



Aviation EU Emission Trading Scheme Implementation in the UK

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UK implementation process

Two-stage process transposing Directive into UK law, managed jointly by Department of Energy & Climate Change and Department for Transport:

- 1. The Aviation Greenhouse Gas Emissions Trading Scheme Regulations 2009; 17th September 2009**
- 2. Consultation on second stage Regulations to transpose the Aviation EU Emissions Trading Directive. The consultation will last for 12 weeks and will close on 5 March 2010.**

Operators encouraged to participate in the consultation process. All operators on the UK list have be contacted and invited to participate in the second consultation.

First Stage transposition

First stage transposing regulations came into force on 17th September 2009 and covered;

- **A voluntary system for aircraft operators to apply for a free allocation of allowances for the period 2012 to 2020; and**
- **Requirements on aircraft operators to submit a plan for the monitor of their emissions from 1 January 2010.**

The regulation appointed regulators to administer the scheme in the UK and enacted those parts of the Directive required for pre-trading period.

Key dates

17th September '09 – UK's first stage transposing regulations came into force

12th November '09 – Submission deadline for Emission Plans

31st December '09 – Submission deadline for Benchmark Plans

31st December '09 – Determination of Emission Plans by competent authority

1st January '10 – Start of first emissions monitoring year and start of benchmark year

31st December '10 – End of first emissions monitoring year and benchmarking year

31st March '11 – Deadline for submission of verified benchmarking data for applications for free allowances and submission of first years verified emissions data

30th September '11 – Commission calculate benchmark numbers

31st December '11 – Publication of operators free allocations

28th February '12 – First allocation of free allowances

EU ETS & Aviation - UK Regulation

UK regulators:

- Environment Agency (England & Wales)
- Scottish Environment Protection Agency
- Northern Ireland Environment Agency



Operators report to the regulator for relevant country in which they are based, or to which they primarily fly to / from



UK Civil Aviation Authority provides expert advisory role to each UK regulator



The UK definition of an operator

As set out in the UK regulations, the UK will regulate operators who are;

(a) allocated to the UK on the Commission's list; and

(b) carrying out an aviation activity as defined by Annex I of the European Directive.

If an operator allocated to the UK believes they should be exempt from the System, they should contact the Environment Agency via e-mail with information supporting their exemption request.

Commission's Operators List

The UK have been allocated 891 operators in the Commission's list. The second highest of any Member State.

In addition the most recent Commission's Pre-Compliance List has an additional 92 operators which the Commission expects to allocate to the UK when it updates in main list.

Commercial v Non-Commercial

A commercial air transport operator will hold an AOC

‘Commercial Air Transport Operator’ is defined as :

- An operator that, for remuneration, provides scheduled or non-scheduled air transport services to the public for the carriage of passengers, freight or mail.

Monitoring Plans

Web-based system

- Substantial benefits over other methods of submission

Annual Emissions Plans

- On-going monitoring of emissions
- Compulsory

Tonne-Kilometre Plans

- 2010 activity
- Optional
- Required to get free allowances for 2012 - 2020

Monitoring & Reporting Guidelines

Annex I – General guidelines

Annexes II-XII – Industry specific guidelines:

- Combustion (electricity generation, boilers, etc)
- Refineries
- Iron and steel, etc.

Annex XIII – Determination of NO_x

Annex XIV – Guidelines for Aviation activities

Annex XV - Guidelines for TKM data

Annual Emissions Reports

Commission web-site has template for full details.

For each fuel type :

- Total consumption
- NCV, EF & biomass (if not commercial standard fuel)
- Total CO2 emissions, disaggregated by :
 - Domestic flights
 - Flights departing each Member State
 - Flights arriving each Member State

Total number of flights

Emissions and numbers of flights by aerodrome pair

Exemplars can be found on Environment Agency website.

Tonne-Kilometre Reports

Commission web-site has template for full details.

Report requires :

- Aircraft type
- Aircraft registration number
- Start/end date for aircraft in service for part years
- By Aerodrome pair :
 - GCD
 - No. of flights
 - No. of passengers
 - Mass of passengers and baggage
 - Mass of freight and mail

Exemplars can be found on Environment Agency website.

Current UK Status

UK Regulators have received emissions monitoring plans that account for more than 99% of the total emissions of all the UK listed operators.

Any aircraft operators who are allocated to the UK and have not yet submitted the mandatory emissions monitoring plan should contact the Environment Agency as soon as possible.

The UK regulators will impose penalties on operators who do not comply with their EU ETS obligations.

Operators who fail to submit emissions monitoring plans will face penalties of up to £4,500

Second stage transposing Regulations

Consultation on second stage transposing regulations launched Friday 11th December

The consultation will run for 12 weeks and will close on 5 March 2010.

All aircraft operators who are allocated to the UK have been invited to respond

Link to consultation;

<http://www.decc.gov.uk/en/content/cms/consultations/consultations.aspx>

Scope of the consultation

The second stage transposing regulations build upon the first stage regulations, which were consulted on earlier this year and cover the remaining elements of aviation EU ETS Directive. The consultation explains and seeks views on the draft regulations, including:

- **Third country measures to reduce the climate change impact of aviation**
- **Special reserve**
- **Emission plan conditions and variation**
- **Implementation and enforcement of an EU wide operating ban**
- **Assistance from aerodrome operators**
- **Charging operators for regulation**
- **Arrangements for aircraft operators who cease operating**

Summary

The emission monitoring plans submitted account for more than 99% of the total emissions of all the UK listed operators.

Operators who are allocated to the UK and who have not submitted an emissions monitoring plan to the UK regulators are in breach of the UK Regulations and are subject to civil penalties if they do not comply.

Operators who are allocated to the UK and who wish to apply for a share of the free allocation of aviation CO2 allowances should send their benchmarking plans to the UK Regulators by 31 December. Failure to submit a benchmarking plan could result in the operator receiving no free allowances.

The consultation on the second transposition of the Directive will close on the 5 March 2010 – please send your responses to us by then.

Website Links

Environment Agency

- Guidance notes/Exemplars/Seminar Presentations/FAQ plus links to
- Commission website
- Directive
- MRG

<http://www.environment-agency.gov.uk/business/topics/pollution/107596.aspx>

Commission website

http://ec.europa.eu/environment/climat/aviation_en.htm

Aviation Directive

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2009:008:0003:0021:EN:PDF>

MRG

- Phase 2 Monitoring & Reporting Guidelines/Aviation specific guidelines

http://ec.europa.eu/environment/climat/emission/mrg_en.htm

MRG Templates

http://ec.europa.eu/environment/climat/emission/mrg_templates_en.htm

DECC

http://www.decc.gov.uk/en/content/cms/what_we_do/change_energy/tackling_clima/emissions/eu_ets/aviation/aviation.aspx

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Thank you

