#### ANNEX

## 3. ENVIRONMENT

3.6. Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a scheme for greenhouse gas emission allowance trading within the Community<sup>(1)</sup>

As regards Directive 2003/87/EC, the Commission should be empowered to adopt provisions necessary for the implementation of Article 11b(5), to adopt guidelines for the monitoring and reporting of emissions, to adopt a Regulation for a standardised and secured system of registries including provisions concerning the use and identification of CERs and ERUs in the Community scheme and the monitoring of the level of such use, to amend Annex III as laid down in Article 22, to approve inclusion of activities and greenhouse gases not listed in Annex I, to draw up any necessary provisions relating to the mutual recognition of allowances under agreements with third countries, and to adopt standardised or accepted methods for monitoring of emissions of other greenhouse gases. Since those measures are of general scope and are designed to amend non-essential elements of Directive 2003/87/EC, *inter alia*, by supplementing it with new non-essential elements, they must be adopted in accordance with the regulatory procedure with scrutiny provided for in Article 5a of Decision 1999/468/EC.

Accordingly, Directive 2003/87/EC is hereby amended as follows:

- 1. in Article 11b, paragraph 7 shall be replaced by the following:
- 7. Provisions for the implementation of paragraphs 3 and 4, particularly in respect of the avoidance of double counting, shall be adopted by the Commission in accordance with the regulatory procedure referred to in Article 23(2). The Commission shall adopt provisions for the implementation of paragraph 5 of this Article where the host party meets all eligibility requirements for JI project activities. Those measures, designed to amend non-essential elements of this Directive, by supplementing it, shall be adopted in accordance with the regulatory procedure with scrutiny referred to in Article 23(3).;
- 2. in Article 14(1), the first sentence shall be replaced by the following:

The Commission shall adopt guidelines for the monitoring and reporting of emissions resulting from the activities listed in Annex I of greenhouse gases specified in relation to those activities. Those measures, designed to amend non-essential elements of this Directive, by supplementing it, shall be adopted in accordance with the regulatory procedure with scrutiny referred to in Article 23(3).;

- 3. Article 19(3) shall be replaced by the following:
- 3. In order to implement this Directive, the Commission shall adopt a Regulation for a standardised and secured system of registries in the form of standardised electronic databases containing common data elements to track the issue, holding, transfer and cancellation of allowances, to provide for public access and confidentiality as appropriate and to ensure that there are no transfers which are incompatible with the obligations resulting from the Kyoto Protocol. That Regulation shall also include provisions concerning the use and identification of CERs and ERUs in the Community scheme and the monitoring of the level of such use. That measure, designed to amend non-essential elements of this Directive by supplementing it, shall be adopted in accordance with the regulatory procedure with scrutiny referred to in Article 23(3).;

# 4. Article 22 shall be replaced by the following:

## Article 22

#### Amendments to Annex III

The Commission may amend Annex III, with the exception of criteria 1, 5 and 7, for the period from 2008 to 2012 in the light of the reports provided for in Article 21 and of the experience of the application of this Directive. Those measures, designed to amend non-essential elements of this Directive, shall be adopted in accordance with the regulatory procedure with scrutiny referred to in Article 23(3).;

- 5. Article 23(3) shall be replaced by the following:
- 3. Where reference is made to this paragraph, Article 5a(1) to (4) and Article 7 of Decision 1999/468/EC shall apply, having regard to the provisions of Article 8 thereof.;
- 6. Article 24 shall be amended as follows:
  - (a) paragraph 1 shall be replaced by the following:

1. Taking into account all relevant criteria, in particular the effects on the internal market, potential distortions of competition, the environmental integrity of the scheme and the reliability of the planned monitoring and reporting system, Member States may, from 2008, apply emission allowance trading in accordance with this Directive to:

- a installations which are not listed in Annex I, provided that inclusion of such installations is approved by the Commission in accordance with the regulatory procedure referred to in Article 23(2), and
- b activities and greenhouse gases which are not listed in Annex I, provided that the inclusion of such activities and greenhouse gases is approved by the Commission. Those measures, designed to amend non-essential elements of this Directive by supplementing it, shall be adopted in accordance with the regulatory procedure with scrutiny referred to in Article 23(3).

From 2005, Member States may under the same conditions apply emissions allowance trading to installations carrying out activities listed in Annex I below the capacity limits referred to in that Annex.;

(b) paragraph 3 shall be replaced by the following:

3. The Commission may, on its own initiative, or shall, on request by a Member State, adopt monitoring and reporting guidelines for emissions from activities, installations and greenhouse gases which are not listed in Annex I if the monitoring and reporting of these emissions can be carried out with sufficient accuracy.

Those measures, designed to amend non-essential elements of this Directive, by supplementing it, shall be adopted in accordance with the regulatory procedure with scrutiny referred to in Article 23(3).;

7. Article 25(2) shall be replaced by the following:

- 2. Where an agreement referred to in paragraph 1 has been concluded, the Commission shall adopt any necessary provisions relating to the mutual recognition of allowances under that agreement. Those measures, designed to amend non-essential elements of this Directive, by supplementing it, shall be adopted in accordance with the regulatory procedure with scrutiny referred to in Article 23(3).;
- 8. in Annex IV, the paragraph under the heading 'Monitoring of emissions of other greenhouse gases' shall be replaced by the following:

Standardised or accepted methods shall be used, developed by the Commission in collaboration with all relevant stakeholders. Those measures, designed to amend non-essential elements of this Directive, by supplementing it, shall be adopted in accordance with the regulatory procedure with scrutiny referred to in Article 23(3).

**Changes to legislation:** There are currently no known outstanding effects for the Regulation (EC) No 219/2009 of the European Parliament and of the Council, Division 3.6.. (See end of Document for details)

(**1**) OJ L 275, 25.10.2003, p. 32.

### Changes to legislation:

There are currently no known outstanding effects for the Regulation (EC) No 219/2009 of the European Parliament and of the Council, Division 3.6.