



EU ETS extension to shipping emissions: Maritime reporting & enforcement

CLIMA.B4 - Mobility (II): Air, Rail, Water and Intermodal Policy
Directorate General for Climate Action - European Commission

ETS Compliance Forum - 22 November 2023

ETS extension to maritime transport

Monitoring & enforcement

- ❑ Recap of the main elements of the ETS extension to maritime transport
- ❑ State of play of adoption of the secondary legislation
- ❑ Overview of the compliance cycle & key milestones for authorities
- ❑ Support to implementation & enforcement

ETS extension to maritime transport

Recap of the main elements

- **The existing EU ETS** (Directive 2003/87/EC) will cover **maritime transport emissions as from 1 January 2024**.
- **Same key principle as the other ETS sectors:** shipping companies monitor their emissions and purchase and surrender ETS emission allowances for each tonne of GHG emissions to be reported under the EU ETS.
- **Equal treatment** on routes, flag neutrality
- **Phase-in period** for 2024 and 2025 emissions (40% and 70%, respectively) and then full price signal as from 2026 reported emissions.
- Each shipping company **attributed to the administering authority** of one EU Member State
- Builds on the already existing monitoring, reporting and verification of emissions (MRV Maritime Regulation)

ETS extension to maritime transport

Recap of the main elements

- **Geographical scope of ETS:**
 - 100% of emissions from voyages within the EU & when ships are within EU ports
 - 50% of the emissions from voyages starting or ending outside of the EU
- **GHG scope for ETS:**
 - CO₂ emissions as from 2024
 - CH₄ and N₂O emissions as from 2026
- **Ships covered under ETS:** large ships (i.e. above 5000 Gross Tonnage) transporting passengers or cargo for commercial purposes, and large offshore ships as from 2027.

ETS extension to maritime transport

State of play – Legislative timeline

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- **14 July 2021:** proposal from the Commission (as part of the “Fit for 55” package) to revise the EU ETS and extend it to emissions from maritime transport
 - **June 2022:** European Parliament & Council adopted their positions
 - **July-December 2022:** trilogue meetings
 - **April 2023:** formal adoption by European Parliament & Council
 - **16 May 2023:** official publication in the *Official Journal of the European Union*
 - **5 June 2023:** entry into force
 - **by end 2023:** publication of several implementing & delegated acts
 - **1 January 2024 – 31 December 2024:** first reporting period covered by the EU ETS

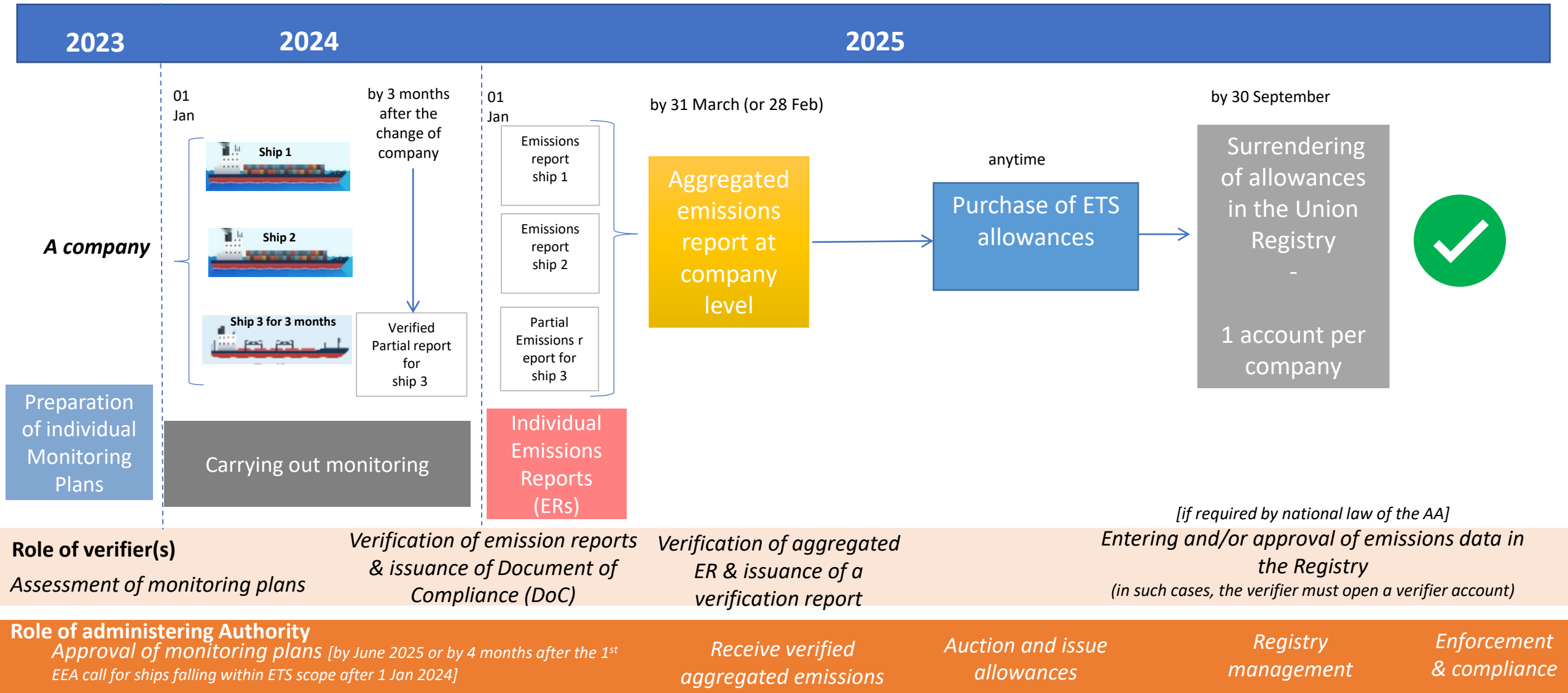
ETS extension to maritime transport

State of play – Secondary legislation

- **Several implementing and delegated acts need to be adopted** this year for a timely implementation of the inclusion of the shipping sector in the EU ETS.
- The **maritime formation of the Climate Change Expert Group (CCEG)**, composed of Member States' authorities, is the main forum of discussion for the adoption of these acts. The **European Sustainable Shipping Forum** was regularly informed and consulted as appropriate.
- Total of **8 maritime-specific acts** (3 delegated acts and 5 implementing acts) – 2 IA are already published in OJEU and 3 DA are currently under scrutiny by EP & Council:
 1. [IA identifying non-EU neighbouring container transshipment ports](#)
 2. [IA on templates for monitoring plans, emissions reports, documents of compliance, and reports at company level](#)
 3. **DA** on rules and methods for monitoring of GHG emissions and other relevant information (i.e. revisions of MRV Regulation, Annexes I and II)
 4. **DA** on rules on the reporting of aggregated emissions data at company level
 5. **DA** on rules on verification and accreditation in relation to maritime transport emissions
 6. IA on rules for the administration of shipping companies by administering authorities (*adopted, pending formal publication in the OJEU*)
 7. IA on the list of islands and of transnational maritime public service contracts or obligations subject to derogations under the EU ETS
 8. IA on the attribution list of shipping companies which performed a maritime activity under the EU ETS.
- Revision of **2 delegated acts pursuant to the ETS Directive** (Registry Regulation; Auctioning Regulation, currently under scrutiny by the European Parliament and Council)

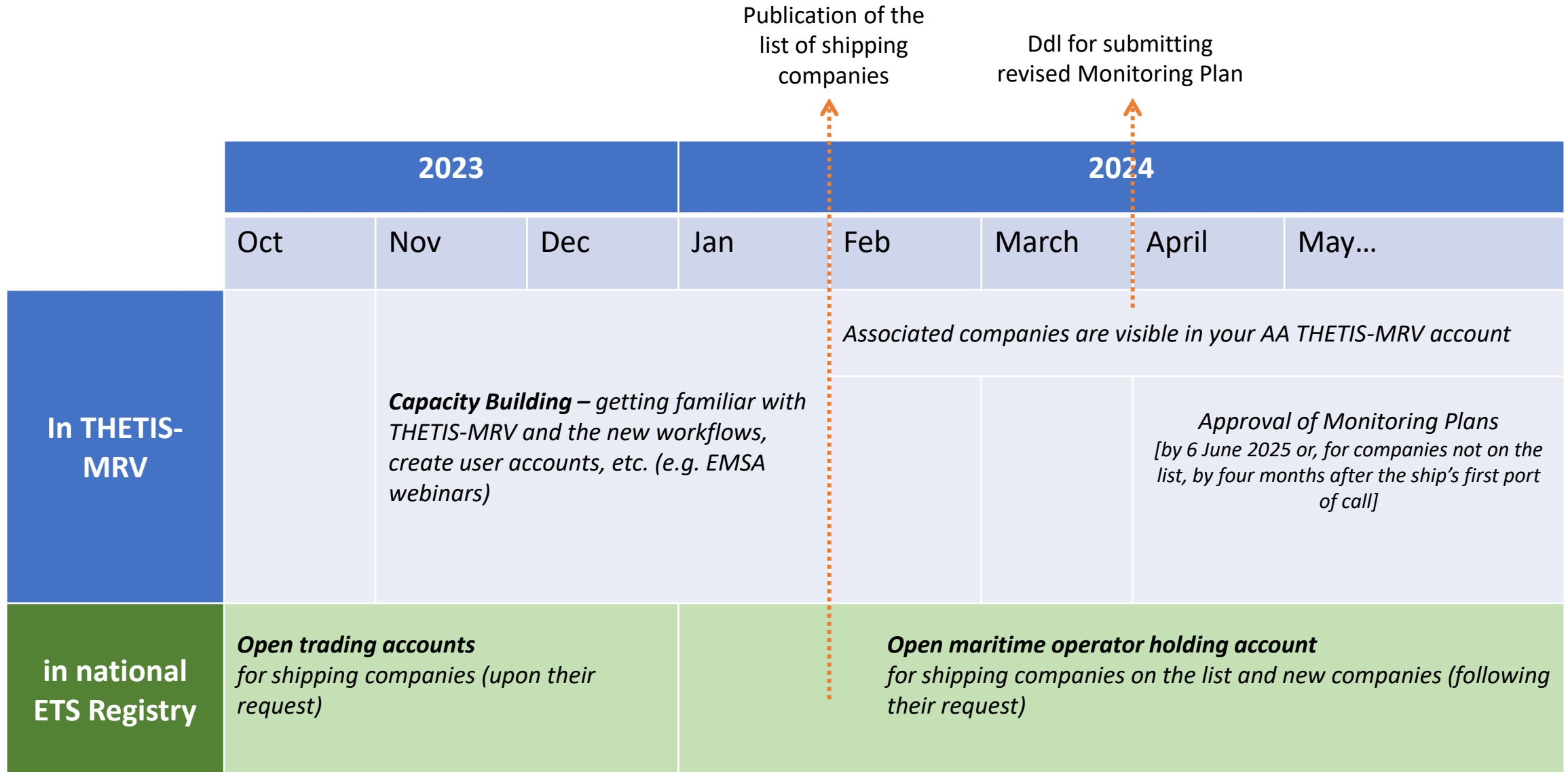
ETS extension to maritime transport

Overview of the compliance cycle for maritime transport



ETS extension to maritime transport

Key milestones for administering authorities



ETS extension to maritime transport

Support to implementation & enforcement

Main planned initiatives – DG CLIMA/EMSA:

- Webpages climate.ec.europa.eu and emsa.europa.eu (fit for 55)
- Helpdesks fitfor55@emsa.europa.eu and CLIMA-MRV-SHIPPING-HELPDESK@ec.europa.eu
- Frequently Asked Questions (FAQs) for [MRV](#) and [EU ETS](#): new update expected end November
- Webinars (23.09, 24.11)
- Best practice/guidance documents
- THETIS-MRV IT developments
- Capacity building activities

Thank you



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Case study 1: shipping company in the 2024 list

1 Feb 2024: Company A is associated with Belgium

BELGIUM	
Name of the shipping company	IMO number of the shipping company
Company A	0123456
Company ...	1234567
...	...
BULGARIA	
...	...

Company A should:

- By 1 April 2024: submit a revised Monitoring Plan [that has been assessed by a verifier] for each of its ship to its AA using THETIS-MRV
- Within 40 working days: contact its AA to request the opening of a Maritime Operator Holding Account in the Registry with all necessary information

The Administering Authority of Belgium should:

THETIS-MRV

Approve, where appropriate, the monitoring plan in THETIS-MRV [by 6 June 2025]

National Registry – opening MOHA / know your customer check:

e.g. collect and check all supporting documentation (e.g. mandate, list of ships, etc.)

Case study 2: shipping company is not in the 2024 list

1 Feb 2024:

Company B is not in the list



Company B should:

- As soon as possible: create a THETIS-MRV account to start developing the Monitoring Plan (company details & fleet of ships)
- Within 3 months after the first port of call: submit a revised Monitoring Plan [that has been assessed by a verifier] for each of its ship to its AA using THETIS-MRV
- Within 65 working days after the first voyage: contact its AA to request the opening of a Maritime Operator Holding Account in the Registry with all necessary information



The Administering Authority responsible should:

THETIS-MRV

Approve, where appropriate, the monitoring plan in THETIS-MRV [by four months after the ship's first port of call]

National Registry – opening MOHA / know your customer check:

e.g. collect and check all supporting documentation (e.g. mandate, list of ships, etc.)