowances = CO2 from reference historic period (average of several years) * benchmark co-efficient * correct factor<br>If allocation not enough: additional allowances!<br>After Closure surplus allowances reserve for newcomers<br>- Benchmark coefficient = real EE in reference year / targeted EE in BM.<br>- Correct. factor = sectoral % needed for Kyoto. Non-VA company: hist. bottom-up, energy based. | 250 | **Cap:- 31.673** '05<br>- 30.761 '06<br>-30.310 '07<br><br>20MW for heating only, can opt-out | Flem Env.Min |

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| | Advice Council: MINA-Raad. | **Wallonia: NAP published May 3**<br>Same method as Flamand PLUS correction for growth.<br>Reserve 2%<br>Reserve 4,9 for Arcelor, if sites do not close as planned | 130 | **Cap: 28,1 Mt**<br>$CO_2$ '90: 26,7<br>→ increase 6% | Wall Env. Admin |
| | | **Brussels Area** | 14 | **Cap: 4,13 Mton**<br>(+3,4% tov '90) | Brussel Ins. For Env.Management |
| | | Federal: military and nuclear installations | 5 | **Cap: 4,5Mt** | |
| **3.Denmark** | **NAP published Febr.19**<br><br>**Approved by EC, 7/7** | Mix of grandfathering and benchmarking discussed<br><br>**To be auctioned 5%** (1,7Mt): revenues for JI/CM<br>Reserve: 1 Mton | 362 | **Cap is 33,5 Mt**<br>Issuance:40/30/30% | Min Env<br>Min Ec<br>Energy Authority |
| **4.Finland** | **NAP published**<br><br>**Approved by EC, 7/7**<br><br>Exact allocation per installation not ready; not possible to meet dead line.<br>Finnish industry says ETS undermines competition of EU companies.<br>ETS law accepted by Parliament (June 23)<br>Difficult aspects: large share of hydro; fluctuation of the production; replaced by coal. | 150 companies<br>- allocated for free, using sector-specific mehods. Ase3 years are 1998-2002 except for condensing power: 2001-2003.<br>- Lenient for the iron and steel industry, cutting back on production is the only way to reduce emissions.<br>- The pulp and paper industry was also given permission for more emissions than it produces now.<br>- Most severe effect on coal-fired power plants. In dry years with little hydro power, coal plants used more, | 500 production sites incl CHP (>20MWth) | **Cap: 44,9 (137,6)**<br>-4% compared BAU;but BAU is rather high.<br>Growth excepted: emissions of partici-pants 2002 were 41,2<br><br>Reserve: 2,5Mt (2%)<br>No banking | MITI |
| **5.France** | **NAP published**<br>Narrow definition of combust instal. and only include a few types (energy related)<br>Pooling considered<br>no cross border $CO_2$ purchase assumed.<br><br>France suggest to have in 2050 32Mt in stead of BAU 146 for energy (now 102 Mt) | Several allocation methods used<br>- grandfathering with different reference periods,<br>- grandfathering based on specific emissions,<br>- a kind of benchmarking to take into account reduction potentials of different sectors.<br>- benchmarking, taking into account projections of future emissions<br>- new entrants: 3.5Mt<br>- banking allowed<br><br>Draft growth reserve of 7,3Mt will be reallocated to existing installations; EC found reserve too high | 700 will be changed into 1500, widening interpretation on request by EC | **Cap: 126,3 Mton [to be modidified into 156]**<br>Reduction assumed of 2,47<br>18Mt growth<br>Power 35.6; '01:27.2<br>Ind: 53,3; '01:56,8<br>Power: +32%<br>Refining +17%<br>paper +21% | Min Ecology and SD<br><br>CDC/IXIS will keep GHG Register, based on Financial Securities Systems (Seringas) |

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| **6.Germany** | **NAP out including caps** (31/3)<br><br>**Approved by EC, under conditions 7/7**<br><br>2300 installations asked for permit (dead line as 09/20)<br>Installations will be allocated November<br><br>Government started formal lawsuit 09/22 against EC for not allowing ex-post adjustment.<br><br>Law: Treibhausgas Emissions-Handels-gesetz (TEHG) into force Aug 31<br>Monitoring guidelines as annex to the 34.Bundesimmissionschutzverordnung (BimschG). | VA on EE and CHP as starting point; but VA would lead with 45 Mton/a reduction in 2010 to a 488Mt cap<br>Allocation base years: 2000-2002<br>Combustion definition is narrow (exported energy);<br>Steel, ceramics and paper will receive more allocation to stick current LTA (see under caps)<br>Included only installations with IPPC permit<br>In various cases will allocation not change for 14 yrs.<br><br>Reserve for CHP: 1,5 Mt<br>Reserve for Nuclear phase-out: 1,5 Mt<br>Reserve for newcomers: 9Mt (1,8%), when best available techn. Are applied (14 yrs valid)<br>For power, a benchmark is give 750g/kWh (valid until 2012)<br>No banking<br>When replacing a site, allowances of the old site may be kept for 4 years<br><br>New ex-post allocation when emissions 60% less: EC requests deleting this for market uncertainty reasons | 2,419 on list; could<br><br>(EC: 5000) | **-Cap '05-'07: 503Mt**<br>-Cap '08-'12: 495 Mt<br>- base years: 508MT;<br>- 2003: 505<br><br>For process related emissions 61 Mt (was 38Mt); 40Mt extra for Steel<br><br>KP: -21%<br>Starting point is VA with Industry of '98.<br>Extra reductions needed from transport and households<br>Check in 2006. | Min Env,<br>German info site<br><br>Competence 18 Bundes Länder: they will issue allowances<br><br>Special dept in Env.Agency (1500fte): DEHSt)<br><br>DEHSt uses same registry as France |
| **7.Greece** | NAP needs to be ready in September or EC will start procedure; government promises NAP in dec.<br>Data not collected yet<br>Gap between Kyoto target and emission trend | No decisions made yet on NAP | 150 | | Min.Env |
| **8.Ireland** | **NAP published Feb 23rd 2004**<br>**Approved by EC, 7/7**<br><br>Consultation until March 12t<br>Base year 2002/2003<br>For period 2008-2012:<br>-Gov't.to purchase 18.5m CDM<br>- tougher caps<br>-carbon tax | New entrants is really problem: growth expected for energy, gov. says will be CHP: not realistic<br>Difficulty to agree on definition of installation<br>No banking 2007-2008<br>97% free allocated<br>0,75% to be auctioned (EU auction!) to collect money for Authority<br>1,5% free reserve | 100 (40 comp.) | **Cap: 22,5 Mt**/a<br>(67,5)<br>→ -2/4% reduction<br><br>2008-2012: 22/a<br>110Mton | Min Env, EPA<br>www.epa.ie/<br><br>Env Agency (alloc) |

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| **9.Italy** | **NAP published**<br>With Decree Italy adopted ETS Directive<br>Base year: 2000-2002<br>ENEL and Edison have internal GHG accounting scheme<br>ENI has VA target with Gov: 20% in 2006 compared to 2000<br><br>Oil Industry favoured grandfathering on CO2 emissions: in 2001:33,5 Mt; in 2010 35 Env. Min. approach proposed 19.2 Mton (excl. the power generation for electricity in this sector). | Banking option from 05/0/7 to 08/12<br>Allocation method:<br>1.Grandfathering based on past notification and<br>2.certification from approved company;<br>Allocation non-cogeneration power sector is based on emissions projections, other sectors – including cogeneration – were allocated allowances according to their historical emissions.<br>New entrants' reserve is based on sectoral level.<br>Power gets reserve 57Mt for non-cogen; .5Mt for cogen<br>Reserve for other sectors under the scheme ranges from 0.4Mt to 0.9Mt. | 2100 | **'05: 278,5**<br>'06: 279,<br>'07: 279,2<br>CO2 in 2000 256.6 projections for 2010 are 285.8Mt.<br><br>Ministry says CAP is 7,9% below BAU | Min Env |
| **10.Luxemburg** | **NAP published Apr 6th**<br><br>**Approved by EC, 7/7** | Reserve: 0,4Mt (11%),<br>Reserve for 2008-2012: 17%<br>Not used reserved allowances will be sold on market, or added to JI/CDM Fund:<br>When reserve is not sufficient, gov will use Kyoto units | 19 | **Cap: 3,5Mt/**a<br>BAU: 3,7Mt:<br>reduction of 0,5% | Min Env |
| **11.NL**<br>(Holds EU Presidency 2nd half of 2004) | **NAP**<br><br>**Approved by EC, 7/7, after decrease overall cap from 115 to 112 (participants and non part)**<br><br>Legislation in September 28 in First Chamber<br><br>NL gov will buy 20MT/a via JI/CDM | Benchmarking as starting point:<br>Allocation formula: = average of CO2 '01/'02 * benchmark coefficient/baseline * expected growth * GHG correction factor (0,96)<br>- Benchmark coefficient = if better that BM, *1; worse than BM, *99.<br>- *0.85 (15%) correction for companies that are not incl. on BC/LTA (0,85 is lowest index amongst BM participants)<br>Allocation of CHP: savings performance compared to new utility.<br>Reserve for new entrants: 2,5Mton<br>After closure: allowances still issued | 243 included (opt-out for 90 approved installations <25.000ton CO2 | -**94 Mton** for 259 installations<br>-4Mtpn reserve<br>-13,7 for non participants<br><br>Target meant for energy sector and industry together: 115M ton CO2 (ETS and non ETS sites 6Mt more than BAU For energy 1Mt extra; industry 2 Mt | Min Env: sector target for Kyoto<br>Min Ec.Affairs allocation to companies.<br><br>Netherlands Emissions Authority (NEa) (6-25 fte) |
| **12.Portugal** | **NAP**<br>Problem was getting data from smaller | Base years: 2001-2003; 2000-2002<br>Reserve fpr new entrants: 3 Mt (1.87/A) | 225 | **Cap: (39a) Mt**<br>116.7 Mt | Min Env |

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| | companies<br>Recent agreed Climate Policy Plan\|:<br>-21Mt to be reduced by 2010<br>- 50% via JI/CDM (50-60Mt)<br>-carbon tax | Left overs to be auctioned 2007<br>Closed sites: allowances to reserve<br><br>No decision yet on methodology, expected mix of historical emissions and projections | | slight increase compared tot 2002<br><br>Kyoto: +27% | |
| **13.Spain** | NAP published, August,<br>Legislation adopted Sept.<br>Individual allocation Oct.<br><br>Studies on burden sharing within Spain to regions) and allocation;<br>Catalunya Province studies impact of ETS 2005-2007 seen as test phase, with no penalties | E-sector: 77% of Spanish CO2, 57% of Galicia<br>Pooling is being discussed<br>Base year 2000<br>No penalty 2005-2007<br><br>Reserve: 3,58 Mt, 2,2%, surplus reserve to be auctioned<br><br>Power: 94Mt: cap 88<br>Industry 86,4 Mt, predicted 94 Mt, incl reserve<br>E-production via steel off-gas firing: extra 1,6Mt: sector total: 88 Mt<br>2% domestic sinks<br>7% use of CDM/JI<br>purchase 100Mt as carbon fund to cover 7% emissions rise in not ETS participants | 1066 | **Cap: 172,31 Mt**<br><br><br>Current ec. Growth 3.9% asks for 40% reduction;<br><br>Government: Cap is 2,7% below 2002 | Intergov. Committee<br><br>Sanctions by Regions |
| **14.Sweden** | **NAP published (23 apr)**<br>**Approved by EC, 7/7**<br><br><br>FlexMex 2 Commission<br>Swed. E,v.Res.Institute report.<br>Industry Ministry have submitted set of allocation principles to Parl. Nov.<br><br>Target: +4%: current GHG: -3% | Cap Based on hist. Emissions with special criteria for process/fuel related emissions: iron, steel, cement, lime<br>Baseline: average of 98-01<br><br>Opt-out for installations, already under UKL ETS is accepted<br><br>Prognosis emissions unclear | 500 | **Cap: 22,9Mt**: at –3%<br>20.2 Mt current<br>These are allocated 21.1 Mt annually for the first phase of the scheme,1.8 Mt is for increased capacity.<br>New entrants: 1Mt; 0,8 new, w/o permit | Min of Industry<br>FlexMex 2 group |
| **15.UK** | **NAP published May 6th**<br><br>**Approved by EC, under conditions 7/7** | UK ETS participants may ask for opt-out<br>Definition of installation narrow, only combustion that delivers energy (not CHP or steam for process)<br>Broad definition of multi installation sites, incl.hospital, | 1080<br><br>(46% of UK CO2) | **Cap: 245,3**<br>-15,2% in 2008<br>BAU is –15% | Defra<br>Env Agency, EPA, DTI (Off-shore) |

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| | Environment Agency asked companies to apply for CO2 permits before April 1; only 750 did so far) | school<br>Opt-in for city district heating installations<br><br>Application fee £ 500-1.000/company<br><br>Reserve for new entrants: set aside for free: total 56Mt<br>Special treatment of new quality CHP entrants<br><br>No 'banking; between 2008 and 2008<br>When closure: only current years' allowances valid.<br>Ecofys is asked to compare the NAP with some other states to check if level; playing field is distorted | | →increase of 21,5Mt due to adjusted projections., that will be evaluated again; final NAP July/Aug.<br><br>CAP plus other policies lead to – 14,%; Kyoto target: -12,5% in 2010; national target:-20% | GHG Registry being set up meeting ETS and Kyoto Rules |
| **10 Accession Countries (NAP due May 31st 2004)** | | | | | |
| **16.Cyprus** | Not required to draw a NAP.<br>CO2 emissions increased from 1990 to 2000 | | 5-15 | | |
| **17.Czech Republic** | NAP, July<br><br>Poor data availability 1998 to 2001.<br>Allocation study started (via Senter)<br><br>The Czech gov. adopted a national climate change plan March 4; National emissions were 190.5m tonnes of CO2-equivalent in 1990. They fell by a quarter by 1994 and were still nearly 25% below 1990 levels in 2001, compared with Kyoto target of -8%. Renewable target 20% of energy production from renewables by 2030 and 20% of transport fuel from alternative sources such as gas or biofuels by 2020. Energy demands of manufacturers should fall to 60-70% of current levels by 2030, it | Historical emissions 99-01 starting point for allocation<br>Attention to growth rate of companies<br>→ reductions for E-sector, 2% (National Plan)<br>→ increase for industry,<br>Installation cap not set yet<br><br>Reserve for new entrants at 0,92 (not used: cancelled)<br>Reserve 4,58 for early reductions<br>Extra reserve for CHP: 1,37<br><br>Pooling allowed<br>Not in the country's plans to use the opt-out clause.<br><br>Power should cut to 61,1 Mt/a, but E2 wants from 33,5 to 35,6 | 450 | **Cap: 99,76 Mt**<br><br>Industry Ministry wants own NAP with 116 Mt cap<br><br>Gov wants to allocate as much as possible to installations; National emissions are 21.9 % lower in 2001 from 164 million tonnes (Mt) to 128 Mt. | |
| **18.Estonia** | NAP out (May 24)<br><br>special commission on emissions trading; | Grandfathering is major allocation method based on three years maximum emissions average between 1995 future macro-economic development trends have been | 43:<br>36 Power<br>5 mineral | **Cap: 21,59 Mt**<br><br>'99: 20Mt | Min.Env |

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| | Main actor in the field is oil shale based power production with one single (large) power utility company | taken into consideration when working out the NAP.<br><br>Reserve for new entrants is 3% of Cap: 1.94 MtCO2<br><br>Draft NAP allocated 64,78 for 2005-2008; consultation led to an additional allocation of 800.000 ton CO2. | 2 forest<br>Eesti Ener-eia<br>84% | '90: 37,5Mt<br>Kyoto: 34,2(long) | |
| **19.Hungary** | NAP expected in autumn; companies need to request CO2 cap Sep 15.<br>Only general data collected; installation data still needed.<br>The GHG emission data for the previous years and the estimated emission trends for the future are being recalculated according to the IPCC2 meth.<br>Hungary considers the implementation of the EU ETS Directive very complicated: capacity problems and short time | Set of principles released<br>Mix of national and participants data and growth<br>Free reserve 5 %; 1% to be auctioned internationally<br>Expert advise on allocation criteria expected May 2004<br><br>2008-2012 emissions: 97,2Mt, below Kyoto growth 2,44% 2011-12<br>reserve to balance ERUs of approved JI with EUAs<br>steel: 3 Mt<br>cement: 3 Mt<br>refin: 1,2 Mtr<br>ceramics: 0,5 Mt | 300 | **Cap at 29 Mton** | |
| **20.Latvia** | **NAP published May 23**<br><br>**Decision May 21 (English)** | Preference at historical approach.<br>For the energy industry a year between 1993 and 2003 with a cold winter as baseline year.<br>For the other sectors negotiates on a baseline year individually with each installation<br>Reserve: 2,3 Mt<br>Kyoto Target: 9Mt: 2.7 long | 96<br><br>60combustion<br>12 industry<br>24 voluntary | **-Cap at 4 Mt** | |
| **21.Lithuania** | **NAP published**<br>1990 emissions:54,351 MtCO2e<br>Kyoto target: 50.03MtCO2e | Industry: 4,6 Mton<br>2 cement: 1,54Mt<br>11 ceramic: 234Kt<br>1 refinery: 2.25Mt<br>23 paper: 638 kt<br>70 power: performance allocation | 107 | **CAP: 14,7Mt**<br>- 14,15<br>- 13,66 | |
| **22.Malta** | Not required to draw a NAP.<br>Malta Resources Authority has recently published green energy plan; but not much progress on NAP<br>Opposition Alternativa Demokratika calls for speed on NAP | | 5 | | |

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| | CO2 emissions increased from 1990 to 2000 | | | | |
| **23.Poland** | **Draft NAP ready May 24th**<br>Growth 2001-2003 was 45%<br>Energy is coal-based<br>Difficult issue: to choose between caps for companies OR JI opportunity | 2-3% of 286,2 for new entrant, depending on sector | 1200 | **286Mt./a**<br>→ 50Mt above 2001<br>70% for E-sector; then steel, cement, refining | Min Env |
| **24.Slovakia** | **NAP**<br>**Approved by EC, 7/7**<br>publication for consultation expected soon.<br>Experience with SO2 Trade<br>Interest in emissions trading: 10Mt surplus | Reserve 1,5%<br>Not used reserve to be auctioned each year<br>Method: 52% of emissions in 2005-2007 will be allocated, meaning a small increase, but below Kyoto ca<br>Non banking | 300 | **Cap: 35,59** | Min Env |
| **25.Slovenia** | **Draft NAP published**; to be submitted May.<br><br>Current GHG above '90<br>NAP: target: | Balance factor 1,074<br>Power: emissions forecast<br>Industry: BM/BAT: BAT compliant installations will receive 0,9% or 0,88%of allowances needed;<br>Non BAT-compliant installations 85%<br>Reserve for new entrants: 200,000-tonne<br>Surplus from the reserve to be auctioned in 2007 | 78 (5 energy) | **Cap: 8,27Mt**<br><br>1,5Mt more than draft.<br>Power: 0,18<br>NAP: target:<br>- 4,2% industry<br>- 10,6% power | Min Env |
| **3 EEA Countries** | | | | | |
| **26.Iceland** | | | | | |
| **27.Liechtenstein** | | | | | |
| **28.Norway** | Norway will have domestic ETS in 2005 and it will seek linkage with EU ETS.<br>not decided if it will adopt ETS as EEA<br>Work on Registry + Reporting done<br>Only 5Mton/a will be included, because most companies have vol. agreement to reduce CO2 with gov.<br>Coverage is 10% of GHG. | National ETS will\stat 2005, CO2 only: metal, building, energy, oil, for companies that have no carbon tax:<br>- that is 25 companies<br>- CBI prefers EU implementation, 40% companies | (120) | 2005-2007: -20%:'90<br>KP target = -1%<br>Compared to '90;<br>current +6%<br>Participating ETS companies will reduce 20% compared to'90 in'07 | |
| **29.Switzerland** | National carbon tax (2005) and domestic ETS to start: incompatible with EU: relative targets 2008-2012, based on companies' potential free allowances @ production increases<br>→ Swits. Will joint EU ETS from 2008! | | 600 | | Energy Agency |