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# COMMISSION STAFF WORKING DOCUMENT EXECUTIVE SUMMARY OF THE IMPACT ASSESSMENT

Accompanying the document

Proposal for a Regulation of the European Parliament and of the Council

amending Regulation (EU) 2015/757 in order to take appropriate account of the global data collection system for ship fuel oil consumption data

{COM(2019) 38 final} - {SEC(2019) 20 final} - {SWD(2019) 10 final}

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# **Executive Summary Sheet**

#### A. Need for action

#### Why? What is the problem being addressed?

Pursuant to Article 22 of Regulation (EU) 2015/757 on the monitoring, reporting and verification of  $CO_2$  emissions from maritime transport ("EU MRV"), the Commission proposes to amend the EU MRV to take appropriate account of the global Data Collection System for fuel oil consumption of ships established by the IMO.

#### What is this initiative expected to achieve?

The aim is to facilitate the harmonious implementation of the two MRV systems, while preserving the objectives of the EU MRV, i.e. to keep the collection of robust and verified CO<sub>2</sub> emissions data at individual ship level to stimulate the up-take of energy efficiency solutions and inform future policy making decisions.

#### What is the value added of action at the EU level?

By maintaining a single set of MRV requirements at Union level, the proposed action will ensure the continued comparability and reliability of CO<sub>2</sub> emissions data from ships.

#### **B. Solutions**

# What legislative and non-legislative policy options have been considered? Is there a preferred choice or not? Why?

While the alignment of "governance" and "CO<sub>2</sub> reporting" has been discarded upfront to preserve the EU MRV objectives, 3 policy options have been assessed. Option 1 reflected what would happen if no action is taken. Option 2 assessed different streamlining scenarios to reduce administrative burden and safeguard the objectives of the EU MRV. Option 3 reflected the full technical harmonisation of both systems.

In line with option 2, the preferred choice is to streamline the two systems in terms of definitions, monitoring parameters, monitoring plans and templates to reduce administrative burdens, but not to modify the governance, scope, verification, transparency and CO2 reporting requirements, to preserve the EU MRV objectives.

# Who supports which option?

Option 2 is in line with the priorities expressed by most stakeholders that participated in the online public consultation and stressed the need to align technical aspects. At the same time, keeping the EU approach on verification and transparency is in line with the position of civil society, academia, citizens and Member States.

#### C. Impacts of the preferred option

#### What are the benefits of the preferred option (if any, otherwise main ones)?

The preferred option preserves the benefits of the EU MRV in terms of environmental, social and economic impacts and it reduces administrative burden for companies.

#### What are the costs of the preferred option (if any, otherwise main ones)?

By streamlining some aspects of the two MRV systems, the preferred option reduces the administrative burden and associated costs for ships having to report under both MRV systems.

# How will businesses, SMEs and micro-enterprises be affected?

While businesses subject to both MRV systems will benefit from reduced administrative burden, around 99% of maritime transport SMEs will continue not to be affected as ships below 5000 GT are outside the scope of the EU MRV.

#### Will there be significant impacts on national budgets and administrations?

There will be no significant impact on national budgets and administration, as the EU MRV system is already in place. It may however contribute towards the reporting obligations of flag States.

# Will there be other significant impacts?

None have been identified.

### D. Follow up

# When will the policy be reviewed?

Regular monitoring is foreseen by means of information on a range of indicators to be provided by the Member States on two-yearly basis.