

Emission Trading in Austria

Report Bund 2008/11

Scope of the audit:

- legal framework incl. EU level
- allocation process
- discrepancy between allocation and utilization of allowances
- emission monitoring and reporting
- costs of system administration

Scope of the audit:

- Federal Ministry of Agriculture, Forestry, Environment and Water Management
- Federal Ministry of Finance
- Federal Ministry of Economy and Labour
- Umweltbundesamt (Austrian Environmental Agency)

Scope of the audit:

Austrian Law on Emission Allowances

Allocation Directive - 1st Period (2005 -
2007)

Allocation Directive - 2nd Period (2008 -
2012)

Austrian Monitoring Directive

Austrian ETS:

	1 st period	2 nd period
number of participants		
total	197	220
energy sector	59	68
industry	138	152
method of distribution	100 % free of charge	98.7 % free of charge, 1.3 % auctioning

Findings:

- complex system with little/no regard to state of the art and energy efficiency of the specific plant
- small reserve for new enterprises
- allocation cannot be changed during period (as e.g. in Germany)

Findings:

- distortion of competition due to EU regulations concerning allocation (method, predictability of emissions, assessment of factors) and auctioning
- no/little effect in emission reduction in 1st period due to surplus of certificates
- gap of 1.2 mill. t CO₂ in 2008 (actual need to buy)

Recommendations:

- Strive for reduction of national tolerances at EU-level
- Include additional branches and gases (airplanes, N₂O, etc.)
- Criterion for allocation should be rated power or production capacity
- New package of measures for small plants which are not part of Emission Trading System
- More benchmarking (specific output) for allocation
- Better estimation of fixed reserve

Implementation:

- Almost all recommendations implemented, only one still pending (measures for small plants)
- Changes at the EU level as well as on national level
- Last open topic is issue of the new climate strategy (audit in April 2010)

Detailed and additional information:

Detailed information, mostly updated is available
in the abstract

Report in German: www.rechnungshof.gv.at

English short version:

www.riksrevisjonen.no/eurosai/ (Environmental
audits/Governance)

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Thank you for your attention!