Übersetzung durch den Sprachendienst des Bundesministeriums für Wirtschaft und Klimaschutz

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# Federal Climate Action Act (Bundes-Klimaschutzgesetz – KSG)

Federal Climate Action Act of 12 December 2019 (Federal Law Gazette I, p. 2513), as last amended by Article 1 of the Act of 15 July 2024 (Federal Law Gazette I No. 235)

#### Division 1 General provisions

### Section 1 Purpose of the Act

The purpose of this Act is to provide protection from the effects of worldwide climate change by ensuring achievement of the national climate targets and compliance with the European targets. The ecological, social and economic impacts are taken into consideration. The basis of the Act is the obligation according to the Paris Agreement, under the United Nations Framework Convention on Climate Change, to limit the increase in the global average temperature to well below two degrees Celsius and, if possible, to 1.5 degrees Celsius, above the pre-industrial level so as to minimise the effects of worldwide climate change.

#### Section 2 Definitions

For the purposes of this Act

- 1. "greenhouse gases" mean carbon dioxide ( $CO_2$ ), methane ( $CH_4$ ), nitrous oxide ( $N_2O$ ), sulphur hexafluoride ( $SF_6$ ) and nitrogen trifluoride ( $NF_3$ ) as well as the hydrofluorocarbons (HFCs) and perfluorocarbons (PFCs) listed in Annex V, Part 2 of the European Governance Regulation, as amended;
- 2. "greenhouse gas emissions" mean the anthropogenic release of greenhouse gases in tonnes of carbon dioxide equivalent, one tonne of carbon dioxide equivalent being one tonne of carbon dioxide or the volume of another greenhouse gas corresponding in its atmospheric warming potential to one tonne of carbon dioxide; that potential is determined by Commission Delegated Regulation (EU) No 2020/1044 of 8 May 2020 supplementing Regulation (EU) 2018/1999 of the European Parliament and of the Council with regard to values for global warming potentials and the inventory guidelines and with regard to the Union inventory system and repealing Commission

Delegated Regulation (EU) No 666/2014 (OJ L 230 of 17 July 2020, p. 1) or by a supplementary act adopted under Article 26(6)(b) of the European Governance Regulation;

- 3. "European Governance Regulation" means Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action, amending Regulations (EC) No 663/2009 and (EC) No 715/2009 of the European Parliament and of the Council, Directives 94/22/EC, 98/70/EC, 2009/31/EC, 2009/73/EC, 2010/31/EU, 2012/27/EU and 2013/30/EU of the European Parliament and of the Council, Council Directives 2009/119/EC and (EU) 2015/652 and repealing Regulation (EU) No 525/2013 of the European Parliament and of the Council (OJ L 328 of 21 December 2018, p. 1), last amended by Regulation (EU) 2021/1119 (OJ L 243 of 9 July 2021, p. 1);
- 4. "European Effort Sharing Regulation" means Regulation (EU) 2018/842 of the European Parliament and of the Council of 30 May 2018 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement and amending Regulation (EU) No 525/2013 (OJ L 156 of 19 June 2018, p. 26), last amended by Regulation (EU) 2023/857 (OJ L 111 of 26 April 2023, p. 1);
- 5. "European Monitoring Mechanism Implementing Regulation" means Commission Implementing Regulation (EU) 2020/1208 of 7 August 2020 on structure, format, submission processes and review of information reported by Member States pursuant to Regulation (EU) 2018/1999 of the European Parliament and of the Council and repealing Commission Implementing Regulation (EU) No 749/2014 (OJ L 278 of 26 August 2020, p. 1);
- 6. "Paris Agreement" means the Agreement of 12 December 2015 signed by the Parties to the United Nations Framework Convention on Climate Change and ratified by the Act of 28 September 2016 (Federal Law Gazette 2016 II, pp. 1082-1083);
- 7. "Climate Action Plan" means the German long-term strategy adopted pursuant to the Paris Agreement and to Article 15 of the European Governance Regulation;
- 8. "land use, land-use change and forestry" means the land use, land-use change and forestry sector defined in Annex 1, point 7; section 3(1) and sections 4, 7 and 8 of this Act are not applied to that sector;
- 9. "net greenhouse gas neutrality" means an equilibrium between the anthropogenic emissions of greenhouse gases from sources and the reduction in the volume of such gases by means of sinks;
- 10. "projection data" means quantitative estimates of future anthropogenic greenhouse gas emissions from sources and of the reduction of such gases via sinks, in which the effects of policies and measures that have been adopted and entered into force are taken into account.

### Division 2 Climate targets and annual emission budgets

### Section 3

#### National climate targets

- (1) Emissions of greenhouse gases are gradually reduced as follows in comparison with their levels in 1990:
  - 1. by at least 65% by 2030,

- 2. by at least 88% by 2040.
- (2) By 2045, greenhouse gas emissions are reduced to such an extent that net greenhouse gas neutrality is achieved. Negative greenhouse gas emissions are to be achieved after 2050.
- (3) This applies without prejudice to the possibility of achieving national climate targets by using intergovernmental mechanisms to achieve part of the reduction in greenhouse gas emissions.
- (4) Should higher national climate targets become necessary for compliance with European or international climate targets, the Federal Government will initiate the steps required to increase the target values referred to in subsection (1). Climate targets may be raised but not lowered.

#### Section 3a

#### Contribution of the land use, land-use change and forestry sector

- (1) The contribution to climate change mitigation from the land use, land-use change and forestry sector is to be increased. Special significance is attached to the contribution from this sector. The average of the annual emission balances of the respective target year and the three preceding calendar years of the land use, land-use change and forestry sector is to be improved as follows:
  - 1. to at least minus 25 million tonnes of CO<sub>2</sub> equivalent by 2030,
  - 2. to at least minus 35 million tonnes of CO<sub>2</sub> equivalent by 2040,
  - 3. to at least minus 40 million tonnes of CO<sub>2</sub> equivalent by 2045.

The basis for the emission balances are the data under section 5(2) no. 3.

- (2) The federal ministry which, in view of its portfolio, is predominantly responsible for the land use, land-use change and forestry sector, is responsible for compliance with the targets under subsection (1). It is tasked with presenting and implementing the national measures necessary for the compliance with the targets under subsection (1).
- (3) The Federal Government is authorised to provide rules in the form of statutory instruments which do not require the approval of the Bundesrat,
  - to regulate the accounting in accordance with Union law requirements,
  - 2. to regulate the handling and possible inclusion in the accounting of natural disturbances.
  - 3. to issue more detailed stipulations regarding the methods and bases for comprehensive reporting on greenhouse gas emissions and the reduction of carbon in the land use, land-use change and forestry sector, in particular to compile the annual emission balances under subsection (1), and
  - 4. to issue more detailed stipulations regarding the collection, use and evaluation of remote-sensing data, particularly from satellite-based systems, for greenhouse gas reporting for the land use, land-use change and forestry sector.

#### Section 3b

#### Contribution of technical sinks, authorisation to issue ordinances

Targets for technical sinks for 2035, 2040 and 2045 are defined in order to attain the national climate targets under section 3(2). The Federal Government is authorised to stipulate the targets for technical sinks taking account of the special significance of the contribution by the land use, land-use change and forestry sector under section 3a by statutory instrument which does not require the approval of the Bundesrat. The statutory instrument requires the approval of the Bundestag. If the Bundestag has not considered the statutory instrument following the expiry of three weeks of session following the receipt of the statutory instrument, its approval of the unchanged statutory instrument is deemed to have been

given. The Federal Government sets itself a long-term strategy for the handling of residual emissions which cannot be avoided, and this is the basis for the stipulation under sentence 2. This is without prejudice to the climate targets under section 3(1).

#### Section 4

#### Total annual emission budgets, authorisations to issue ordinances

- (1) In order to comply with the national climate targets under section 3(1), a cross-sectoral and multi-annual calculation is undertaken. To this end, total annual emission budgets are stipulated, in particular as a basis for the review under sections 5, 5a, 8 and 10 and for the overall reduction target under section 8(1). The total annual emission budgets for the period until the end of 2030 are oriented to Annex 2. The annual reduction targets for the years from 2031 until and including 2040 are oriented to Annex 3. The total annual emission budgets and annual emission targets are binding where this Act makes reference to them. Subjective rights and challengeable legal positions are not established by or on the basis of this Act. In 2032 at the latest, the Federal Government will present a legislative proposal to stipulate the annual reduction targets for the years from 2041 to 2045.
- (2) If the greenhouse gas emissions from 2021 are higher or lower than the respective total annual emission budget, the differential amount is broken down equally between and added to or subtracted from the remaining total annual emission budgets until the next target year cited in section 3(1). This is without prejudice to the requirements of the European Effort Sharing Regulation.
- (3) The Federal Government is authorised to alter the total annual emission budgets in Annex 2 with effect from the beginning of the next calendar year by statutory instrument without the approval of the Bundesrat. These changes must be in harmony with the attainment of the climate targets of this Act and with the requirements of Union law. The statutory instrument requires the approval of the Bundestag. If the Bundestag has not considered the statutory instrument following the expiry of three weeks of session following the receipt of the statutory instrument, its approval of the unchanged statutory instrument is deemed to have been given.
- (4) The Federal Government transfers the annual reduction targets in 2024 for the years from 2031 to 2040 and in 2034 for the years 2041 to 2045 into total annual emission budgets which decrease in basically equal steps by statutory instruments which do not require the approval of the Bundesrat. These total annual emission budgets must be in harmony with the attainment of the national climate targets of this Act and with the requirements of Union law. Statutory instruments under sentence 1 require the approval of the Bundestag. If the Bundestag has not considered the statutory instrument following the expiry of six weeks of session following the receipt of the statutory instrument, its approval of the unchanged statutory instrument is deemed to have been given.
- (5) The Federal Government will provide the Bundestag in 2028 with a report on the status and future development of carbon pricing within the European Union and on technical developments. In the report, the Federal Government will also investigate whether and if appropriate which provisions in this Act are necessary to attain the climate targets and whether, in view of the effect of European emissions trading, it will be possible to dispense with the allocation of annual emission budgets for individual sectors from 2031. Where necessary, the Federal Government will present a proposal for legislation.
- (6) The Federal Government must present a report with a proposal for the transition from national to European fuel emissions trading by the end of June 2024.

#### Section 5

#### Monitoring, annual emission budgets, authorisations to issue ordinances

(1) The Federal Environment Agency compiles the data of the greenhouse gas emissions overall and in the sectors under Annex 1 (emission data) for the preceding calendar year (reference year), starting with the reference year of 2020 on the basis of the methodological requirements of the European Monitoring Mechanism Implementing Regulation or on the basis of a successor arrangement issued under Article 26 of the European Governance

Regulation. The respective annual emission budgets for the sectors of energy, industry, transport, buildings, agriculture and waste management and others until 2030 are oriented to Annex 2a. The categories in the uniform reporting tables for the sectors are oriented to Annex 1. The Federal Environment Agency publishes and transmits the emission data of the reference year to the Council of Experts on Climate Change under section 10 until 15 March of each year.

- (2) From reference year 2023, the following are depicted in addition to the emission data:
  - 1. for the respective reference year the information aggregated for all sectors as to whether the emission data are higher or lower than the total annual emission budget under Annex 2 and the information for each sector as to whether the emission data are higher or lower than the annual emission budgets under Annex 2a,
  - 2. the updated total annual emission budgets in accordance with section 4(2) in conjunction with Annex 2 and the updated annual emission budgets for the individual sectors under subsection (5) for the years following the reference year,
  - 3. for the land use, land-use change and forestry sector, also sources and sinks of greenhouse gases,
  - 4. an annex in which the emission data for the preceding years from reference year 2020 transmitted to the European Commission are added and which provides a breakdown of the emission shares of the sectors which are subject to the European Effort Sharing Regulation.
- (3) All of the federal ministries responsible for the sectors must make their appropriate contribution to the attainment of the national climate targets under section 3(1).
- (4) The Federal Government is authorised to alter the total annual emission budgets of the sectors in Annex 2a with effect from the beginning of the next calendar year by statutory instrument without the approval of the Bundesrat. The changes to the annual emission budgets of the sectors must be in harmony with the attainment of the national climate targets of this Act, with the total annual emission budgets and with the requirements of Union law. The statutory instrument requires the approval of the Bundestag. If the Bundestag has not considered the statutory instrument following the expiry of three weeks of session following the receipt of the statutory instrument, its approval of the unchanged statutory instrument is deemed to have been given.
- (5) Where the total annual emission budgets are adjusted in accordance with section 4(2), the Federal Government must adapt Annex 2a accordingly by statutory instrument without the approval of the Bundesrat taking account of the measures under section 8(2) with effect from the beginning of the next calendar year.
- (6) The Federal Environment Agency may collect the data necessary to fulfil the tasks under subsections (1) and (2). The collection of the data from natural and legal persons under private and public law and of associations of persons is not permitted to the extent that these data have already been or will be transmitted on the basis of other statutory provisions to authorities of the Federation or the Länder. The Federal Environment Agency is granted access to these data to the extent necessary to collect the data in order to fulfil the tasks under subsection (1). This also applies when the data are collected for other purposes.
- (7) The Federal Government can, by statutory instrument which does not require the approval of the Bundesrat,
  - 1. assign responsibilities for collecting and transmitting the data,
  - 2. determine which data must be collected and transmitted,
  - 3. stipulate requirements governing the collection and transmission of the data,
  - 4. regulate the procedure for collecting and transmitting the data, and

- 5. alter the allocation of emission sources to the sectors in Annex 1 where this is necessary to ensure uniform international reporting of greenhouse gas emissions and this is not opposed by requirements of Union law.
- (8) The Federal Government stipulates in 2024 for the years from 2031 until and including 2040 and in 2034 for the years 2041 until and including 2045 annual emission budgets which decrease each year in basically equal steps for the individual sectors by statutory instruments which do not require the approval of the Bundesrat. These annual emission budgets must be in harmony with the attainment of the national climate targets of this Act, with the total annual emission budgets, and with the requirements of Union law. In this process, it is necessary to ensure that clear reductions in greenhouse gases are achieved in every sector. The annual emission budgets apply unless a different arrangement has been made on the basis of a statutory instrument under section 4(5). Statutory instruments under sentence 1 require the approval of the Bundestag. If the Bundestag has not considered the statutory instrument following the expiry of six weeks of session following the receipt of the statutory instrument, its approval of the unchanged statutory instrument is deemed to have been given.

## Section 5a Projection data

The Federal Environment Agency compiles projection data annually on the basis of currently available emissions data and in line with the requirements of the European Governance Regulation on the future development in overall emissions and in emissions in the sectors under section 5(1) for all subsequent years until and including 2030 and at least for 2035. 2040 and 2045; from 2029 the Federal Environment Agency compiles the projection data for all subsequent years until and including 2040 and at least for 2045. To this end, the Federal Environment Agency commissions a research consortium. In harmony with procurement law, consensus will be established on the composition, specifications and other procurement conditions with the Federal Chancellery, the Federal Ministry of Finance, the Federal Ministry for Economic Affairs and Climate Action, the Federal Ministry for Housing, Urban Development and Building, the Federal Ministry for Digital and Transport, the Federal Ministry for the Environment, Nature Conservation, Nuclear Safety and Consumer Protection and the Federal Ministry of Food and Agriculture. The depiction will also provide a breakdown of the emission shares of the sectors subject to the European Effort Sharing Regulation. The Federal Environment Agency transmits the projection data by the end of 15 March of each year at the same time as the publication of the emission data under section 5 to the Council of Experts on Climate Change and forwards them to the Bundestag. This is without prejudice to the obligation to transmit projections to the European Commission in accordance with Article 18 of the European Governance Regulation.

### Section 6 Provisions governing fines

- (1) An administrative offence is committed by anyone who intentionally or negligently infringes a statutory instrument under section 5(4) or an enforceable order enacted on the basis of such a statutory instrument in so far as the statutory instrument refers, in respect of a particular offence, to this provision governing fines.
- (2) The administrative offence can be punished by a fine of up to fifty thousand euros.

#### Section 7

#### **Provisions implementing the European Effort Sharing Regulation**

(1) The purchase of emission allocations for the fulfilment of obligations under the European Effort Sharing Regulation is effected centrally through the federal ministry responsible for the implementation of the European Effort Sharing Regulation, subject to the resources available in the federal budget. When emission allocations are purchased, the federal ministry referred to in sentence 1 ensures that the selling state gives an undertaking to use the revenues to combat climate change.

- (2) The Federal Government presents the Bundestag and Bundesrat with a statistical overview accompanying the draft federal budget; in particular, the overview contains the following:
  - 1. an overview of whether emissions were higher or lower than the annual emission allocations to Germany under the European Effort Sharing Regulation in the preceding calendar year and since 2021,
  - 2. an overview of the emission allocations available under the European Effort Sharing Regulation in the relevant budget year, and
  - 3. the number of purchased emission allocations in the preceding calendar year and the total number of emission allocations purchased since 2021.
- In addition, a summary of the budgetary funds spent on such purchases must be attached. (3) The actions of the Federal Government aim to avoid a purchase of emission allocations in order to meet obligations under the European Effort Sharing Regulation.
- (4) If the projection data under section 5a show that the sum of the emission shares of the sectors subject to the European Effort Sharing Regulation is higher than the sum of the allocations stipulated for Germany for the years from 2021 to 2030 in the European Effort Sharing Regulation, the Federal Government must inform the Bundestag of this within one month of the presentation of the assessment of the projection data by the Council of Experts on Climate Change and comment on potential effects under Article 8 of the European Effort Sharing Regulation.
- (5) If the Federal Government has to present a plan for corrective action to the European Commission under Article 8 of the European Effort Sharing Regulation, the Federal Government will adopt it within the deadline set by Article 8 of the European Effort Sharing Regulation and will transmit it to the Bundestag without delay.

The Federal Government also transmits the following documents to the Bundestag without delay:

- 1. findings by the European Commission under Article 8(1) of the European Effort Sharing Regulation and
- 2. comments by the European Commission and justifications by the Federal Government under Article 8(3) of the European Effort Sharing Regulation.

#### Section 8

#### Procedure in the event of annual emission budgets being exceeded

- (1) If the Council of Experts on Climate Change under section 12(1) finds that, in two successive years, the projection data under section 5a show that the total greenhouse gas emissions aggregated for all sectors in the years from 2021 until and including 2030 exceed the sum of the total annual emission budgets under Annex 2 in conjunction with section 4(2) for these years, the Federal Government adopts measures to ensure compliance with the sum of the total annual emission budgets for these years; this applies until and including 2029. Corrective action does not take place if the Federal Government has already taken a decision in the same year in which the repeated overshoot under sentence 1 was identified, or took a decision in the preceding year, and this decision fulfils the requirements under sentence 1.
- (2) In order to prepare the Federal Government's decision, all the relevant federal ministries, and especially those whose portfolios cover the sectors which contributed to the overshoot, will present proposals for measures in the sectors covered by their portfolio within three months after the assessment of the projection data by the Council of Experts on Climate Change. The proposals can also contain cross-sectoral measures. The Federal Government discusses the measures to be taken in the relevant sectors or in other sectors or cross-sectoral measures, and adopts them as quickly as possible, at the latest within the same calendar year. Here, it can take account of the scope offered by the European Effort Sharing

Regulation and alter the annual emission budgets of the sectors by a statutory instrument under section 5(4). Before compiling the proposal for a decision on the measures, the assumptions on greenhouse gas reduction that underlie the measures are to be transmitted to the Council of Experts on Climate Change for examination. The outcome of the examination is added to the proposal for the decision.

(3) The Federal Government informs the Bundestag about the measures adopted.

(4) If the Council of Experts on Climate Change under section 12(1) finds that, in two successive years, the projection data under section 5a show that the total greenhouse gas emissions aggregated for all sectors in the years from 2031 until and including 2040 exceed the sum of the total annual emission budgets under section 4(4) in conjunction with section 4(2) for these years, the Federal Government adopts measures from 2030 to ensure compliance with the sum of the total annual emission budgets for the years from 2031 until 2040. Subsection (1) sentence 2 and subsections (2) and (3) apply accordingly.

## Division 3 Climate action planning

### Section 9 Climate action programmes

- (1) Twelve calendar months after the commencement of a legislative term at the latest, the Federal Government adopts a climate action programme; in addition, the Federal Government examines after each update of the Climate Action Plan whether a new climate action programme should be adopted. In each climate action programme the Federal Government, having regard to the current projection data under section 5a, stipulates the measures it will take to achieve the national climate targets according to section 3(1) in the individual sectors and on a cross-sector basis. Central to the measures referred to in sentence 2 is compliance with the total annual emission budgets set to attain the targets under section 4, taking section 5(3) into account. The Federal Government also specifies which measures it will take to attain the targets under sections 3a and 3b. If the Federal Government adopts measures under section 8 or a plan for corrective action under Article 8(1) of the European Effort Sharing Regulation, this is deemed to be an update of the existing climate action programme.
- (2) Where measures are necessary to comply with the total annual emission budgets under section 4, all the relevant federal ministries, within six months following the commencement of the legislative term, propose measures that are suitable for compliance with the total annual emission budgets; section 5(3) applies accordingly. Besides scientific estimates of the probable greenhouse gas reduction effects, the proposals for measures also contain scientific estimates of potential economic, social and other environmental impacts. These estimates also include as far as possible effects on employment trends, the economic structure, the equivalence of standards of living, also in rural areas, and the efficiency of the use of natural resources. The lead ministry responsible for climate action, in coordination with the relevant federal ministries, determines the probable greenhouse gas reduction effect of the proposed measures.
- (3) The Federal Government involves the Länder, municipalities, business associations, civil society organisations and scientific advisory bodies of the Federal Government in every climate action programme through a public consultation procedure.

### Section 10 Reporting

The Federal Government produces an annual climate action report containing information on the development of greenhouse gas emissions in general and in the individual sectors, the state of progress in implementing the climate action programmes adopted under section 9 and the measures under section 8, a forecast of the likely greenhouse gas reduction effects and the status of implementation and a forecast of the attainment of the targets under sections 3a and 3b. For the first time in 2024, and then every two years, the climate action

report contains a depiction of the status and the further development of carbon pricing within the European Union and on technical and international developments and on their compatibility with national carbon pricing and the national climate targets including the effect on the sectors under section 5(1). The Federal Government forwards the climate action report to the Bundestag by 30 June for the preceding year.

### Division 4 Council of Experts on Climate Change

#### Section 11 s on Climate Change, authori

## Independent Council of Experts on Climate Change, authorisation to issue ordinances

- (1) A Council of Experts on Climate Change is established, comprising five specialised persons from various disciplines. The Federal Government appoints the members for a term of five years, at least one member being drawn from each of the fields of climatology, economics, environmental science and social matters and possessing outstanding scientific knowledge and experience in his or her field. The Council of Experts as a whole should also embody overarching expertise in the sectors specified in section 5(1). Equal representation of women and men must be ensured. Each member may be reappointed once.
- (2) The Council of Experts on Climate Change elects by secret ballot from among its members a chairperson and a deputy chairperson. The Council of Experts on Climate Change adopts its own rules of procedure.
- (3) The Council of Experts on Climate Change is bound only by the mandate assigned by this Act and is independent in its activity. The Federation meets the costs incurred by the Council of Experts on Climate Change, subject to the provisions of the federal budget.
- (4) The Council of Experts on Climate Change is assisted in the performance of its work by an administrative office. The staff of the office are appointed by the Federal Government and are under the authority of the Council of Experts on Climate Change in professional matters.
- (5) The Federal Government is authorised to enact statutory instruments not requiring the approval of the Bundesrat to lay down rules governing the seat of the Council of Experts on Climate Change, its administrative office, the lump-sum remuneration of its members, the reimbursement of their travel expenses, their duty of confidentiality and other organisational matters.

#### Section 12

#### Tasks of the Council of Experts on Climate Change

(1) The Council of Experts on Climate Change examines the emissions data under section 5(1) and (2) and the projection data under section 5a, and presents the Federal Government and the Bundestag with an assessment of the transmitted data within two months following their transmission by the Federal Environment Agency. In so doing, it establishes on an aggregated basis for all sectors the extent to which the total amount of greenhouse gas emissions according to the projection data is higher or lower than the total annual emissions budgets under Annex 2 in conjunction with section 4(2) in the years from 2021 until and including 2030; from 2029 it also establishes on an aggregated basis for all sectors the extent to which the total amount of greenhouse gas emissions according to the projection data is higher or lower than the total annual emissions budgets under section 4(4) in conjunction with section 4(2) in the years from 2031 until and including 2040. Taking Annex 2a and section 5(8) into account, it also presents the projection data for the individual sectors and their development in comparison to the annual emission budgets. It also establishes the extent to which the total emission shares of the sectors subject to the European Effort Sharing Regulation are higher or lower than the allocations stipulated for Germany for the years from 2021 to 2030 in the European Effort Sharing Regulation according to the emission and projection data. As long as is necessary, forecasts made in accordance with section 5a of the allocations which are to be stipulated for Germany under the European Effort Sharing Regulation apply.

- (2) Before compiling the proposal for a decision for the Federal Government on the measures referred to in section 8(2), the Council of Experts on Climate Change examine the assumptions on greenhouse gas reduction that underlie the measures.
- (3) The Federal Government obtains an opinion from the Council of Experts on Climate Change regarding the underlying assumptions on greenhouse gas reduction before ordering the implementation of the following measures:
  - 1. alterations to or stipulations of the total annual emission budgets and the annual emission budgets under this Act;
  - 2. updating of the Climate Action Plan;
  - 3. adoption of climate action programmes under section 9.
- (4) In 2022 for the first time, and then every two years, the Council of Experts on Climate Change presents an expertise to the Bundestag and the Federal Government on the development so far of greenhouse gas emissions, on the trends in the total annual emission budgets and annual emission budgets and on the effectiveness of measures to reduce emissions in terms of achieving the targets set out in this Act. In addition, the Bundestag or the Federal Government can, through adoption of corresponding decisions, task the Council of Experts on Climate Change with drawing up special reports.
- (5) The Council of Experts on Climate Change can produce expertises on the further development of appropriate climate action measures on the basis of the emission and projection data. The Council of Experts on Climate Change transmits expertises under sentence 1 to the Federal Government and the Bundestag. The Federal Government takes these into account when deciding on measures under sections 8 and 9.
- (6) All public bodies of the Federation within the meaning of section 2(1) of the Federal Data Protection Act provide the Council of Experts on Climate Change with access to the data needed for it to perform its tasks and make such data available. The Federal Government ensures that the protection of third parties' industrial and commercial secrets and of personal data is guaranteed. The Council of Experts on Climate Change can hear and question public authorities as well as experts, particularly representatives of business organisations and environmental associations, on matters relating to climate action.
- (7) In its expertises and opinions, the Council of Experts on Climate Change also comments on the stipulations presented to it which are made by the Federal Government regarding the social distributive effects, the economic viability and the effectiveness of climate action measures.

### Division 5 Role model function of public authorities

### Section 13 Consideration requirement

- (1) Bodies discharging public duties must give due consideration in their planning and decisions to the purpose of this Act and to the targets set for its implementation. This is without prejudice to the powers of the Länder, municipalities and municipal associations to determine the manner of their compliance within their respective areas of responsibility. When planning, selecting and making investments and procurements, the Federation must take as a basis a CO<sub>2</sub> price, at least the minimum price under section 10(2) of the Fuel Emission Allowance Trading Act or a fixed price, for the avoidance or causation of greenhouse gas emissions.
- (2) When planning, selecting and making investments and procurements, the Federation examines how each of these operations can contribute to the achievement of the national climate targets specified in section 3. Where there are several implementation options, preference must be given, once they have been weighed up against other relevant criteria pertaining to the purpose of the respective measure, to those options with which the aim of reducing greenhouse gas emissions over the whole lifetime of the measure can be achieved

at the lowest cost. Additional investment or procurement expenditure should not be disproportionate to their contribution to greenhouse gas reduction. In so far as provisions of procurement law are applicable, they must be observed.

(3) When cost-effectiveness criteria are applied by the Federation, costs and savings over the entire lifetime of the investment or procurement in question must be the basis of any comparison.

### Section 14 Federation-Länder cooperation

- (1) Without prejudice to compatibility with federal law, the Länder may enact their own legislation on climate change. The existing Länder legislation on climate change continues to apply without prejudice to its compatibility with federal law.
- (2) The Federation and the Länder cooperate in an appropriate form in order to achieve the objectives of this Act.

#### Section 15

#### Climate-neutral federal administration

- (1) The Federation sets itself the goal of climate-neutral organisation of the federal administration by 2030. To achieve this goal, the Federal Government adopts, at least every five years from the entry into force of this act, measures to be complied with by the federal authorities and other federal institutions without legal personality of their own if they are directly subject to the organisational authority of the Federation. If legal provisions are required to achieve the goal specified in the first sentence above, the Federal Government will present the Bundestag with a draft of those provisions within six months following the adoption of the measures.
- (2) Climate neutrality of the federal administration is to be achieved, in particular, through energy savings, through the efficient provision, conversion, use and storage of energy and through the efficient use of renewable energy sources and the selection of the most climate-friendly modes of transport. In this context, care must be taken to ensure the efficient use of natural resources. In the case of federal administrative actions abroad, such as the construction or refurbishment of federal buildings, due consideration must be given to local regulations and technical standards and to market conditions.
- (3) The Federation endeavours, in the corporations, agencies and foundations under its supervision, in its special funds and in the private legal entities that are wholly or partially under its ownership, to ensure that these bodies also pursue climate-neutral organisation of their administrative activity.
- (4) The Federal Government engages in experience-sharing with the Länder with a view to assisting the Länder, within their sphere of responsibility, in considering and, where appropriate, framing rules that are comparable with those enacted in pursuance of subsections (1) to (3).

#### Section 16

#### **Transitional arrangements**

- (1) The existing immediate action programmes under section 8 in the version of the act of 18 August 2021 remain in place.
- (2) The projections produced in [insert: year in which this act enters into force under Article 2] are regarded as projection data under section 5a. The German Council of Experts on Climate Change examines these projection data as quickly as possible under section 12(1) and makes a determination under section 12(1) sentence 4.

### Annex 1 (to section 5) Sectors

The division into sectors is based on the categories of the Common Reporting Table (CRT) under the European Monitoring Mechanism Implementing Regulation or on a successor arrangement issued on the basis of Article 26(7) of the European Governance Regulation.

Sectors	Description of the categories of the Common Reporting Table (CRT)	CRT category
1. Energy sector	Combustion of fuels in the energy sector;	1.A.1
3,	Pipeline transport (other transport);	1.A.3.e
	Fugitive emissions from fuels	1.B
2. Industrial sector	Combustion of fuels in the manufacturing	1.A.2
	sector and the construction sector;	
	Industrial processes and product use;	2
	CO <sub>2</sub> transport and storage	1.C
3. Buildings	Combustion of fuels in:	
	commerce and authorities;	1.A.4.a
	households.	1.A.4.b
	Other activities relating to the combustion of	1.A.5
	fuels (especially in military facilities)	
4. Transport	Transport (civil domestic aviation; road	1.A.3.a; 1.A.3.b;
	transport; rail transport; domestic shipping)	1.A.3.c; 1.A.3.d
	excluding transport by pipeline	
5. Agriculture	Agriculture;	3
	Combustion of fuels in agriculture, forestry	1.A.4.c
0.144	and fisheries	_
6. Waste	Waste and waste water;	5
management and	Other	6
others		
7. Land use, land-	Forestland, cropland, grassland, wetlands	4
use change and	and settlements, harvested wood products,	
forestry	changes between land-use categories	

Annex 2 (to section 4(1) sentence 2 and 3)
Total annual emission budgets for the years from 2020 to 2030

Total allitual chilecton suagete for the years from 2020 to 2000											
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Total annual emission budget in million tonnes of CO <sub>2</sub> equivalent		786	756	720	682	643	604	565	523	482	438

Annex 2a (to section 5(1) sentence 2)
Annual emission budgets for the years from 2020 to 2030

Allitudi cillission badgets for the years from 2020 to 2000											
Annual emission budget in million tonnes of CO <sub>2</sub> equivalent	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Energy sector	280		257								108
Industrial sector	186	182	177	172	165	157	149	140	132	125	118
Buildings	118	113	108	102	97	92	87	82	77	72	67
Transport	150	145	139	134	128	123	117	112	105	96	85
Agriculture	70	68	67	66	65	63	62	61	59	57	56
Waste management and others	9	9	8	8	7	7	6	6	5	5	4

Annex 3 (to section 4(1) sentence 4)
Annual reduction targets for the years from 2031 to 2040

	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Annual	67 %	70 %	72 %	74 %	77 %	79 %	81 %	83 %	86 %	88
interim										%
targets										
vs. 1990										