

Contribution to the Consultation on the policy options for market-based measures to reduce the climate change impact from international aviation on behalf of the Ministry of the Environment of the Czech Republic

F. Questions for consultation

F.1. ICAO Framework for Market-Based Measures and Global MBM scheme

1) What should be the major considerations to assess the four different geographical scope options for the ICAO Framework listed above? [Max. 1000 characters]

In our opinion, the main consideration to assess the geographical scope of any MBMs should be the coverage of aviation emissions.

2) Which elements of the "Roadmap for a Global MBM" do you consider a priority, and what would be the optimal timeline for implementation? [Max. 1000 characters]

We do not have strong priority preference of any elements of the Roadmap for a global MBM as proposed by EU member states. All the elements of the Roadmap have to be internationally agreed and accepted otherwise the global market based measure will not be implemented. We believe that all the necessary work shall be done before 2020. This timeline will also provide sufficient space to harmonize international agreed MBMs framework with EU ETS for the trading period beyond 2020.

3) What essential requirements should be taken into account for the development of a common set of monitoring, reporting, and verification standards for measuring greenhouse gas emissions from international aviation? [Max. 1000 characters]

In general the same principles and requirements should apply as for other sectoral MRVs. The information provided has to be transparent, consistent, comparable and complete. The MRV system also has to be cost-efficient.

F.2. Simplifications for small aircraft operators

Certain flights are exempt from the Community system. According to paragraph (j) of Annex I to the EU ETS Directive, certain flights operated by a commercial air transport operator are exempt from the provisions of the EU ETS (*de minimis* exemption). The conditions are the following:

- the operator is a commercial air transport operator; AND
- the operator either operated less than 243 flights per three consecutive period of four months (Jan-Apr, May-Aug, Sep-Dec) or emitted less than 10,000 tonnes of CO₂ annually.

This exemption applies to commercial air transport operators. Non-commercial aircraft operators below the threshold are covered by the EU ETS. Small emitters can take advantage of simplified procedures to monitor their emissions. Recently, the threshold to make use of the simplified procedures has been increased to 25000 tonnes of emissions per year.

1) What could further decrease the compliance cost (cost for monitoring, reporting, verification, and registry) significantly for small aircraft operators? [Please rank the options below. Rank 1 - greatest cost decrease, 4 - no cost decrease]

- Management companies could be attributed to Member States for administration;

Rank 3

- No additional verification would be required in case of using the Eurocontrol Support Facility;

Rank 2

- All Member States would provide IT-tools for reporting;

Rank 4

- Simplified requirements to open an aircraft operator holding account in the Union Registry for small emitters (only for receiving and surrendering allowances).

Rank 3

2) Would you be in favour of exempting non-commercial aircraft operators altogether from the scope of EU ETS similar to the *de minimis* exemption of commercial operators? [Possible answers: Yes

3) Which consideration is the most important when choosing a *de minimis* threshold for small aircraft operators? [Possible answers: "overall environmental effectiveness of the system", "administrative effort for operators", "other"]

We believe that the environmental effectiveness of the EU ETS system has to be carefully balanced together with administrative effort for the operators. From our point of view, the present situation as regards administration of non-commercial small aircraft operators has not met this criterion. Specifically, the small non-commercial aircraft operators have to face time consuming and expensive procedures to be in compliance with EU ETS requirements even if they produce only 1 tonne of CO₂. On the other hand, small commercial aircraft operators producing less the 10 000 tonnes of CO₂ are excluded from the EU ETS. This unbalanced situation has to be modified. We would therefore support introduction of threshold, most preferably in the form of min. amount of CO₂ emission, to be implied for non-commercial aircraft operators. We also believe, that the de-minimis threshold as defined for commercial aircraft operators could be also eligible option here.