



ENVIRONMENT AGENCY
OF ICELAND

Newsletter to aircraft operators regarding EU ETS – January 2013

Dear Aircraft Operators.

As informed in December, the European Commission is currently in the process of negotiating a proposed amendment to the Emissions Trading System for Aviation (ETS). The proposal, as well as FAQ can be found on the Commission's website: http://ec.europa.eu/clima/news/articles/news_2013101601_en.htm

The Environment Agency of Iceland would like to emphasise that the proposal is currently going through the European legislative process, that is, the European Parliament and the Council. The European Commission hopes that the proposal will be agreed by March 2014, and once agreed, Member States will then have three months to transpose the requirements into national law. **The deadlines and new regulations listed are not legally binding until their entry into force. In the course of the deliberations, further changes may occur, and in the meantime, current Icelandic and EU law remain in force.**

This concerns in particular the exemption from emissions trading for small emitters whose aviation activity causes less than 1.000 tonnes of CO₂ per year pursuant to Annex 1 of the existing Directive, and the postponement of the 2013 reporting until 2015.

If no final regulation will be available by March 2014, the initial scope shall enter into force in accordance with Annex 1 of the existing Directive. That would mean that aircraft operators whose aircraft start or land in the European Union and countries of the European Economic Area (Iceland, Norway and Liechtenstein) must report their emissions to the competent administering Member State in full.

The temporary suspension of duties associated for flights to and from third countries ("Stop the Clock") has applied up to now but is was exclusively intended for the reporting year 2012. It is therefore not likely to apply any longer, consequently **reporting for 2013 should be full scope.**

The EAI recommends that you continue to monitor all of your emissions in accordance with the existing regulations pursuant to Annex 1 of the existing Directive and in accordance with the approved monitoring plan. Please note that the deadlines for submission of a verified emissions report (**31 March 2014**) and the emission allowances (**30 April 2014**) **currently remain effective.** Reporting in Iceland is done by using the Commission's Reporting Tool.



As soon as further information will become available, the EAI will update all aircraft operators.

If you have any questions regarding the EU ETS Aviation, please contact us through ets-aviation@ust.is.

