



Future projects in support of EU ETS MRVA in 2023

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14th EU ETS compliance conference

Brussels, 23 November 2023

Compliance Forum activities in 2024

- 6 Steering Committee meetings per year;
- Task Force meetings: M&R, A&V, Aviation, CCS (restarted a year ago);
- Compliance Forum events: 1 to 2 trainings in 2024;
- 15th EU ETS Compliance Conference: November 2024;
- Brochure and bulletin prepared twice per year;
- Support from the Secretariat for the Compliance Forum activities and events.
- Sharepoint: platform available, hosted by DEHSt

Steering Committee of the Compliance Forum

= executive body of the Compliance Forum

- 6 Steering Committee meetings per year ~ every 2 months;
- COM (chairing) and CAs -> 4 MS currently represented; CALL FOR A NEW MEMBER
- Preparation of the Compliance Forum events – annual Compliance Conference, training events...;
- Endorsement of work plans of TF (February each year);

Ongoing revision of MRR and AVR legislation, update of the guidance documents, templates and tools

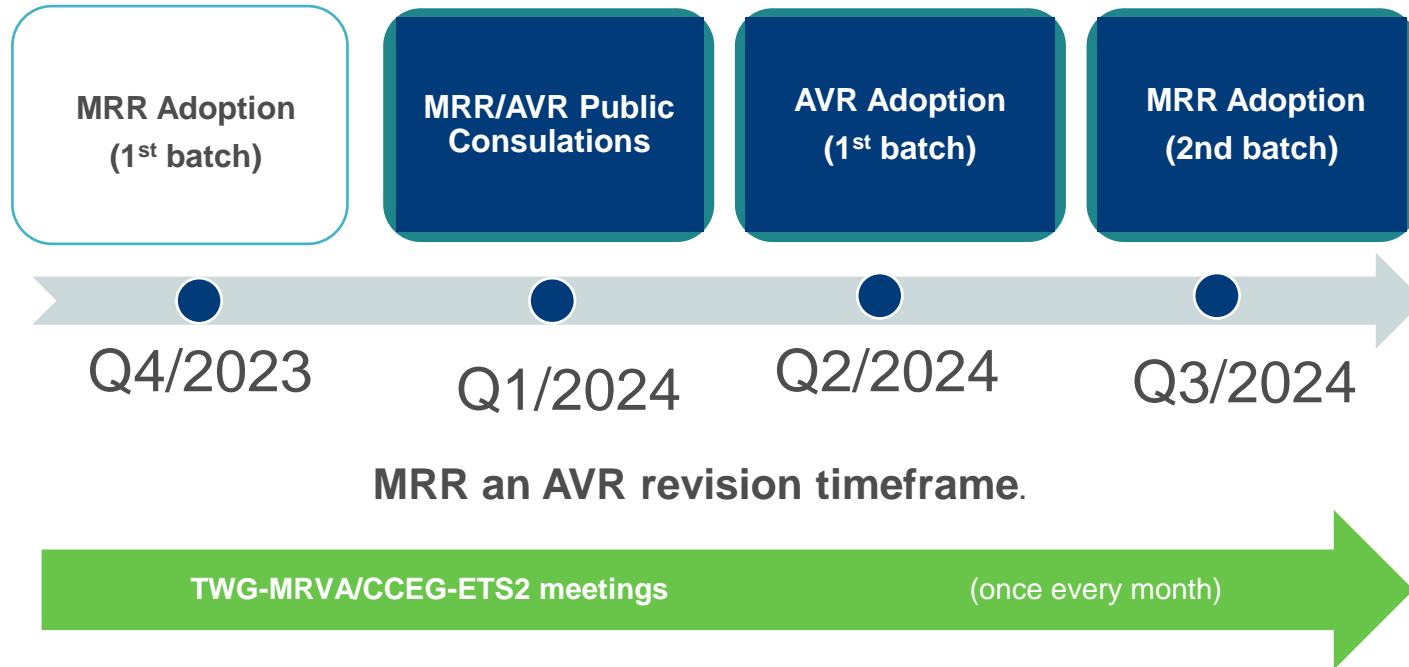
Revised EU ETS Directive as part of FF55 package of reforms results in:

- MRR revision, 1st batch, published in the Official Journal on 18 October 2023, adoption of 2nd batch envisaged for summer 2024;
- AVR revision, adoption of the 1st batch envisaged for April 2024;
- The update of the guidance documents covers all the new legal developments, in particular the 1st and 2nd update of the MRR and AVR;
- GD III on verification in ETS aviation – to be updated in relation to biofuels, similar as GD2 (to be aligned). One single update envisaged in 2024.
- The AER for aviation – sent to TWG MRVA and Eurocontrol.
- AVR legislation has no impact on the EU ETS Reporting Tool.
- EU ETS Reporting Tool will be updated to support MRR for ETS 2 regulated entities.
- Monitoring Plan template update – new obligation for MWI plants

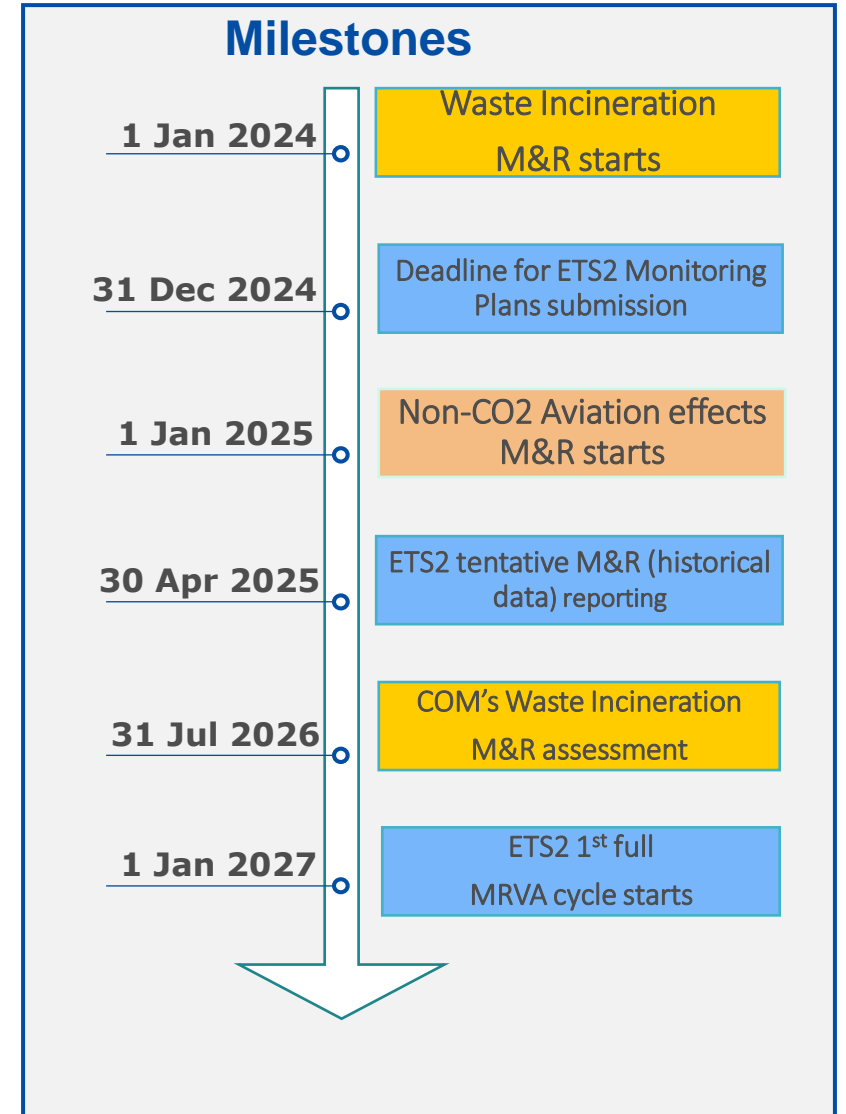
Article 21 reporting

- Requirement from Art 21, ETS directive -> MS reporting by 30 June annually, next one 30 June 2024!
- Analysis of MS responses to Article 21 used for the Carbon Market Report and Art 21 Technical report;
- COM Carbon Market Report published on 31 October 2023; https://climate.ec.europa.eu/news-your-voice/news/eu-carbon-market-continues-deliver-emission-reductions-2023-10-31_en
- COM Article 21 Technical Report (analysis of national responses) published in summer 2023 <https://op.europa.eu/en/publication-detail/-/publication/112220cb-2c27-11ee-95a2-01aa75ed71a1/language-en/format-PDF/source-290568177> ;
- Updated Article 21 questionnaire for ETS phase 4, published in June 2022, to be reopened for revision in 2024 to accommodate for legislative changes in the revised EU ETS directive (MWI, ETS2...)

MRR and AVR revision - timeline



The revision of MRR/AVR rules is ongoing distinguished between two batches for MRR. The first batch of MRR revisions was adopted last October and entry into force is 1 January 2024. The second batch of MRR revision follows with an envisaged adoption in early summer 2024. The first batch of AVR revisions on verification of emissions both for ETS1 and ETS2 will follow in early Q2/2024.



MRR and AVR revision

The **2nd batch of MRR** revisions mainly includes:

- Development of rules on RFNBOs/RCFs; In June 2023, a concept note was shared with TWG-MRVA members outlining options for developing M&R rules for RFNBOs/RCFs. These rules will also be relevant for aviation.
- Non-CO2 effects in Aviation will be included.
- New rules on specific sectors to address the new definitions of emissions and the CO2 transport with additional means.
- **AVR, 1st batch:** Verifier's role in checking compliance with conditionality rules, impact on guidance, ETS2 verification, aviation-related issues, improvement of existing AVR legal requirements.
- **AVR, 2nd batch:** Verification of non-CO2 aviation effects, impact CCU/CCS rules on verification; Impact MRR rules on transport of CO2 for geological storage; Impact on RFNBO/RCF rules on verification; Verification of achievement of milestones and targets.

Improvements on existing MRR/AVR rules will also concern individual articles (e.g., biomass fraction, biogas double counting, simplifications on ETS2) and which were pointed out by Member States during TWG-MRVA/CCEG-ETS2 discussions.



- **ETS2 update:** Monitoring Plan (MP) for ETS2 regulated entities will be available in Q1/Q2 2024 while the Annual Emission Report (AER) template will follow later that year. EU-ETS e-Reporting Tool will implement all those ETS2 M&R requirements





ETS Reporting tool – MRV (e-reporting)



ETS Reporting Tool (ERT) for MRV – overview

- Project kicked-off in March 2019 with 18 stakeholders;
- First web forms for Monitoring Plan (installations) delivered in Dec 2020;
- Web forms for Annual Emission Reports, Verification Reports and Improvement Reports deployed in 2022;
- Excel files also accepted for aviation reports (MP, AER, VR, IR), but no automatic validation;
- 1417 operators from 13 MS;
- 4864 submissions to date;
- Dedicated Service Desk (same as for the Union Registry);
- Continuous improvement (Incident, Problem and Change Management) – 6 releases in 2023;

ETS Reporting Tool (ERT) for MRV – benefits

- Web forms directly accessible to the operators
 - instant validation, pre-fill of data, less duplication, increase data consistency and quality, standardisation (XML-XETL);
- Streamlined process
 - Processes discussed and agreed by all stakeholders → workflows are common to all Competent Authorities;
- Traceability and transparency
 - all actions are audited and available to the CA users (reduced view for operators);
- Possible integrations (interoperability)
 - EU Login, EUTL, EUCR, EU-Sign, systems from other Institutions (EEA, Eurocontrol etc...) and Competent Authorities;
- Data available in structured format for analytics and reporting (e.g. Art 21 extracts);
- IT cost savings for the Competent Authorities.

Thank you for your attention and continuous support for building the efficient MRVA system for the EU ETS

EU ETS MRVA Website https://climate.ec.europa.eu/eu-action/eu-emissions-trading-system-eu-ets/monitoring-reporting-and-verification-eu-ets-emissions_en

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