

→ EU-ETS directive –M&R guidelines

Industry must monitor its emissions on basis of monitoring methodology prescribed in M&R guidelines and subsequently report its externally, independently verified emissions

Competent Authority is responsible for permitting and the validation of the monitoring plan, inspection and enforcement and the management of the registry of the emission allowances

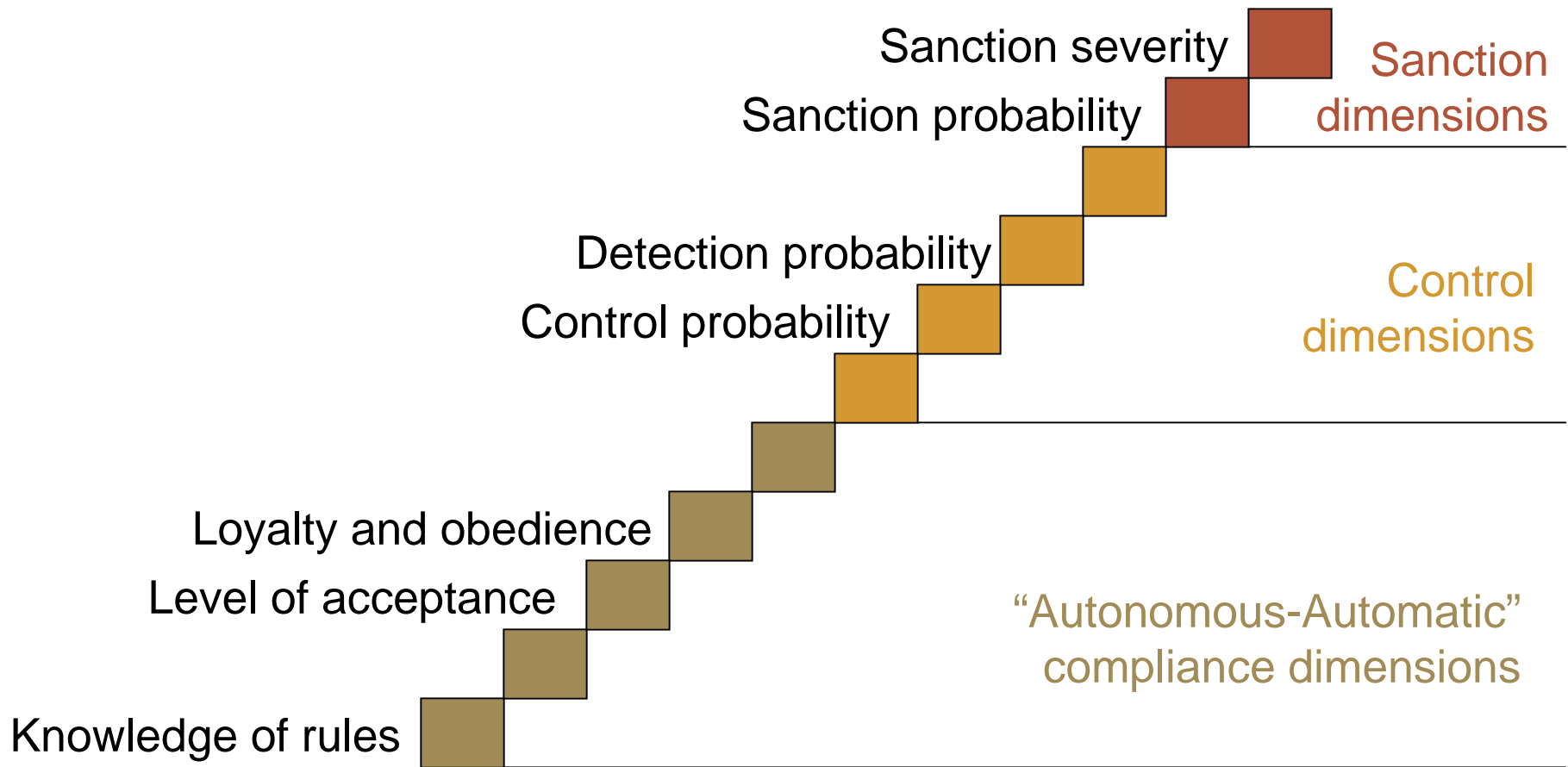
EU-ETS M&R Guidelines based on principles of Good Governance:

Completeness, Consistency, Transparency, Accuracy, Cost Effectiveness, Materiality, Faithfulness, Improvement of Performance aimed at Safeguarding Public and Private Domains

→ Main Elements & Structure

- ***National Regulation on Monitoring Requirements***
 - Translating EU-ETS Monitoring & Reporting Guidelines
- ***Company proposes Monitoring Plan/Protocol***
 - Company must demonstrate compliance with the national regulation
- ***CA: Permitting – Approval-Validation of Protocol***
 - Competent Authority approves monitoring methodology/protocol
- ***Verification Emission Report***
 - External, independent verifiers “verify” annual emission report on basis of procedures and requirements in conformity with EA Guidance note on verification
- ***Competent Authority: Inspection & Enforcement***
 - Strict procedures and requirements for credible C&E structure

→ Compliance & enforcement strategy



→ Recommendations for CO2

- ❑ **Strict enforcement essential for success of ET**

- ❑ **Aim at autonomous compliance through:**
 - *clarity in monitoring structure & requirements*
 - *concentration on high level of acceptance*
 - *communicate your inspection and enforcement strategy*

- ❑ **at EU level:**
 - *Information exchange on inspection & enforcement strategies, monitoring, data management >>> **best practices***
 - *Strengthen basis and structure of **IMPEL-INECE***
 - *Design a common inspection protocol at European level*

