



**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 26 July 2013

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ENER	379
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COVER NOTE

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Subject: Commission Decision of XXX amending Decisions 2010/2/EU and 2011/278/EU as regards the sectors and subsectors which are deemed to be exposed to a significant risk of carbon leakage

Delegations will find attached Commission document D027961/02.

Encl.: D027961/02



Brussels, **XXX**
D027961/02
[...] (2013) **XXX** draft

COMMISSION DECISION

of XXX

**amending Decisions 2010/2/EU and 2011/278/EU as regards the sectors and subsectors
which are deemed to be exposed to a significant risk of carbon leakage**

(Text with EEA relevance)

COMMISSION DECISION

of **XXX**

amending Decisions 2010/2/EU and 2011/278/EU as regards the sectors and subsectors which are deemed to be exposed to a significant risk of carbon leakage

(Text with EEA relevance)

THE EUROPEAN COMMISSION,

Having regard to the Treaty of the Functioning of the European Union,

Having regard to 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 and amending Council Directive 96/61/EC¹, and in particular Article 10a(1) and (13) thereof,

Whereas:

- (1) Commission Decision 2010/2/EU² determines, pursuant to Directive 2003/87/EC, a list of sectors and subsectors which are deemed to be exposed to a significant risk of carbon leakage.
- (2) Commission Decision 2011/278/EU³ determines transitional Union-wide rules for the harmonised free allocation of emission allowances pursuant to Article 10a of Directive 2003/87/EC.
- (3) Every year a sector or subsector may be added to the list of sectors and subsectors which are deemed to be exposed to a significant risk of carbon leakage when it has been demonstrated, in an analytical report, that the sector or subsector satisfies the criteria set out in paragraphs 14 to 17 of Article 10a of Directive 2003/87/EC, following a change that has a substantial impact on the sector's or subsector's activities.
- (4) Some sectors not found to be exposed to a significant risk of carbon leakage at the NACE 4-level in Decision 2010/2/EU were disaggregated and a number of corresponding subsectors, for which certain specific distinguishing characteristics led to a significantly different impact from the rest of the sector, were assessed.
- (5) For the subsectors 'Dried potatoes in the form of flour, meal, flakes, granules and pellets', 'Frozen potatoes, prepared or preserved (including potatoes cooked or partly

¹ OJ L 275, 25.10.2003, p. 32.

² OJ L 1, 5.1.2010, p. 10.

³ OJ L 130, 17.5.2011, p. 1.

cooked in oil and then frozen; excluding by vinegar or acetic acid)', as well as 'Whey and modified whey in powder, granules or other solid forms whether or not concentrated or containing added sweetening matter', this assessment has shown that they can be clearly distinguished from other subsectors on the basis of specific characteristics and that they satisfy the quantitative criteria set out in Article 10a(15) of Directive 2003/87/EC. Those subsectors should therefore be added to the list of sector or subsectors deemed to be exposed to a significant risk of carbon leakage.

- (6) For the subsector 'Open die forged ferrous parts for transmission shafts, camshafts, crankshafts and cranks' this assessment has also shown that it can be clearly distinguished from other subsectors on the basis of specific characteristics and that it satisfies the quantitative criterion set out in point (b) of Article 10a(16) of Directive 2003/87/EC. That subsector should therefore be added to the list of sector or subsectors deemed to be exposed to a significant risk of carbon leakage.
- (7) The sectors 'Manufacture of plaster' and 'Manufacture of plaster products for construction purposes' (NACE codes 2653 and 2662, respectively) have been reassessed in 2012. That qualitative assessment demonstrated challenging market characteristics, such as growing trade, in particular an increasing trend in imports from low-cost manufacturing countries, increased international competitive pressure, and only modest profit margins for the years evaluated, which limit the capacity of installations to invest and reduce emissions. Based on the combined impact of those factors, those sectors should be deemed to be exposed to a significant risk of carbon leakage and added to the list of sectors and subsectors deemed to be exposed to a significant risk of carbon leakage.
- (8) Decisions 2010/2/EU and 2011/278/EU should therefore be amended accordingly.
- (9) The measures provided for in this Decision are in accordance with the opinion of the Climate Change Committee,

HAS ADOPTED THIS DECISION:

Article 1

Amendments to Decision 2010/2/EU

The Annex to Decision 2010/2/EU is amended in accordance with Annex I to this Decision.

Article 2

Amendments to Decision 2011/278/EU

Annex I to Decision 2011/278/EU is amended in accordance with Annex II to this Decision.

Article 3

Addressees

This Decision is addressed to the Member States.

Done at Brussels,

For the Commission
Member of the Commission

Annex I

The Annex to Decision 2010/2/EU is amended as follows:

1. Section 2 is amended as follows:

(a) The following entries are inserted before entry 15331427:

Prodcom Code	Description
'15311230	Dried potatoes in the form of flour, meal, flakes, granules and pellets
15311250	Frozen potatoes, prepared or preserved (including potatoes cooked or partly cooked in oil and then frozen; excluding by vinegar or acetic acid)'

(b) The following entry is inserted after entry 155154:

Prodcom Code	Description
'15515533	Whey and modified whey in powder, granules or other solid forms, whether or not concentrated or containing added sweetening matter'

(c) The following entry is added after entry 26821620:

Prodcom Code	Description
'28401133	Open die forged ferrous parts for transmission shafts, camshafts, crankshafts and cranks'

2. In Section 3, the following entries are inserted after entry 2640:

Prodcom Code	Description
'2653	Manufacture of plaster
2662	Manufacture of plaster products for construction purposes'.

Annex II

In Annex I to Decision 2011/278/EU, the entry corresponding to product benchmarks 'Plaster', 'Dried secondary gypsum' and 'Plasterboard' are replaced by the following:

Product benchmark	Definition of products covered	of Definition of processes and emissions covered (system boundaries)	Carbon leakage exposure as determined by Decision 2010/2/EU for the years 2013 and 2014	Benchmark value (allowances/t)
'Plaster	Plasters consisting of calcined gypsum or calcium sulphate (including for use in building, for use in dressing woven fabrics or surfacing paper, for use in dentistry, for use in land remediation), in tonnes of stucco. Alpha plaster is not covered by this product benchmark	All processes directly or indirectly linked to the production steps milling, drying and calcining are included	yes	0,048',
'Dried secondary gypsum	Dried secondary gypsum (synthetic gypsum produced as a recycled by-product of the power industry or recycled material from construction waste and demolition) expressed as tons of product	All processes directly or indirectly linked to the drying of secondary gypsum are included	yes	0,017',
'Plasterboard	The benchmark covers boards, sheets, panels, tiles, similar articles of plaster/compositions based on plaster, (not) faced/reinforced with paper/paperboard	All processes directly or indirectly linked to the production steps milling, drying, calcining and board drying are included. For the determination of indirect emissions, only the electricity consumption	yes	0,131'.

only, excluding of heat pumps applied in
articles agglomerated the drying stage shall be
with plaster, considered
ornamented (in
tonnes of stucco).
High-density gypsum
fibreboards not
covered by this
product benchmark