

# EU ETS Aviation Newsletter



Issue 24

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**This newsletter provides an update on compliance for aircraft operators assigned to the United Kingdom for the 2013 and 2014 Scheme Years**

Welcome to our new look EU ETS Aviation newsletter.

## **The Greenhouse Gas Emissions Trading Scheme (Amendment) Regulations 2014**

The EU Amending Regulation which temporarily amends the scope of the EU ETS Directive for aviation between 2013 and 2016 came into force on 30 April 2014. The Greenhouse Gas Emissions Trading Scheme (Amendment) Regulations 2014 (the [UK Regulations](#)) which bring UK law in line with the Amending Regulation came into effect on 22 December 2014.

This newsletter sets out some of the key aspects of the new EU and UK Regulations. Our updated 'How to Comply' guidance document for the period 2013 to 2016 can be found [here](#).

## **Important EU ETS terminology: what does 'scope' mean?**

### **'Reportable Scope' (RS)**

This refers to the flights between aerodrome pairs that are included in the revised geographical scope of EU ETS. It is the carbon dioxide (CO<sub>2</sub>) emissions from these flights that you must report to us via ETSWAP. You must then surrender an equivalent number of allowances to cover these emissions through your Aircraft Operator Holding Account (AOHA) in the UK Registry.

### **'Full Scope' (FS)**

This refers to all your Annex I activity that is not exempt, and includes 'Reportable Scope' flights, flights between EEA aerodromes and Outermost Territories (e.g. UK to Canary Islands), between EEA aerodromes and third countries (e.g. France to USA) and positioning flights. Importantly, eligibility for the 1,000 t CO<sub>2</sub> 'non-commercial' and 'commercial' exemptions and the 25,000 t CO<sub>2</sub> simplified reporting procedure is based on your 'full scope' emissions within a particular Scheme Year.

## **Non-commercial aircraft operators**

Please remember that it is **your** responsibility to ensure that you comply with the requirements of the Scheme. You must report your emissions

and surrender an equivalent number of allowances should your 'full scope' emissions exceed the 1,000 t CO<sub>2</sub> threshold within a Scheme Year. Please contact us as soon as possible if you have exceeded or expect to exceed the threshold.

## **2013 and 2014 Scheme Year Reporting**

Separate emissions reports containing your reportable emissions for the 2013 and 2014 Scheme Years must be submitted to us via ETSWAP by **31 March 2015**.

Your 2013 Scheme Year emissions report form is available in your ETSWAP work queue now. Your report form for the 2014 Scheme Year will be available in your ETSWAP work queue from 1 January 2015. Please ensure that your report only includes aerodrome pair and aerodrome data that are included in the revised geographical scope of EU ETS, as any invalid data will produce a validation error when you try and submit the report form.

## **Important information regarding use of the Eurocontrol Small Emitters Tool**

Eurocontrol has now produced an updated version of the 'tool' for the 2014 Scheme Year. This means that there are separate versions for the 2013 and 2014 Scheme Years. If you are eligible to use the 'tool', please ensure that you use the correct version for the relevant year. Both versions of the tool can be found on the Eurocontrol website [here](#).

## **Simplified Reporting Procedures**

If your 'full scope' CO<sub>2</sub> emissions are below 25,000 tonnes during the 2013 and/or 2014 Scheme Year(s), you have the option to use data from Eurocontrol's Support Facility (ETS SF), rather than having your emissions verified by an independent verifier.

The information sent to you from Eurocontrol contains data files that can be bulk uploaded into the ETSWAP report form to simplify the reporting process. If you choose this option, please attach a copy of the original email you receive from Eurocontrol together with the data files to the 'Additional Information' section of your ETSWAP emissions report form.

Note: Complete emissions data for the 2013 Scheme Year is now available from Eurocontrol. Complete data for the 2014 Scheme Year will not be available until the end of February 2015. The process for obtaining Eurocontrol Support Facility data can be found [here](#).

### **Surrendering allowances for the 2013 and 2014 Scheme Years**

Operators must surrender allowances equivalent to their reportable emissions for both the 2013 and 2014 Scheme Years by **30 April 2015**.

Operators who fail to surrender sufficient allowances by this date are liable to receive a mandatory civil penalty equivalent to €100 per tonne for each allowance that they fail to surrender. For example, if your reportable emissions for both the 2013 and 2014 Scheme Years are 100 t CO<sub>2</sub> (i.e. a total of 200 t CO<sub>2</sub>) and you do not surrender any allowances by 30 April 2015, the civil penalty would be the sterling equivalent of: 200 t CO<sub>2</sub> x €100 per tonne = €20, 000.

The mechanism for surrendering allowances is through your AOHA in the UK Registry. If you have yet to open an AOHA please contact our Registry Team as soon as possible as the process can take some time. The team can be contacted on 01925 542594 or via the Registry helpdesk [here](#).

### **Proposing your emissions in the UK Registry**

As part of the surrender process you must 'propose' your reportable emissions for each Scheme Year in your AOHA. If your emissions report has been verified by a verifier, your verifier will also have to verify your emissions figure in your AOHA. If you are eligible and choose the simplified reporting procedure we will fulfil the role of the verifier after you have proposed your emissions figure in your AOHA.

You will need to enter a separate figure into your AOHA for each Scheme Year:

(i) Domestic Emissions: This relates to your emissions within the same EEA State (e.g. internal UK flights); and

(ii) Non-Domestic Emissions. This refers to flights between separate EEA States.

Both these figures are available within the 'Detailed Emissions Data' Section of your emissions report form.

### **Free allowance allocations for the 2013 and 2014 Scheme Years**

If you are eligible for an allocation, you should now have received the allowances to your AOHA for both the 2013 and 2014 Scheme Years. The allocations will appear as two separate transactions in your account. To check if you have received these allowances, log into your AOHA in the UK Registry and check the 'Holdings' tab.

You will only receive your allocation(s) if you have opened an AOHA in the UK Registry. If you have not yet opened an AOHA, please contact the Registry helpdesk [here](#).

### **Surrendering your allowances**

Although you have to propose your reportable emissions separately for the 2013 and 2014 Scheme Years in your AOHA, you only need to do one surrender transaction to cover your reportable emissions.

### **ETSWAP and AOHA account status**

Non-commercial operators who are now exempt under EU ETS have had their ETSWAP account marked as 'Exempt –non-commercial', and their AOHA marked as 'Excluded'. These changes have been made based on ETS SF emissions data or from data provided by you. Please review your ETSWAP status and if this is incorrect contact us as soon as possible via the [helpdesk](#).

### **Redundant Phase II tasks**

Over the next few weeks we will start the process of removing redundant Phase II tasks from your ETSWAP work queue.

### **Dedicated support for Aircraft Operators**

We have started to implement our new aircraft operator account management procedure, and you will be able to find who your dedicated Senior Technical Officer (Competent Authority Contact) is on your ETSWAP homepage under the 'Contact Details' section.

### **And finally...**

We would like to thank all involved in EU ETS for your co-operation this year and wish you all the best for the festive season.

### **Talking to us**

If you have a query regarding EU ETS please contact our ET Aviation [helpdesk](#).