

**This newsletter provides an important update for aircraft operators assigned to the United Kingdom for the period from 1 January 2017 and for 2016 Scheme Year compliance.**

## EU ETS Aviation 2017 - 2020 Scheme Years

Following agreement of a Global Market Based Measure for international aviation at the 39<sup>th</sup> ICAO Assembly in Montreal on 6 October 2016, the European Commission is assessing how the EU Emission Trading System (EU ETS) for aviation should operate in the future.

The European Commission is expected to propose the way forward for EU ETS Aviation at the end of January 2017. Their proposal will then need to go through the European legislative process over the next year.

In the interim, the European Commission, together with Competent Authorities, will develop Frequently Asked Questions (FAQs) guidance for compliance obligations for the 2017 Scheme Year. This should be available shortly after the Commission proposal is communicated at the end of January 2017.

The European Commission and Member States' Competent Authorities are committed to facilitating a smooth transition between the 2013-2016 period and the post-2016 one through pragmatic arrangements with regards to the implementation of the scheme.

We will keep you informed of developments.

## 2016 Scheme Year Compliance Emissions Reporting

If you have a 'Live' status in ETSWAP, your 2016 Scheme Year emissions report form will be available in your ETSWAP work queue from 1 January 2017.

### IMPORTANT

If you are currently marked as 'Exempt' (commercial or non-commercial) in ETSWAP but have a compliance obligation for the 2016 Scheme Year, you must inform us as soon as possible so we can amend your status. This will allow a reporting task to be presented in your work queue.

The deadline to submit your emissions report for the 2016 Scheme Year via ETSWAP, is **31 March 2017**. Failure to do so is a breach of the UK Regulations, which may lead to a civil penalty.

If your emissions report has to be verified, or if you wish to use a verifier rather than the 'Simplified Reporting Procedures', we would advise you to contact a verifier as soon as possible.

You must enter your reportable emissions into your Aircraft Operator Holding Account (AOHA) within the UK Registry by **31 March 2017**. If your emissions report is verified, your verifier is required to confirm the emissions figure in your AOHA by **31 March 2017**.

## Surrendering of Allowances

You must surrender allowances equivalent to your reportable emissions for the 2016 Scheme Year by **30 April 2017**. You must ensure that you have sufficient allowances in your AOHA to match your reportable emissions.

If you have an AOHA please login to your account and check that you have at least two Authorised Representatives (ARs) and that they will be available during March and April 2017 to carry out your compliance tasks.

If you need to add or amend any ARs to your AOHA or have yet to open an AOHA, please contact our Registry Team urgently via the Registry helpdesk [here](#) as soon as possible.

**Operators who fail to surrender sufficient allowances by 30 April 2017 are liable to receive a mandatory civil penalty equivalent to €100<sup>(1)</sup> per tonne for each allowance that they fail to surrender.**

Our '[How to Comply](#)' guide is applicable to your 2016 Scheme Year emissions, and outlines your obligations up to and including the surrender of allowances by 30 April 2017. This guidance will be updated for the 2017 to 2020 Scheme Years once the European Commission has confirmed the EU ETS obligations for this period.

## Global Market Based Measure

The Global Market Based Measure will commence in 2021 under the name Carbon Offsetting and Reduction Scheme for International Aviation (CORSA). The system includes the requirement to monitor and report baseline emissions in 2019 and 2020. Further information can be found from the ICAO website [here](#).

## Talking to us

If you have a query regarding EU ETS please contact our ET Aviation helpdesk [here](#).