



Latest developments at ICAO - GMBM

**7th EU ETS Compliance Conference – 8 & 9
November 2016**

8 November, 2016

39th ICAO Assembly

- In 2013, the ICAO States agreed to develop a global market-based measure to address international aviation's CO₂ emissions
- 39th ICAO Assembly decided to implement the:

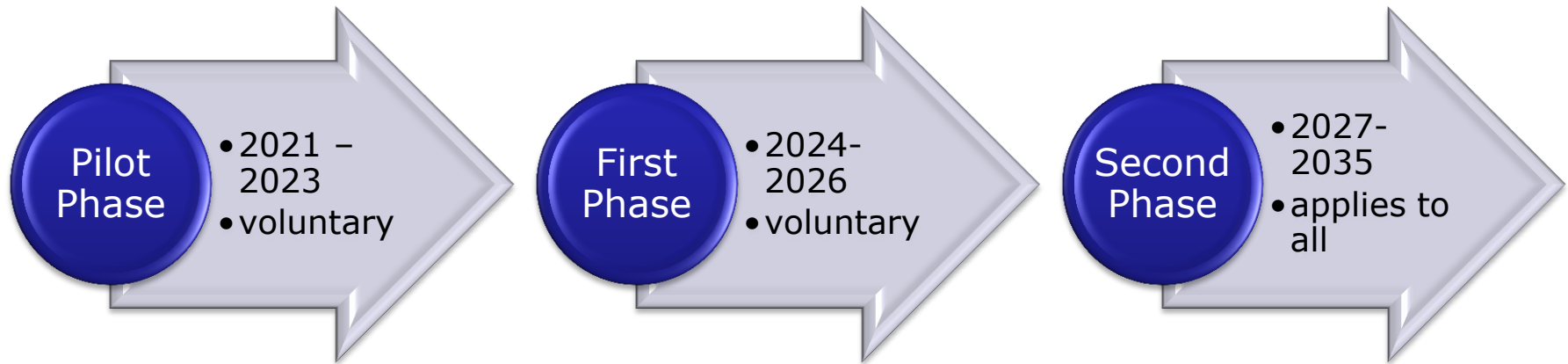
CORSIA

**Carbon Offsetting and Reduction Scheme for
International Aviation**

Goals and timelines of CORSIA

- CORSIA to address any annual increase in total CO₂ emissions from international civil aviation above the 2020 levels
- 2020 baseline: average of 2019-2020 emissions
- Implementation on a route basis, as of 2021 and until the 2035

Implementation phases



➤ states decide the basis for their operators' offsetting requirements

➤ a single method to determine operators' offsetting requirements

➤ exempt: LDCs, LLDCs, SIDs and states with less than 0,5% of total RTKs in 2018

What is the coverage?

- **Pilot phase:** up to date, **66 states** volunteered to implement the CORSIA from the start
- **First Phase:** more states to join?
- **Second Phase:** estimation is that **73 states** will be in, and **118 states** will remain exempt
- *About 80% of emissions above 2020 levels will be offset throughout the 2021 – 2035*

Operators' offsetting requirements

- Fully based on sector's growth from 2021 to 2030
- at least 20% of offsetting requirement based on the individual growth from 2030
- at least 70% of offsetting requirement based on the individual growth from 2033 to 2035
- **ICAO Council may recommend in 2028 the adjustment of the individual percentage**

Reviews: the key for improvement of CORSIA

- Reviews every 3 years, starting in 2022: Council to propose adjustments for the decision of the Assembly:
 - **To assess the progress towards achievement of the goal**
 - **Consider improvements to support the goals of the Paris agreement**
 - **Update the design to improve implementation and increase effectiveness**
- A special review in 2032 on termination or extension of the scheme

Implementation rules

- Standards and Recommended Practices (SARPs) and guidance material on:
 - **MRV: adoption in 2018,**
 - Emissions monitoring starts in 2019
 - **Emissions Units Criteria: adoption in 2018**
 - First compliance in 2023
- **Policies and guidance on registries:**
 - Consolidated central registry by 2021
 - Arrangements for national registries (or accounts)

What is next? The CAEP process:

- *Ongoing discussions in the **Technical task force for the GMBM**:*
 - On MRV rules
 - On emissions units eligibility criteria
- *New **Interim Program Approval Group (IPAG)**:*
 - to approve emissions units for the pilot phase
- *Ongoing discussions in the **Alternative Fuels task Force** on:*
 - Life cycle assessment and default values
 - Sustainability criteria

Where we are now on this?

➤ *MRV rules:*

- Agreement achieved on key components: monitoring methods, fuel density, identification of aircraft operators
- Thresholds, procedures and tools for small emitters; accounting of alternative fuels still under development,

➤ *Emissions units eligibility criteria:*

- Draft recommendations on the eligibility criteria for emissions units
- IPAG to use the recommendations to identify the eligible emissions offset projects and programmes for the use in the first years of CORSIA