



COMPLIANCE ISSUES AND VERIFICATION CONCERNS: MALTA

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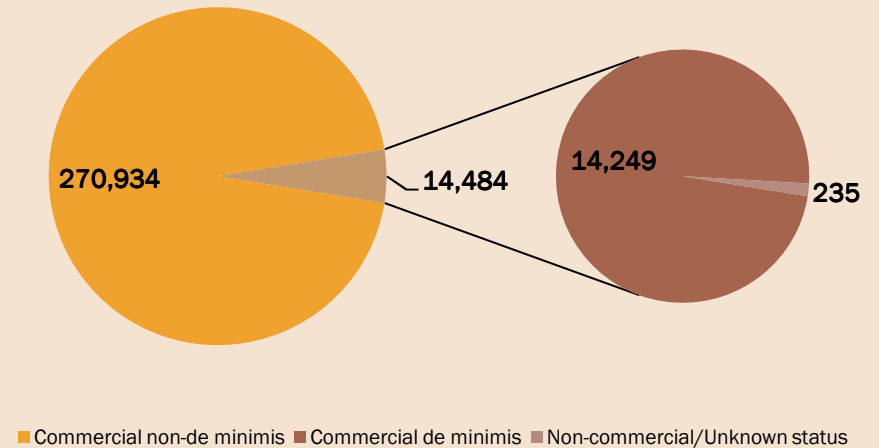
Presentation for break-out session III, Compliance Conference, 3/4 June 2013

STATE OF PLAY

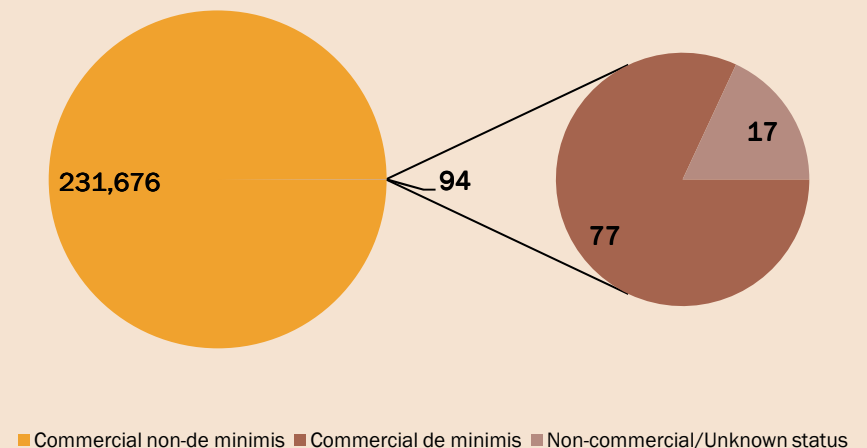
- ✘ **2012 list: operators**
 - + 33 operators on MT list;
 - + Full scope: 12 operators active;
 - + STC scope: 8 operators active.
- ✘ **2012 list: emissions** (see charts)
- ✘ **2012 list: rate of compliance**
 - + 99.96% of STC emissions accounted for;
 - + 0.01% of STC emissions not accounted for (compliance pending);
 - + 0.03% of STC emissions not subject to compliance.

*STC: Stop-The-Clock

Emissions total 2012 (tCO₂)



Emissions STC 2012 (tCO₂)



COMPLIANCE ISSUES FOR 2012

- × *AOs already in compliance:*

- + No major compliance/verification issues;
- + Some difficulties with acquisition of allowances/credits.

- × *AOs with pending compliance:*

- + Small emitters;
- + Non-compliances: pending surrender; pending submission of monitoring plan/emission report; no contact achieved with operator.

- × *Main issues encountered for AOs with pending compliance:*

- + Achieving initial contact;
- + Complexity of procedures (esp. registry);
- + Acquisition of small quantities of allowances;
- + Cost for operators (next slide).

COST OF COMPLIANCE

- ✘ Cost is a major issue for operators/emitters (especially small operators).

- ✘ Competent Authority “quick” survey on 2012 compliance costs:
 - + Verification costs for larger emitters: reported at between Euros 4,000 - 5,000;
 - + share of brokerage fees (where applicable) relative to cost of purchasing allowances/credits ranges from ~8% of total cost to ~95% of total cost!
 - + The smaller the quantity purchased, the higher the share of brokerage fees.

A WORD ON SIMPLIFICATION

- ✘ Simplification in respect of small emitters welcomed;
- ✘ Preference for *de minimis* approach to apply to all operators;
- ✘ “Interim” simplifications approaches explored in one case, but legal considerations raised concerns, e.g. ...
 - + Tried to explore option of mandating the CA of the MS where AO is established to perform administrative functions on behalf of MT CA, but problems with wording of MT legislation, such as requirement for “AO to submit AEm plan/report to the MT competent authority”;
 - + Concerns regarding legal status of decisions taken by another MS’s CA in case of local enforcement actions/court procedures;
 - + References to “competent authority” in directive may need to be reviewed.
- ✘ “Simplification” (for CAs) may also be facilitated through more and better use of tools such as the ECTL ETS Support Facility and DEHSt ERE tool.

Thank you.

Have a nice flight ...
to environmental sustainability!