



BACKGROUND¹ ENVIRONMENT COUNCIL Monday 3 March in Brussels

The Council meeting will take place on 3 March (starting at 9.30) in the Justus Lipsius building in Brussels. Mr **Janez Podobnik**, Minister for environment and spatial planning of Slovenia, will chair the Council session.

In public deliberation, the Council will hold policy debates on the climate change and energy legislative package and on a proposal for reducing CO_2 emissions from cars.

The Council is also expected to adopt **conclusions on environment** to be submitted to the spring summit of the European Council, as well as a set of conclusions on **biodiversity and biosafety** in preparation of international meetings to take place in May.

Over lunch ministers will continue discussions on the climate change and energy package.

The Presidency will give a press conference at the end of the meeting.

Press conferences and public events can be followed by video streaming: http://www.consilium.europa.eu/videostreaming

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This note has been drawn up under the responsibility of the press office

Preparation of the spring European Council summit - Council conclusions

The Council is expected to adopt conclusions on environment as a contribution to the Spring European Council on 13-14 March.

The draft conclusions build mainly on a Commission report of the renewed Lisbon strategy for growth and jobs, as well as on the legislative proposals contained in the "Climate action and energy package".

The draft conclusions underline that putting the EU and its member states on the path towards a greenhouse gas emission economy requires political, social and economic efforts to be shouldered by all actors, taking into account different capacities and capabilities. They will recall in particular that the EU emission trading system (ETS) forms an essential part of an integrated climate and energy policy.

Linked to the need for achieving greater synergies between climate change and biodiversity policies as a way to secure benefits, the document encourages the member states and the Commission to strengthen efforts aimed at halting biodiversity loss by 2010, and to develop cost-effective policy means for integrating biodiversity concerns into other policies of relevant sectors.

It will also point out that the promotion of sustainable consumption and production is one of the key challenges for the EU, underlining concretely the need for a more sustainable use of natural resources.

Furthermore, the conclusions will stress the importance of environmental technologies as one of the fastest growing markets.

Climate action and renewable energy package

The Council will deliberate, during a public session, on key aspects of the climate action and energy legislative package. The debate will prepare the work for adoption of political orientations to be given by the European Council on 13 and 14 March.

With a view to streamlining the policy debate, ministers will be invited to address a set of questions elaborated by the presidency.

Two of those questions, which will also receive the input by the EU ministers for energy at their meeting on 28 February, are drafted in the following terms:

1) An adequate balance between promoting environmental sustainability and combating climate change, ensuring the competitiveness of European economies and increasing security of supply is of paramount importance. In this light, are the measures contained in the "climate action and renewable energy" package sufficient to meet the objectives and targets which were endorsed by the EU Heads of State and Government at the 2007 Spring European Council?

2) Sustainability is one of the pillars of climate-energy policy as well as an objective for several other EU policies; trade in biomass and biofuels will be required for the EU to achieve its targets. In that light, how do you assess the effectiveness of the sustainability scheme (will it ensure sustainable production of biofuels on the one hand and enable efficient trade to and within the Community on the other)?

Two other questions will be related specifically to the EU emission trading system (ETS) and to the proposed framework for storage of CO2:

- 3) Do you agree with the way in which it is proposed to achieve the greenhouse gas emission reductions cost-effectively and equitably, in particular with the design features of the revised EU ETS and the non EU ETS?
- 4) Is the proposed regulatory framework on the geological storage of carbon dioxide suitable to bring environmentally safe carbon dioxide capture and storage to deployment?

On 23 January 2008, the Commission submitted a package of implementation measures for the EU's objectives on climate change and renewable energy.

The package contains the following proposals:

- a directive amending directive 2003/87/EC so as to improve and extend the EU greenhouse gas emission allowance trading system ("ETS review") (5862/08);
- a decision on the effort of EU member states to reduce their greenhouse gas emissions to meet the Community's greenhouse gas emission reduction commitments up to 2020 ("non ETS effortsharing") (5849/08);
- a directive on the promotion of the use of renewable energy sources ("renewables directive") (5421/08);
- a directive on the geological storage of carbon dioxide ("CCS directive") (5835/08).

In addition, the package contains a communication on "Supporting early demonstration of sustainable power generation from fossil fuels" (5780/08) as well as revised Community guidelines on state aid for environmental protection.

These proposals intend to meet a set of key principles: strong, effective and credible targets; fairness and equity in the distribution of the efforts; cost-effectiveness; ensuring technological development and deployment in order to achieve the required deep cuts in greenhouse gas emissions in the longer term; and providing the necessary incentives for an inclusive post-2012 international climate agreement.

In particular, the <u>ETS review</u> aims at streamlining and increasing the scope of the EU ETS, providing further harmonisation and increased predictability, enabling linking with emissions trading systems in third countries and providing appropriate means to involve developing countries.

The <u>non ETS effort-sharing</u> aims at sharing the emission reduction effort amongst member states in the sectors not covered by the ETS in order to reach the EU's 20 and 30% emission reduction commitments. The proposal basis the effort of member states on the principles of growth and solidarity, taking into account the relative per capita gross domestic product of member states.

The <u>CCS</u> directive aims at allowing and regulating the capture of CO₂ from industrial installations, its transport to a storage site and its injection into a suitable geological formation for the purposes of permanent storage.

The legislative proposals are accompanied by impact assessments² and will be examined under the Parliament-Council codecision procedure.

In spring 2007, the European Council underlined the need for an integrated approach to climate and energy policy in order to transform the EU into a highly energy-efficient and low greenhouse-gasemitting economy (7224/1/07). To this end, the European Council decided to take on the following commitments, objectives and targets:

- a 20% reduction of greenhouse gas emissions by 2020 compared to 1990;
- a 30% reduction in greenhouse gas emissions by 2020 compared to 1990 as its contribution to a global and comprehensive post-2012 agreement;
- saving 20% of the EU's energy consumption compared to projections for 2020;
- a 20% share of renewable energies in overall EU energy consumption by 2020;
- a 10% minimum target for the share of biofuels in overall EU transport petrol and diesel consumption by 2020;
- to develop the necessary technical, economic and regulatory framework to bring environmentally safe carbon dioxide capture and sequestration to deployment with new fossil-fuel power plants, if possible by 2020.

Emissions of CO2 from cars

The Council will deliberate, during a public session, on a draft regulation on setting emission performance standards for new passenger cars as part of the Community's integrated approach to reduce CO₂ emissions from light-duty vehicles.

With a view to streamlining the debate, ministers will be invited to consider the following questions put forward by the presidency:

Do ministers agree that the Commission's proposal setting emission performance standards for new passenger cars respects the criteria put forward by the Council in its conclusions on the results of the review of the Community Strategy to reduce CO_2 emissions from cars? What can concretely be done to further improve the balance between the different elements of the proposal in order to meet its environmental objectives?

² More details can be found at: http://ec.europa.eu/energy/climate_actions/index_en.htm

In January 2007, the Commission submitted a communication on the Community strategy to reduce CO₂ emissions from passenger cars and light-commercial vehicles.

The communication underlined that while progress had been made some way towards the target of reduction of CO2 emissions from cars, the Community objective of average emissions from the new car fleet of 120g CO₂/km would not be met by 2012 in the absence of additional measures. The communication therefore proposed the adoption of an integrated approach and announced the presentation of a legislative framework in order to achieve the Community objective by focusing on mandatory reductions of emissions of CO₂ to reach the objective of 130 g CO₂/km for the average new car fleet by means of improvements in vehicle motor technology, and a further reduction of 10 g CO₂/km by other technological improvements.

By adopting conclusions in June 2007, the Council confirmed its support to the objective of 120 g CO₂/km on average for new cars sold in the EU by 2012 (130 g CO₂/km to be reached by improvements in vehicle technology and 10 g CO₂/km by additional measures), whilst avoiding distortions and ensuring economic and social fairness³.

In December 2007, the Commission presented the proposal for a regulation, based in article 95 of the EC treaty, on setting emission performance standards for new passenger cars as part of the Community's integrated approach to reduce CO₂ emissions from light-duty vehicles (5089/08 + ADD1+ADD2).

On 25 February 2008, the Slovenian presidency and the Commission informed the Competitiveness Council on the state of play of this file (6695/08).

Convention on biological diversity - Council conclusions

The Council will held a debate on biodiversity and is expected to adopt conclusions in preparation for the ninth ordinary meeting of the Conference of the parties (COP 9) to the Convention on biological diversity (CBD).

Ahead of the meeting to be held in Bonn (Germany) from 19 to 30 May 2008, the draft conclusions will serve as guidance for negotiations at the upcoming Conference of the parties.

Building on last June Council conclusions⁴, they underline a whole range of issues such as the EU's commitment to strong political responses to address all the objectives of the Convention on biological diversity.

Signed by some 150 government leaders at the Rio Earth summit, the CBD is the global framework for the preservations and sustainable use of biodiversity⁵. In April 2002, the parties to the Convention committed themselves to achieve by 2010 a significant reduction of the current rate of biodiversity loss at the global, regional and national level as a contribution to poverty alleviation and to the benefit of all life on earth.

³ http://register.consilium.europa.eu/pdf/en/07/st11/st11483.en07.pdf

⁴ http://register.consilium.europa.eu/pdf/en/07/st10/st10788.en07.pdf http://www.cbd.int/biosafety

Together with the climate change, biodiversity remains one of the top environmental priorities of the Slovenian presidency.

Cartagena protocol on biosafety - Council conclusions

The Council is due to adopt conclusions in preparation for the fourth meeting of the Conference of the parties serving as the meeting of the parties to the Cartagena protocol on biosafety (Bonn, 12 to 16 May 2008).

The fourth meeting of the parties to the biosafety protocol is expected to be an important step towards the establishment of effective international rules for transboundary movements of genetically modified organisms.

The conclusions (6346/08) set out the basis for the EU's position ahead of the meeting.

In January 2000, the Conference of the parties to the CBD adopted a supplementary agreement to the Convention known as the Cartagena protocol on biosafety. The protocol seeks to protect biological diversity from the potential risks posed by living modified organisms resulting from biotechnology.

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EU-LAC ministerial meeting on environment

The next day of the Council meeting, on 4 March, EU ministers will be meeting with ministers for environment from Latin American countries and the European Commission, with a view to preparing global aspects of environment to be discussed at the EU - LAC summit in Lima (Peru) on 16-17 May 2008.

The meeting will take place in the premises of the Council in the Justus Lipsius building in Brussels. A joint press conference is foreseen in the afternoon.