



MRV Shipping Regulation further steps paving implementation

**EU ETS Compliance forum Brussels,
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Maritime team

**International Carbon Market, Aviation and Maritime
DG Climate Action, European Commission**

Regulation (EU) 2015/757 (MRV shipping Regulation)

- 1st step gradual approach: Communication from June 2013 on GHG maritime emissions
- Adopted in April 2015 & entry into force 1st July 2015
- EU-wide monitoring & reporting obligations for all ships from 5000 GT calling at EU ports from 1st January 2018 (flag neutral approach)

Essential elements MRV shipping : Monitoring & Reporting

- *"Per ship"* monitoring & reporting obligations
- *"Doubled folded"*: CO₂ emissions & efficiency parameters
- *"Lean approach"*: relying on already monitored data
- Leaves companies a choice between four monitoring methods
- Transparency: publication of aggregated annual data and annual reports by the Commission

Essential elements MRV shipping: Verification & Accreditation

- **Third party verification:** legal entities accredited by an EU National Accreditation Body (NAB), pursuant to Regulation 765/2008
- **Verifiers** to:
 - assess the conformity of **monitoring plans** (MP);
 - assess the conformity of **emissions report** (ER);
 - issue and communicate a "**MRV document of compliance**" (DoC) to be held on board of the ship when visiting EU ports

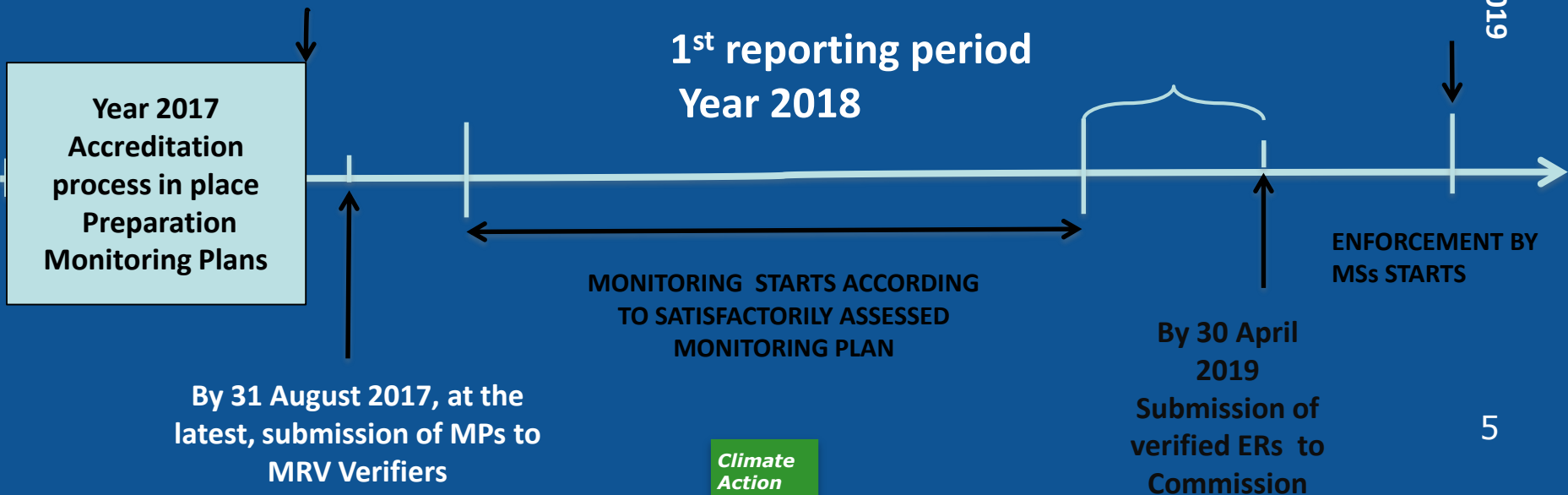
Regulation 765/2008 (Accreditation Regulation) applies to accreditation, if no MRV shipping rules apply



Timeline MRV SHIPPING 1st reporting period 2018

Accredited MRV verifiers assess conformity of Monitoring Plans

Accredited MRV verifiers verify 2018 ERs & issue DOCs



Legal acts on Monitoring & Reporting

- Article 5 (2) empowers the Commission to amend the monitoring methods and rules under Annexes I and II so as to take into account relevant international standards and rules, and scientific and technical development (**Delegated Regulation**)
- Annex II empowers the Commission to further specify technical rules on « cargo carried » for ships under the MRV Regulation other than ro-ro, passengers and containers (**Implementing Regulation**)
- Articles 6, 12 and 17 empower the Commission to set harmonized templates for Monitoring plans, Emissions reports and DoCs (**Implementing Regulation**)

Experts' consultation - MRV shipping Reg

- Two «MRV ad-hoc» experts' subgroups under the umbrella of the European Sustainable Shipping Forum (ESSF):
 - **Shipping MVR Monitoring subgroup**
 - **Shipping MRV Verification & Accreditation subgroup**
- Gather broad expertise as part of technical preparations
- Time-limited process: between July 2015 - Spring 2016
- Submitted recommendations on preferred choices for elements of MRV shipping Implementing and Delegated acts to the ESSF Plenary

Stakeholders views

- ESSF Plenary endorsed MVR shipping experts' subgroups recommendations: addressed to the Commission in June 2016
- Four draft legal acts (Regulations) to pave the way for implementation of the MVR shipping
 - Delegated Regulations amending Annexes I and II
 - Delegated Regulation on Verification & Accreditation
 - Implementing Regulations cargo carried
 - Implementing Regulation setting templates

Texts available for public feedback – BR mechanism open for 4 weeks (summer 2016)

Implementing Regulation (EU) 2016/1928 on determination of cargo carried

- Establishment of list of relevant ship types "other than passenger, container and RoRo-cargo ships"
- Definition of ship types: use of available IMO definitions
- Specification of ship type specific 'cargo carried' parameter(s) : mass , volume, and/or deadweight carried

Implementing Regulation (EU) 2016/1927 on MRV shipping templates

Sets 3 templates required by the MRV Regulation:

- Monitoring plan template: possibility to identify company - specific parts & ship specific parts;
- Emissions report template;
- Template for documents of compliance.

Sets rules for submission to the Commission of ERs and DoCs (electronic submission through MRV THETIS)

Delegated Regulation amending Annexes I & II

- Compulsory use of emission factors as in latest applicable IMO Regulations
- Density measurement in laboratories possible for all monitoring methods
- Distance travelled and time spent at sea calculated from 'berth-to-berth'
- Use of actual cargo mass for RoRo cargo ships

MRV Shipping additional legal acts on Verification & Accreditation issues

- **Articles 15(5)** and **16(3)** empower the Commission to further specify rules for MRV verification activities and verifiers' accreditation process (**delegated act**)
- Commission to take into account list of elements under **Annex III** of the MRV shipping Regulation:
 - Verification cycle
 - Accreditation process

Verification issues - Delegated Regulation on shipping V&A

- Competencies of verifiers
- Assessment of the conformity of the monitoring plan
- Documents to be provided by companies to verifiers
- Risk assessment to be carried out by verifiers
- Verification of the emissions report
- Site visits
- Uncertainty; Materiality; Misstatements & non-conformities
- Reasonable assurance
- Content of the verification report
- Recommendations for improvements

Accreditation issues: Delegated Regulation V&A

- Scope of accreditation (MPs and ERs)
- Requests for accreditation (from EU & non-EU legal entities)
- Assessment of verifiers by NABs
- Surveillance and reassessment of verifiers by NABs
- Suspension and withdrawal of accreditation
- Competence requirements for NABs providing accreditation for MRV shipping activities
- Communication between NABs and the Commission

State of play DA/IA - further guidance

MRV Delegated Regulations adopted on 22.09.16

- *EP & Council objection period until 22.11*
- *Followed by publication and entry into force before the end of 2016*

MRV Implementing Regulations adopted on 04.11.2016

- *published OJ 5.11.2016*
- *entry into force before the end of November 2016*

Further guidance on monitoring aspects and verification & accreditation aspects under preparation (extension ESSF "ad hoc" MRV Shipping experts' subgroups)

Thank you for your attention!



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