

# EEL News Service – Issue 08/2013 of 18 November 2013

#### CLEER - Centre for the Law of EU External Relations

We are pleased to announce the new working paper "<u>EU environmental norms and third countries: the EU as a global role model?</u>", edited by Wybe Th. Douma and Steffen van der Velde and with contribution by, *inter alia*, Ludwig Krämer and Leonardo Massai. The Working Paper focuses on the modalities that the EU applies in its relations with third countries in order to protect the environment and promote sustainable development. The authors shed light on the manner in which the EU tackles the promotion of sustainable development of the Earth, as laid down in Article 3 of the Treaty on European Union since Lisbon, and where there is still room for improvements in acting as a global role model for sustainable development and environmental protection norms.

#### In this issue:

#### **Case Law**

High penalty for non-surrendered ETS allowances
Public interest and free movement of capital in electricity/gas markets
Slurry used as fertiliser – waste or by-product?

Undue delay on GMO cultivation

Commission sues Germany over access to justice in EIA procedure Commission takes Bulgaria to Court over Habitat Directive

ITLOS hearing starts in Greenpeace case

#### **Fisheries**

EP rejects subsidies for new fishing vessel

EP limits ban on bottom trawling to vulnerable areas only

#### Climate Change

UNEP: more emissions reduction needed; COP19 started ETS compensation schemes, Council agrees on back-loading plan

EEA report on alarming levels of air pollution

#### Waste

EC to allow national bans on thin plastic bags

#### **Nature**

Russia, Ukraine and China refuse establishment of Antarctic Marine Protected Areas

#### **Energy**

Commission issues new guidelines on state intervention in electricity

#### Transport

EU Council backs Germany on lowering cap on cars emission

#### **Dangerous Substances**

UN Minamata Convention on mercury signed by 92 countries

## **Upcoming events**

Garner Annual Lecture 2013

#### **Case Law**

## High penalty for non-surrendered ETS allowances

ECJ Case C-203/12 <u>Billerud Karlsborg AB and Billerud Skarblacka AB v Naturvardsverket</u>, 17 October 2013

The ECJ has issued a preliminary ruling in a case concerning high penalties imposed by Naturvardsverket (the Swedish Environmental Protection Agency) to two companies that failed to surrender allowances under the Emission Trading Scheme, although they had more than enough allowances to cover their CO2 emissions for the preceding year. The Environmental Agency applied the Swedish provisions that transposed article 16(3) and (4) of Directive 2003/87, under which operators who fail to surrender sufficient allowances by 30 April are to pay an excess emission penalty of €40 per tonne (€100 after 2008).

The claimants argued the manifest disproportionality of the decision (they were fined respectively €433 120 and €1 697 320) as they held a sufficient number of allowances in their trading accounts (hence no *excess emissions* were at hand), but were unable to surrender them in time due to an internal breakdown. Advocate General Mengozzi backed this argument, asking for the application of article 16(1) instead, which requires a proportional system of penalties for infringements other than the excess emissions covered by article 16(3) and (4), on the basis that the operators could not be held liable of any pollution above the permitted amount.

The ECJ dismissed all these arguments, giving a rigorous and literal interpretation of Directive 2003/87 and ruling that the obligation *ex* article 16(3) is one of objective liability and refers not to the detention of sufficient allowances but rather to the effective surrender thereof – which does not give Member States freedom to choose any sanction different from the one prescribed in article 16(4). The only exception mentioned by the ECJ is the general principle of *force majeure*. It is remarkable that the ECJ did not follow the Advocate General's opinion, as his reasoning seems to provide a solution that does more justice to the issue at hand.

## Public interest and free movement of capital in electricity/gas markets ECJ Joined Cases C-105/12, C-106/12 and C-107/12 <u>Staat der Nederlanden v Essent NV, Essent Nederland BV, Eneco Holding NV and Delta NV, 22 October 2013</u>

The ECJ was called to decide on the interpretation of articles 63 (prohibiting restrictions on the movement of capital) and 345 TFEU (stating that "the Treaties shall in no way prejudice the rules in Member States governing the system of property ownership"), in a case about energy companies operating in the Dutch market.

Recent Dutch Law provides that (i) private investors cannot acquire or own shares or interests in an electricity or gas distribution system operator (*the privatisation prohibition*), (ii) companies which generate, supply or trade in electricity and which are members of the same group as a system operator cannot have any ownership or control links one another (*the group prohibition*),

and (iii) such operators/companies cannot engage in activities which may adversely affect system operation.

This led to the separation of Essent NV into two companies, one operating in the electricity and gas distribution system (entirely owned by the State) and another operating in the generation/production, supply and trade of electricity and gas. Eneco Holding NV and Delta NV were not split as they identified two subsidiaries as operators of their distribution systems.

The ECJ has ruled that the above restricting measures pursue overriding objectives in the public interest insofar as they aim at guaranteeing security of energy supply, ensuring undistorted competition and transparent and non-discriminatory access to the network of the distribution system, as required by Directive 2003/54 on common rules for the internal market in electricity.

Nevertheless, the ECJ leaves to the national Court to determine whether "the restrictions at issue are appropriate to the objectives pursued and do not go beyond what is necessary to attain those objectives" (paragraph 67).

#### See also:

ECJ ruling and opinion of Advocate General Jaaskinen

M. Lang & U. Mutschler '<u>CJEU rules on restrictions on the free movement of capital affecting undertakings active in the electricity and natural gas market</u>', 24 October 2013

S. van Renssen, <u>EU Court upholds primary importance of internal energy market</u>, 4 November 2013

## Slurry used as fertiliser – waste or by-product?

ECJ Case C-113/12 Donald Brady v Environmental Protection Agency, 3 October 2013

In this case, the ECJ was called on *inter alia* to clarify the concept of waste, the responsibility of holders of waste and of those receiving it after them under the Waste Framework Directive 75/442 (WFD). Mr Brady, a pig breeder who applied for a permit to sell as fertiliser the slurry produced on his farm, challenged the decision of the Environmental Protection Agency which subjected the permit to the condition that Brady ensured that the farmers he supplies slurry to would act in compliance with the conditions laid down in the licence. One of the issues was the failure to transpose Directive 91/676 (on the protection of waters from pollution caused by nitrates from agricultural sources) into Irish law and the consequences on the classification of slurry as waste or by-product.

The ECJ ruled that article 1(a) of WFD means that slurry produced on a pig farm and stored with the intention to use it as a fertiliser in principle does not constitute waste but a by-product, and that EU law does not preclude the burden of proving that the slurry produced constitutes a by-product from resting on the producer. The Court also ruled that article 2(1)(b)(iii) of WFD establishes that, where Directive 91/676 has not been transposed into national law, livestock effluent produced on a pig farm cannot be said to be covered by other legislation. Therefore, where slurry produced and held in a pig farm has to be classified as waste, article 8 WFD precludes the pig breeder from transferring that waste to a farmer who uses it as fertiliser "if it transpires that that farmer neither possesses the permit (...) nor is exempted from the requirement to possess such a permit ex article 11". Finally, the articles at issue "preclude the transfer of that waste by the holder to a farmer who uses it as fertiliser on his land and who possesses a permit (...) from being subject to the condition that the holder assumes liability for compliance by that other farmer".

#### **Undue delay on GMO cultivation**

Case T-164/10 Pioneer Hi-Bred International, Inc. v European Commission, 26 September 2013

Back in 2001 Pioneer applied for the approval of a new, herbicide resistant genetically modified maize (maize 1507) for cultivation purposes. The European Food Safety Authority issued a risk assessment which raised some concerns over the effects of the toxin released by maize 1507 on certain insects such as butterflies and moths. Also due to the opposition of some Member States,

the Commission twice asked Pioneer to review its application – but the company refused to do so. The competent Regulatory Committee repeatedly failed to reach the required qualified majority for either an approval or a rejection of the application. The Commission had then to pass the matter to the Council, but failed to do so.

On 26 September 2013, the General Court ruled that the Commission "has failed to fulfil its obligations under article 18 Directive 2001/18 on the deliberate release into the environment of genetically modified organisms (…) by failing to submit to the Council a proposal relating to the measures to be taken pursuant to article 5(4)" of the Comitology Decision 1999/468.

The failure to act (either for the approval or the rejection of a cultivation application) was among the main findings of the WTO Dispute Settlement Panel in the famous *EC-Biotech* dispute, brought forth by United States, Canada and Argentina against the European Union.

Following the ruling of the General Court, on 6 November 2013 the Commission has forwarded the file to the Council of Minister, requesting that they reach a decision at their next Environment Council on 13 December 2013. The Council will probably fail to reach a qualified majority to decide on the issue, which means that the Commission can approve the cultivation of maize 1507, in spite of the objection of Member States and environmentalists who challenge the safety of GM crop cultivation and the independency of the EFSA scientific assessments which often override scientific uncertainties – arguments that are at the basis of the legislative stalemate and preclude an agreement on the amendments of Directive 2001/18 (on this proposal, see also the EEL website and issue 2012/3 of the EEL news service).

Commissioner Tonio Borg has called Member States to urgently reach an agreement on the approval of a new article 26b Directive 2001/18 as proposed in 2010, which would give Member States more freedom of choice on GM cultivation issues. Many Member States, however, challenged the weak legal basis of the proposal.

See also:

Euractiv, Brussels reopens 12-year old GMO cultivation request, 7 November 2013.

European Commission press release, 6 November 2013

W. Th. Douma, Commissie voorstel inzake teelt Genetisch Gemodificeerde Organismen: less is more?(Commission proposal on cultivation of Genetically Modified Organisms: less is more?), Nederlands Tijdschrift voor Europees Recht (NTER), nr. 1, p. 27-32

#### Commission sues Germany over access to justice in EIA procedure

Under the EU Environmental Impact Assessment Directive as well as the Industrial Emission Directive, the public (NGOs, citizens and others having interest in the matter) have the right to be informed on projects which could have potential negative impacts on human health and the environment. They also have the right to take part in hearings, express their concerns and challenge the authorities' decisions through a judicial review.

The Commission is now taking Germany to the Court as it is concerned over the correct and full transposition of the abovementioned Directives into national law. Notably, Germany had to amend its Act on Legal Redress in Environmental Law (Umwelt-Rechtsbehelfsgesetz) in order to comply with the ECJ ruling in <a href="Case C-115/09">Case C-115/09</a> regarding the right of NGOs to contest decisions which authorise projects which could have potential detrimental effects on the environment. Nevertheless, the Commission is still concerned over some provisions regarding limits to the application of the new law to procedures completed before May 2011 and on the shift of the burden of proof to a member of the public, contrary to the Directive.

See also:

ECJ Case C-115/09 <u>Bund für Umwelt und Naturschutz Deutschland, Landesverband Nordrhein-Westfalen eV v Bezirksregierung Arnsberg</u>

European Commission press release, 17 October 2013

## **Commission takes Bulgaria to Court over Habitat Directive**

The EU Commission has confirmed its intention to refer Bulgaria to the Court for failure to comply with the legislation on the protection of migratory and endangered species. Bulgaria has authorised a number of development projects, mainly new wind farms, in and around protected areas of the important peninsula of Kaliakra – a Natura 2000 special protection site and crucial migratory route and resting place of many endangered species, such as the red breasted goose.

Bulgaria has allegedly authorised the construction of thousands of wind turbines either without undertaking an appropriate Environmental Impact Assessment (EIA) or with inadequate assessment, thus failing to take the necessary measures to ensure the protection and conservation of wild birds and special protection areas. The Commission, on the recommendation of Environment Commissioner Potočnik, notably alleges breaches of EIA Directive, Habitats Directive and Birds Directive.

See also:

EC Press Release, 17 October 2013

## ITLOS hearing starts in Greenpeace case

Kingdom of the Netherlands v Russian Federation

Public hearings before the International Tribunal for the Law of the Sea (ITLOS) have started in Hamburg on 6 November 2013 following the decision of The Netherlands to bring the 'Arctic Sunrise' case against Russia. Russia did not attend the hearing, stating it does not recognise the authority of the ITLOS "concerning law-enforcement activities in regard to the exercise of sovereign rights or jurisdiction". However, it will be obliged to comply with any decision the Tribunal will take.

The dispute started after Russian authorities arrested 28 Greenpeace activists, one freelance journalist and one freelance photographer who boarded a Gazprom oil rig in the Russian Exclusive Economic Zone to protest against Arctic oil drilling last 18 September. Their icebreaker vessel, which flies the flag of The Netherlands, has also been detained. Russia initially charged the activists with piracy, and subsequently announced it would charges them of hooliganisms instead, although it is uncertain whether the piracy charges were actually dropped. These crimes could lead to a maximum detention of 15 and 7 years respectively.

The <u>Presidential Human Rights Council</u> has taken stance in defence of Greenpeace and also offered themselves as guarantors for the release of the activists on bail. The ITLOS judge is expected to release a Tribunal's provisional order by 22 November 2013.

See also:

ITLOS Press Release, 25 October 2013

Environment News Service, <u>Greenpeace 'Arctic 30' fail to stop Gazprom drilling plans</u>, 4 November 2013

Greenpeace Press Release, chronology of facts and latest updates

The Moscow Times, <u>Kremlin Human Rights Council backs release of Greenpeace activists</u>, 11 November 2013

#### **Fisheries**

## EP rejects subsidies for new fishing vessel

On 23 October 2013 the European Parliament has voted to reject a Spanish and French attempt to reintroduce subsidies for the construction of new fishing fleet. The EP was called to decide how to allocate the budget of the European Maritime and Fisheries Fund (EMFF) in the context of the

recently reformed Common Fisheries Policy. They also agreed on a lower funding cap for the upgrade of existing vessel's engines. Furthermore, MEPs focused on the issue of illegal fishing and voted to double investments in control measures and data collection to better assess the state of European depleted stocks and how to reach a more sustainable fishing management also through the restoration of the currently over-fished stocks. Indeed, the Commission estimates that around 80% of Mediterranean stocks and 47% of Atlantic stocks are currently overfished – figures that require strong response and effective measures in order to achieve a restoration of stocks to healthy levels by 2020. Negotiations will soon start between the Parliament and the Council to agree on the new EMFF.

#### See also:

D. Keating, <u>MEPs scrap subsidies in fish fund</u>, European Voice 23 October 2013 EurActiv, <u>Parliament rejects subsidies for new fishing boats</u>, 24 October 2013

## EP limits ban on bottom trawling to vulnerable areas only

In 2012, the European Commission has proposed a draft Regulation (COM(2012)371) which would lead to a more sustainable management of deep-sea resources and would restrict certain practices, such as bottom trawling, which are destructive for the fragile and slow-growing ecosystems of the North-East Atlantic seas. On 4 November 2013, European Parliament's fisheries committee has rejected the Commission's draft, proposing to introduce a compulsory environmental impact assessment which will estimate the necessity (or the absence thereof) of banning deep-sea trawling in some areas which host vulnerable and highly sensitive eco-systems.

Much pressure on the achievement of such compromise came from France and Spain, the two countries that most rely upon these fishing practices. Environmentalists strongly criticised the step back made by the Committee which, they say, jeopardises the restoration of deep-sea ecosystems and diverts public funds from other important measures aimed at achieving a more sustainable fisheries management. The EP Committee, however, has introduced a review clause through which consultations on a total ban could be resumed after four years from the adoption of the Regulation, should the measures turn out to be ineffective or inappropriate.

#### See also:

<u>European Commission proposal</u> establishing specific conditions to fishing for deep-sea stocks in the North-East Atlantic and provisions for fishing in international waters of the North-East Atlantic and repealing Regulation (EC) No 2347/2002

European Parliament legislative proposal, 19 July 2012

European Parliament Press Release, 4 November 2013

D. Keating, MEPs reject plan to phase out deep-sea trawling, European Voice 5 November 2013

## **Climate Change**

#### **UNEP:** more emissions reduction needed; COP19 started

Alarming news on the state of climate change arrive from the new UNEP Report on Emission Gap, launched on 5 November 2013. According to the paper, current emission reduction pledges worldwide are too low to ensure that global temperature will not rise above 2°C this century. Post-2020 plans might not be sufficient. The task force of 44 scientists who contributed to the report agrees in stating that, in order to be on track for meeting the <2°C target, emissions should stay below 44 GtCO<sub>2</sub>a by 2020, and further decrease up to 35 GtCO<sub>2</sub>a by 2013 and 22 GtCO<sub>2</sub>a by 2050. The last available estimates on global emissions register much higher levels (namely 50.1 GtCO<sub>2</sub>a in 2010 which means that, in a business as usual scenario, 2020 emissions would reach

59 GtCO₂a). Hence the call for sounder international cooperation and for more stringent policies on energy efficiency, renewables share and fossil fuels subsidy reforms.

This warning comes just after the new IPCC Report stated that climate change is unequivocal and the effects of the global human-driven warming on the ices and the global ecosystem will be devastating if countries do not commit to "substantial and sustained reductions of greenhouse gas emissions".

Meanwhile, the 19<sup>th</sup> Conference of the Parties (COP19) to the UN Framework Convention on Climate Change (UNFCCC) in Warsaw started to discuss a post-Kyoto climate strategy and binding targets which will have to be agreed at the Paris summit of 2015. Tensions, diverging stances on the role of developing countries in tackling climate change and even the internal divisions between Poland and other EU Member States on raising the 2020 emissions reduction target make for challenging talks.

The EU itself seems to be excluding any reduction target over 45% for 2030 due to potential interference with the EU Emission Trading Scheme, whereas scientists reiterate their call for minimum targets of 60% if temperatures are to stay below 2°C.

#### See also:

IPCC Climate Change Report, Briefing, 27 September 2013

**UNEP Emissions Gap Report**, Briefing, 5 November 2013

Environment News Service, <u>Greenhouse gases hit new record high, forcing climate change</u>, 8 November 2013

D. Keating, Commission excludes 2030 CO<sub>2</sub> target over 45%, European Voice, 8 November 2013

## ETS compensation schemes, Council agrees on back-loading plan

The Netherlands, Flanders and Spain have recently presented their national plans to support national industries in offsetting indirect costs caused by compliance with the Emission Trading Scheme (ETS). Two other national plans for UK and Germany have already been approved. Under the current rules, Member States are allowed to issue compensations to companies of certain industries which experience a high risk of carbon leakage for up to 85% of the cost increase in 2013-2015 and up to 75% for 2019-2020 depending on the energy performance of the operators.

Meanwhile, the COREPER I has achieved an agreement for the back-loading plan of ETS, which would allow to delay the release of 900 million carbon allowances subject to an impact assessment in relation to the risk of carbon leakage, and to gradually reduce the annual number of available allowances. This would boost carbon pricing and avert the failure of the ETS regime. The Parliament is called to vote on the proposal next December, in an attempt to speed up the process for the approval of a revised ETS Directive and the issue of a specific plan to reduce the auction volumes.

#### See also:

<u>EU Commission Guidelines</u> on certain State aid measures in the context of greenhouse gas emission allowance trading scheme post-2012, 5 June 2012

EU Council, <u>Important steps towards</u> safeguarding the <u>EU emission trading scheme</u>, 8 November 2013

EndsEurope, Three more ETS compensation schemes planned, 14 October 2013

Ends Europe, Member States put backloading back on track, 8 November 2013

#### EEA report on alarming levels of air pollution

The European Environment Agency (EEA) released a report which states that about 90% of European urban population is exposed to dangerous levels of air pollution and that, in 2010, the latter has been the first cause of death in the EU, namely some 400,000 deaths. The EEA

identifies two main pollutants, the particulate matter and the low-level ozone, as the ones affecting human health most, whereas high nitrogen emissions are considered among the main responsible for phenomenon such as eutrophication, threatening the ecosystems and biodiversity. The report also highlights the tight link between air pollution and global warming, proposing further emissions reduction as the most effective solution.

EU Environment Commissioner Potočnik has presented the report on 15 October 2013, while stressing the alarming gap between EU legal limits for air pollution and those recommended by the World Health Organization Air Quality Guidelines. Potočnik alluded to the forthcoming revision of the EU Air Policy Package 2013, which will propose a revision of the National Emission Ceilings Directive, the ratification of the Gothenburg Protocol and new air pollution and resource efficiency standards for medium scale combustion installations.

See also:

European Environment Agency Air Quality Report, 15 October 2013,

The Guardian, <u>More than 90% of people in European cities breathe dangerous air</u>, 15 October 2013

#### Waste

## EC to allow national bans on thin plastic bags

On 4 November, the Commission has approved a proposal for a Directive aimed at cutting the use plastic bags with a thickness lower than 50 microns, which are considered to cause enormous damages to the marine environment. Indeed, it is estimated that Europeans annually discard more than 8 billion thin plastic bags, with per capita averages ranging from 4 bags in Denmark and Finland to 466 in Poland. The legislation would amend the Packaging Waste Directive (94/62/EC) and it explicitly allows the introduction of extra charges for or national bans on plastic bags by way of derogation to articles 4 and 18 Directive 94/62, under the conditions that measures are proportionate and non-discriminatory and that it pursue environmental aims.

The amendments have been criticised in that they do not establish any binding targets for an actual reduction of the use of plastic bags, thus leaving Member States free not to take any action or to impose bans as they see fit.

See also:

European Commission, New proposal to reduce plastic bags consumption, 4 November 2013

European Commission Press Release, 4 November 2013

EurActiv, Brussels looks to cut plastic bag use, 4 November 2013

#### **Nature**

## Russia, Ukraine and China refuse establishment of Antarctic Marine Protected Areas

From 23 October to 1 November 2013, over 200 scientists, policy makers and marine resource experts of 24 nations and the European Union have sat at a round table in Hobart, Australia, in the third attempt to reach consensus over the establishment of the two biggest marine protected areas in the world. The Commission for the Conservation of Antarctic Marine Living Resources (CCAMLR), however, failed again to approve the compromise proposals, due to the reiterated opposition of Russia, China and Ukraine.

The United States and New Zealand proposed the establishment of a 1.3 million square kilometres marine reserve in the Ross Sea, while the EU and Australia put forth a plan for banning fishing in an area of 1.6 million square kilometres and also called for seven other marine protected areas on the East Antarctic Coast. Russia and Ukraine founded their opposition on

jurisdictional, rather than scientific grounds, questioning the legal authority of the CCAMLR in creating protected areas. Nevertheless, back in 2009 the CCAMLR already declared a sanctuary in the Antarctica's South Orkney Island. Australian and American delegates, among other, said they are committed to making cooperation prevail, ensuring appropriate protection to such a fragile and unique ecosystem.

See also:

Climate Progress, <u>Russia and Ukraine again block Antarctic ocean protections</u>, 2 November 2013 The Guardian, <u>Delegates frustrated as talks to create huge Antarctic marine reserve fail</u>, 1 November 2013

## **Energy**

## Commission issues new guidelines on state intervention in electricity

On 5 November 2013 the Commission has released a <u>communication on public intervention in</u> <u>the energy market</u>, intended to spur Member States to revise their national support schemes for renewable energies. Arguing that many technologies, such as wind and solar power, have matured and become less costly, the Commission stresses that 'not well designed' public aid and subsidies might create a distortion of competition and result in higher costs for other operators in the energy market.

The Commission suggests that subsidy schemes such as feed-in tariffs and tax exemptions should gradually be phased out, and expose renewables to market price. The communication gives then guidance on how to ensure adequate support to 'back-up generation capacities', that is mainly fossil fuel energy. At a time where Member States are called to review the Emission Trading Scheme in order to boost carbon price, one of the concerns of the Commission is clearly the potential interference of strong renewable subsidies with the ETS. The Commission is planning to undertake analysis of comparative costs of all types of energy, stating that the methodologies already developed by OECD and the IEA are not applicable to the European energy market. The need to undertake further assessment has been the official reasoning for the omission of estimates of nuclear and fossil fuels subsidies (reported in the previous issue 07/2013 of the EEL News Service)

The Communication is intended to serve as a guide for the adoption of the 2014 Guidelines on Environment and Energy Aid for 2014-2020.

See also:

<u>EU Commission Communication</u> – Delivering the internal electricity market and making the most of public intervention

EU Commission press release, <u>Guidance for state intervention in electricity</u>, 5 November 2013 EndsEurope, <u>Get rid of feed-in tariffs</u>, <u>EC tells governments</u>, 5 November 2013

## **Transport**

#### **EU Council backs Germany on lowering cap on cars emission**

After months of lobbying to delay the European plan on lowering the cap for maximum new car CO<sub>2</sub> emissions from 130 to 95 grams per kilometre by 2020, Germany gets the backing of other Member States in Council. After having voted for a lower cap back in June, Member States now agree to reopen consultations to delay the implementation of the 95 g/km target from 2020 to 2024. The Lithuanian Presidency of the Council has presented a compromise proposal for phasing-in the new target in 2022, increasing the role of supercredits, which would allow more flexibility to car manufacturers who also produce vehicles with low emissions (e.g. electric/hybrid

cars). However, the Parliamentary meeting held on 12 November 2013 has stressed the strong resistance of MEPs who have rejected the Lithuanian draft and have presented two potential options for reaching a compromise. MEPs would favour either the introduction of an extended system of super credits or provisions for non-compliance penalties. But the first option will most likely be opposed by Italy and France, whose small/light car industries would not benefit much from the super credit scheme.

German car manufacturer such as BMW and Daimler, who produce mainly heavy cars, would be clearly affected by further CO₂ reduction pledges and the competitiveness of the whole German car industry would be undermined. Concerns remain over the impact of less strict emissions reduction policies on the regional environmental legislation. The European Commission has estimated that the potential environmental and economic costs of the compromise proposal would amount to 90 to 150 million tonnes of extra CO₂ emissions and €52 to €90 billion of additional fuel cost for consumers.

See also:

EurActiv, <u>EU presidency proposes new weakening of car emissions rules</u>, 30 October 2013 EndsEurope, <u>Member States</u>, <u>MEPs to discuss car CO2</u>, 30 October 2013

European Voice, MEPs to give counter-offer on car CO<sub>2</sub>, 13 November 2013

## **Dangerous Substances**

## UN Minamata Convention on mercury signed by 92 countries

After five years of intergovernmental negotiations to prepare legally binding provisions on the use of mercury, governments have finally agreed on the adoption of the Minamata Convention last 10 October. The EU, together with 91 countries, has already signed the Convention which imposes obligations covering all aspects of the mercury life cycle and also aims at reducing the emissions of this highly toxic element. Signatory countries have also agreed to phase out, by 2020, the production and commercialisation of a number of products containing mercury (such as batteries, lamps, soaps/cosmetics and some medical products), which will be replaced by other mercury-free items.

Some environmentalists have claimed the weakness of some provisions, notably in respect to mercury emissions from power plants, as they would leave signatory countries wide discretion as to the timeline and specific targets. Concerns remain on the potential refusal to ratify the agreement by developing countries, where the risk of pollution and contamination is higher.

See also:

UNEP, Diplomatic Conference on Minamata Convention on Mercury

Environment News Service, <u>Treaty curbing mercury emissions becomes international law</u>, 10 October 2013

## **Upcoming events**

#### **Garner Annual Lecture 2013**

Reading of Lord Carnwath, judge in the Supreme Court of the United Kingdom and Chairman of the United Kingdom Environmental Law Association (UKELA) "The common laws of the environment, at home and abroad". Live stream from London in hall TEMA, Ghent.

Date: 19 November 2013, h 18:30

Location: VVOR Secretariat, hall Tema, Kortrijksesteenweg the 1007<sup>th</sup>, 9000 Gent

## **Colofon**

## **Editors-in-Chief**

Wybe Th. Douma (Senior Researcher, T.M.C. Asser Instituut and Lecturer of International Environmental Law, The Hague University) Leonardo Massai (Senior Lecturer on International and EU Environmental Law, Catholic University of Lille)

## **Editors**

Gaia Pisani (T.M.C. Asser Instituut, The Hague)



©2013 EEL | R.J. Schimmelpennincklaan 20-22, 2517 JN The Hague, the Netherlands