

**SUBSIDIARY LEGISLATION 504.99**

**EUROPEAN COMMUNITY GREENHOUSE GAS  
EMISSIONS TRADING SCHEME FOR  
AVIATION REGULATIONS**

28th September, 2010\*

2nd January, 2012†

*LEGAL NOTICE 445 of 2010, as amended by Legal Notice 4 of 2011.*

**1.** (1) The title of these regulations is the European Community Greenhouse Gas Emissions Trading Scheme for Aviation Regulations. Citation, scope and commencement.

(2) These regulations provide for the implementation in Malta of a scheme for greenhouse gas emissions allowance trading within the Community for aircraft operators. These regulations also transpose Directive 2008/101/EC amending Directive 2003/87/EC so as to include aviation activities in the scheme for greenhouse gas emission allowance trading within the Community.

**2.** For the purposes of these regulations and unless the context otherwise requires, the following definitions shall apply: Interpretation.

"the Authority" means the Malta Resources Authority;

"aircraft operator" means the person who operates an aircraft at the time it performs an aviation activity listed in Schedule 1 or, where that person is not known or is not identified by the owner of the aircraft, the owner of the aircraft;

"allowance" means an allowance to emit one tonne of carbon dioxide equivalent during a specified period, which shall be valid only for the purposes of meeting the requirements of these regulations and shall be transferable in accordance with the provisions of these regulations;

"Annex I Party" means a country listed in Annex I to the United Nations Framework Convention on Climate Change (UNFCCC) that has ratified the Kyoto Protocol to the UNFCCC as specified in Article 1(7) of the Kyoto Protocol;

"base year" means, for the purposes of regulation 3(b), in relation to an aircraft operator which started operating in the Community after the 1st January 2006, the first calendar year of operation, and in all other cases, the calendar year starting on 1st January 2006;

"cancellation" means the cancellation of allowances and other units which:

\*See regulation 1(3) of these regulations as originally promulgated.

†Regulations 5, 8, 12, 13 and 14 came into force on 2nd January, 2012 - see regulation 1(3) of these regulations as originally promulgated, and Legal Notice 129 of 2012.

- (a) are surrendered by such aircraft operator in pursuance of regulation 12;
- (b) are cancelled at the end of the trading period in pursuance of regulation 8; or
- (c) shall be cancelled at the voluntary request of the aircraft operator holding allowances in pursuance of regulation 8;

"certified emission reduction" or "CER" means a unit issued pursuant to Article 12 of the Kyoto Protocol and the decisions adopted pursuant to the UNFCCC or the Kyoto Protocol;

"commercial air transport operator" means an operator that provides scheduled or non-scheduled air transport services to the public for the carriage of passengers, freight or mail against economic consideration;

"the Commission" means the European Commission;

"the Community" means the European Community as established by the Treaty establishing the European Community;

"Community registry" means the registry established and maintained in accordance with Article 19 of Directive 2003/87/EC as amended by Directive 2009/29/EC for the execution of processes pertaining to the maintenance of holding accounts and the allocation, surrender and cancellation of allowances;

"confidential information" means any non-public information deemed to be sensitive by the operator and, or any privileged information falling within the scope of regulation 16, disclosed only for promoting and elaborating certain purposes. It shall include *inter alia*:

- (a) trade secrets;
- (b) any other information having a commercial value that would be, or could reasonably be expected to be, destroyed or diminished if the information were disclosed; or
- (c) information other than trade secrets or information under paragraph (b) concerning a person, organisation or undertaking in respect of their business, professional, commercial or financial affairs;

"emissions" means the release of greenhouse gases into the atmosphere from an aircraft performing an aviation activity listed in Schedule 1, as specified in respect of that activity;

"emissions reduction unit" or "ERU" means a unit issued pursuant to Article 6 of the Kyoto Protocol and the decisions adopted pursuant to the UNFCCC or the Kyoto Protocol;

"greenhouse gases" means the gases listed in Schedule 2;

"Kyoto Protocol" means the Kyoto Protocol to the UNFCCC;

"Member State" means a state which is a member of the European Union;

"person" means any natural or legal person;

"project activity" means a project activity approved by one or more Annex I Parties to the UNFCCC in accordance with Article 6 or Article 12 of the Kyoto Protocol and the decisions adopted pursuant to the UNFCCC or the Kyoto Protocol;

"the public" means one or more persons and associations, organisations or groups of persons;

"surrender" means the surrender by an aircraft operator of allowances and other units each year, to account for emissions as reported in pursuance of regulation 10 in respect of the previous calendar year;

"trading period" means the period beginning from 1st January 2012 up to 31st December, 2012, the eight-year period beginning 1st January, 2013 and the subsequent eight-year period thereafter;

"transfer of allowances" means any transfer of allowances allocated by the Authority to aircraft operators performing aviation activities falling within the scope of these regulations;

"the Treaty" means the Treaty establishing the European Community;

"verifier" means a competent, independent, accredited verification body or person with responsibility for performing and reporting on the verification process in respect of aviation activities listed in Schedule 1 and in accordance with Directive 2003/87/EC, these regulations and any other requirements made by the Authority.

**3.** These regulations shall apply to aircraft operators performing aviation activities resulting in emissions of greenhouse gases specified in respect of those activities as listed in Schedule 1, and:

Applicability.

- (a) who have a valid operating licence granted by Malta in accordance with the provisions of Regulation (EC) No 1008/2008 on common rules for the operation of air services in the Community; or
- (b) for whom Malta being the Member State with the greatest estimated attributed aviation emissions from aviation activities as listed in Schedule 1 performed in the base year by those aircraft operators, has been designated as the administering Member State either in the Commission list published in pursuance of Article 18a of Directive 2003/87/EC as amended by Directive 2008/101/EC, or any other measure taken by the Commission or by the Authority pursuant to Directive 2003/87/EC as amended by Directive 2008/101/EC.

**4.** (1) For each trading period, an aircraft operator may apply for an allocation of allowances that are to be allocated free of charge.

Allocation of allowances to aircraft operators.  
*Amended by:  
L.N. 4 of 2011.*

(2) An application made by an aircraft operator pursuant to sub-regulation (1) may be made by submitting to the Authority verified tonne-kilometre data for the aviation activities listed in Schedule 1 performed by that aircraft operator for the monitoring

year. For the purposes of this regulation:

- (a) the monitoring year for the period from 1st January, 2012 to 31st December, 2012 shall be 2010;
- (b) the monitoring year for the period beginning 1st January, 2013 shall be 2010; and
- (c) the monitoring year for subsequent periods shall be the calendar year ending twenty-four months before the start of the period to which the application relates.

(3) An application made in terms of sub-regulation (1) shall be submitted to the Authority:

- (a) in relation to the period from 1st January 2012 to 31st December, 2012, by the 31st March, 2011;
- (b) in relation to the period beginning 1st January, 2013, by 31st March, 2011;
- (c) in relation to subsequent periods, by at least twenty-one months before the start of the period to which the application relates.

(4) The Authority shall submit to the Commission any application received pursuant to sub-regulation (1), if it is satisfied that the application is in accordance with the provisions of these regulations and that the aircraft operator who submitted the application has complied with regulations 6 and 7.

(5) The Authority shall submit to the Commission any application pursuant to sub-regulation (4):

- (a) in relation to the period from 1st January 2012 to the 31st December, 2012, by 30th June, 2011;
- (b) in relation to the period beginning 1st January, 2013, by 30th June, 2011;
- (c) in relation to subsequent periods, by at least eighteen months before the start of the period to which the application relates.

(6) Pursuant to a decision adopted by the Commission setting out the benchmark for a period to be used to allocate allowances free of charge to aircraft operators for the period to which such a decision relates, the Authority shall, within three months of such a decision, calculate and publish:

- (a) the total allocation of allowances for the period to each aircraft operator whose application it has submitted to the Commission in accordance with sub-regulation (4), calculated by multiplying the tonne-kilometre data included in the application by the benchmark set out in the Commission decision; and
- (b) the allocation of allowances to each aircraft operator for each year, which shall be determined by dividing its total allocation of allowances for the period calculated under paragraph (a) by the number of years in the period for which that aircraft operator is performing an aviation activity listed in Schedule 1.

5. (1) For the period beginning 1st January, 2013 or a subsequent period, an aircraft operator may apply for a free allocation from the special reserve set aside pursuant to Article 3(f) of Directive 2003/87/EC as amended by Directive 2008/101/EC. An application for a free allocation from the special reserve may be made by an aircraft operator:

Allocation of allowances from special reserve to aircraft operators.

- (a) who starts performing an aviation activity falling within Schedule 1 after the monitoring year for which tonne-kilometre data had to be submitted in respect of the period beginning 1st January, 2013 or a subsequent period; or
- (b) whose tonne-kilometre data increases by an average of more than 18% annually between the monitoring year for which tonne-kilometre data was submitted under regulation 4 in respect of the period beginning 1st January, 2013 or a subsequent period and the second calendar year of that period, and whose activity under paragraph (a) or additional activity under paragraph (b), is not, in whole or in part, a continuation of an aviation activity previously performed by another aircraft operator.

(2) An aircraft operator who is eligible under sub-regulation (1) may apply for a free allocation of allowances from the special reserve by submitting an application to the Authority, and such an application shall be made by the 30th June of the third year of the period to which the application relates.

- (3) An application under sub-regulation (2) shall:
  - (a) include verified tonne-kilometre data for the aviation activities listed in Schedule 1 performed by the aircraft operator in the second calendar year of the period to which the application relates;
  - (b) provide evidence that the criteria for eligibility under sub-regulation (1) are fulfilled; and
  - (c) in the case of an aircraft operator falling within sub-regulation (1)(b), state:
    - (i) the percentage increase in tonne-kilometres performed by that aircraft operator between the monitoring year for which tonne-kilometre data was submitted under regulation 4 in respect of the period beginning 1st January, 2013 or a subsequent period and the second calendar year of that period;
    - (ii) the absolute growth in tonne-kilometres performed by that aircraft operator between the monitoring year for which tonne-kilometre data was submitted under regulation 4 in respect of the period beginning 1st January, 2013 or a subsequent period and the second calendar year of that period; and
    - (iii) the absolute growth in tonne-kilometres performed by that aircraft operator between the

monitoring year for which tonne-kilometre data was submitted under regulation 4 in respect of the period beginning 1st January, 2013 or a subsequent period and the second calendar year of that period which exceeds the percentage specified in sub-regulation (1)(b).

(4) The Authority shall submit to the Commission any application received pursuant to sub-regulation (2), if it is satisfied that the application is in accordance with this regulation and that the aircraft operator who submitted the application has complied with regulations 6 and 7. The Authority shall submit any such application by not later than the 31st December of the third year of the period to which the application relates.

(5) Pursuant to a decision adopted by the Commission setting out the benchmark for a period to be used to allocate allowances free of charge from the special reserve to aircraft operators for the period to which such a decision relates, the Authority shall, within three months of such a decision, calculate and publish:

- (a) the allocation of allowances from the special reserve to each aircraft operator whose application it has submitted to the Commission in accordance with sub-regulation (4); and
- (b) the allocation of allowances from the special reserve to each aircraft operator for each year, which shall be determined by dividing the allocation as determined under paragraph (a) by the number of calendar years remaining in the period to which the allocation relates.

(6) The allocation of allowances from the special reserve to each aircraft operator under paragraph (a) of sub-regulation (5) shall be calculated by multiplying the benchmark set out in the Commission decision referred to under sub-regulation (5) in the case of:

- (a) an aircraft operator falling within sub-regulation (1)(a) whose application was submitted to the Commission pursuant to sub-regulation (4), by the tonne kilometre data included in the application submitted to the Commission;
- (b) an aircraft operator falling within sub-regulation (1)(b) whose application was submitted to the Commission pursuant to sub-regulation (4), by the absolute growth in tonne-kilometres exceeding the percentage specified in subregulation (1)(b) included in the application submitted to the Commission.

(7) An allocation to an aircraft operator eligible for an allocation of allowances under sub-regulation (1)(b) shall not exceed one million allowances.

Monitoring and reporting of tonne-kilometre data for aviation activities.

**6.** (1) Each aircraft operator shall submit, to the Authority, a monitoring and reporting plan setting out measures to monitor and report tonne-kilometre data from aviation activities listed in

Schedule 1 for the purpose of an application made under regulations 4 and 5. The plan shall be submitted by not later than four months before the start of the first reporting period for the operator, or by such date as may be determined by the Authority.

(2) The monitoring and reporting plan shall be in accordance with:

- (a) the principles set out in Schedule 3; and
- (b) any other requirements made by the Authority in respect of monitoring and reporting of tonne-kilometre data for aviation activities.

(3) The monitoring and reporting plan submitted by an aircraft operator pursuant to sub-regulation (1) shall be approved by the Authority, if it is satisfied that the plan is in accordance with the requirements set out under sub-regulation (2). The Authority may request from the aircraft operator any additional information it deems appropriate for the approval of the plan.

(4) An aircraft operator shall notify the Authority of any deviations from or changes in the monitoring and reporting plan that may occur at any time after the approval of the plan by the Authority. Where it deems appropriate, the Authority may request the submission of a revised plan.

7. (1) The tonne-kilometre data submitted by an aircraft operator pursuant to regulations 4 or 5 shall be verified by a verifier in accordance with:

Verification of tonne-kilometre data for aviation activities.

- (a) the principles set out in Schedule 4; and
- (b) any other requirements made by the Authority in respect of verification of tonne-kilometre data for aviation activities.

(2) A verification report shall be submitted by the aircraft operator to the Authority with tonne-kilometre data submitted for the purposes of an application under regulations 4 or 5.

8. (1) The Authority shall, by the 28th February, 2012 and by the 28th February of each subsequent year, issue to each aircraft operator the number of allowances allocated to that aircraft operator for that year as determined under regulation 4(6)(b) or regulation 5(5)(b). Issuance of allowances shall be carried out in accordance with the relevant decisions and regulations adopted by the Commission pursuant to Directive 2003/87/EC.

Issuing of allowances allocated to aircraft operators and validity of allowances.

(2) Each aircraft operator shall be issued allowances in accordance with sub-regulation (1) in the aircraft operator's holding account held in the Community registry.

(3) Allowances issued in accordance with sub-regulation (1) in respect of the period from 1st January, 2012 to 31st December, 2012, the period beginning 1st January, 2013 and subsequent periods shall be valid for emissions during the period for which they are issued.

(4) Four months after the beginning of the period commencing on the 1st January, 2013 and subsequent periods the Authority shall

cancel allowances that are no longer valid for that period and have not been surrendered and cancelled in accordance with regulation 12.

(5) For each period referred to in sub-regulation (4), the Authority shall issue allowances to aircraft operators for the current period to replace any allowances held by them which are cancelled in accordance with sub-regulation (4).

(6) The Authority shall cancel allowances at any time at the request of the aircraft operator holding them.

Transfer of allowances.

**9.** (1) Allowances issued by the Authority to aircraft operators may be transferable between:

- (a) persons within Member States;
- (b) persons, whether within Member States or in third countries, who are aircraft operators for the purposes of and falling within the scope of these regulations, and holding an account in the Community registry;
- (c) persons within Member States and persons in third countries listed in Annex B to the Kyoto Protocol, which countries have ratified the Kyoto Protocol and with whom agreements are concluded for the mutual recognition of allowances between the Community scheme and other greenhouse gas emissions trading schemes, without restrictions other than those contained in, or adopted pursuant to these regulations or the European Community Greenhouse Gas Emissions Trading Scheme Regulations.

S.L. 504.66

(2) The transfer of allowances shall be carried out in accordance with the relevant decisions and regulations adopted by the Commission pursuant to Directive 2003/87/EC.

(3) Allowances issued by a competent authority of another Member State shall be recognized by the Authority for the purpose of meeting an aircraft operator's obligations under regulation 12(1).

Monitoring and reporting of emissions.  
Amended by:  
L.N. 4 of 2011.

**10.** (1) Each aircraft operator shall submit to the Authority a monitoring and reporting plan setting out measures to monitor and report emissions of greenhouse gases specified in respect of aviation activities in Schedule 1. A monitoring and reporting plan shall be submitted by an aircraft operator to the Authority, in the case of:

- (a) an aircraft operator for whom Malta is identified as the administering Member State before the commencement of the reporting period from 1st January, 2010 to 31st December, 2010, by such date as may be determined by the Authority;
- (b) an aircraft operator that starts performing an aviation activity listed in Schedule 1 after the commencement of the reporting period from 1st January, 2010 to 31st December, 2010 and for whom Malta is identified as



the administering Member State after the commencement of that reporting period, immediately upon the first performance of such an activity, or by such date as may be determined by the Authority;

- (c) an aircraft operator for whom Malta is identified as the administering Member State after the commencement of a reporting period, by such date as may be determined by the Authority.

(2) The monitoring plan shall be in accordance with:

- (a) the principles set out in Schedule 3 to these; and
- (b) any other requirements made by the Authority in respect of monitoring and reporting of emissions of greenhouse gases from aviation activities.

(3) The monitoring and reporting plan submitted by an aircraft operator pursuant to sub-regulation (1) shall be approved by the Authority, if it is satisfied that the plan is in accordance with the requirements set out under sub-regulation (2). The Authority may request from the aircraft operator any additional information it deems appropriate for the approval of the plan.

(4) An aircraft operator shall notify the Authority of any deviations from or changes in the monitoring and reporting plan that may occur at any time after the approval of the plan by the Authority. Where it deems appropriate, the Authority may request the submission of a revised plan.

(5) An aircraft operator shall review the monitoring and reporting plan before the start of the period beginning from 1st January, 2013 and each subsequent period and submit a revised monitoring and reporting plan as appropriate.

(6) Each aircraft operator shall:

- (a) from the monitoring year 2010 in the case of an aircraft operator for whom Malta is identified as the administering Member State before the start of the reporting year 2010; or
- (b) from the first reporting year applicable to it in the case of an aircraft operator for whom Malta is identified as the administering Member State after the beginning of the reporting year 2010,

monitor emissions from aircraft which it operates that perform aviation activities listed in Schedule 1, during each calendar year and report emissions for each calendar year in accordance with the approved monitoring and reporting plan. A report on emissions for each calendar year shall be submitted to the Authority by not later than the 31st March of the subsequent year.

(7) The Authority may take any action it deems necessary under these regulations to ensure that aircraft operators are monitoring and reporting annual emissions in accordance with the approved monitoring and reporting plans.

(8) An aircraft operator who:

- (a) fails to submit a monitoring and reporting plan in accordance with sub-regulation (1) in respect of the years 2010 and 2011, shall be liable to the imposition of an administrative fine of not less than one thousand euro (€1,000) but not exceeding five thousand euro (€5,000);
- (b) fails to monitor annual emissions or fails to submit an annual emissions report in accordance with sub-regulation (6) in respect of the years 2010 and 2011, shall be liable to the imposition of an administrative fine of not less than one thousand euro (€1,000) but not exceeding five thousand euro (€5,000);
- (c) fails to submit a monitoring and reporting plan in accordance with sub-regulation (1) in respect of the period from 1st January, 2012 to 31st December, 2012, the period beginning 1st January, 2013 or a subsequent period, shall be liable to the imposition of an administrative fine of not less than two thousand and five hundred euro (€2,500) but not exceeding ten thousand euro (€10,000);
- (d) fails to monitor annual emissions or fails to submit an annual emissions report in accordance with sub-regulation (6) in respect of the period from 1st January, 2012 to 31st December, 2012, the period beginning 1st January, 2013 or a subsequent period, shall be liable to the imposition of an administrative fine of not less than five thousand euro (€5,000) but not exceeding twenty thousand euro (€20,000); and
- (e) fails to review the monitoring and reporting plan or submit a revised monitoring and reporting plan if appropriate in accordance with sub-regulation (5) shall be liable to the imposition of an administrative fine of not less than two thousand and five hundred euro (€2,500) but not exceeding ten thousand euro (€10,000).

Verification of  
annual emission  
reports.

**11.** (1) The report submitted by an aircraft operator pursuant to regulation 10(6) shall be verified by a verifier in accordance with:

- (a) the principles set out in Schedule 4; and
- (b) any other requirements made by the Authority in respect of verification of reports of emissions of greenhouse gases from aviation activities.

(2) A verification report shall be submitted by the aircraft operator to the Authority with each emission report submitted.

(3) An aircraft operator whose report on emissions for a calendar year has not been verified as satisfactory by 31st March of the subsequent year cannot make further transfers of allowances until a report from that aircraft operator has been verified as satisfactory.

(4) Where, in respect of any year, an aircraft operator does not submit a verified emissions report in accordance with this regulation and with regulation 10(6) or where it is deemed that the aircraft operator has not submitted an emissions report which is in accordance with the requirements set out in this regulation and regulation 10, the Authority may, unless there is a written agreement between the Authority and the aircraft operator providing otherwise, determine the emissions for aviation activities performed by the aircraft operator for such year for which the verified report was not submitted using best available data and ensuring that a conservative estimate is made that does not underestimate emissions. When annual emissions are determined under this sub-regulation, the Authority shall consider the requirements set in Schedule 4:

Provided that the Authority notifies the aircraft operator on the emissions as determined and the methodology used to determine such emissions.

**12.** (1) Each aircraft operator shall, as from the year 2013 and by not later than the 30th April of that year and of each subsequent year thereafter, surrender a number of allowances equal to the total emissions during the preceding calendar year from aviation activities listed in Schedule 1 as reported in accordance with regulation 10 and verified in accordance with regulation 11.

Surrender and  
cancellation of  
allowances.

(2) Allowances surrendered in accordance with sub-regulation (1) shall be subsequently cancelled.

(3) The Authority shall publish the name of any aircraft operator who is in breach of the requirement to surrender sufficient allowances under sub-regulation (1).

(4) Any operator or aircraft operator who does not surrender sufficient allowances by 30th April of each year as required by sub-regulation (1) to cover its emissions during the preceding year shall be liable to the imposition of an administrative fine of one hundred euro (€100) for each tonne of carbon dioxide equivalent emitted, for which the aircraft operator has not surrendered allowances. For the purposes of this sub-regulation, each allowance not surrendered by the aircraft operator for a tonne of carbon dioxide equivalent emitted, shall be considered as a separate contravention.

(5) The imposition of an administrative fine as prescribed in sub-regulation (4) shall not release the aircraft operator from the obligation to surrender an amount of allowances equal to those excess emissions in respect of which the administrative fine is paid when surrendering allowances in relation to the following calendar year.

**13.** (1) During the period from 1st January, 2012 to 31st December, 2012, aircraft operators may use CERs and ERUs, up to 15% of the number of allowances they require to surrender pursuant to regulation 12(1).

Use of CERs and  
ERUs from project  
activities in the EU  
emissions trading  
scheme.

(2) For the period beginning 1st January, 2013 and subsequent periods, aircraft operators may use CERs and ERUs, up to 15% of the number of allowances they require to surrender pursuant to

regulation 12(1), or up to a revised percentage as may be published by the Commission.

(3) The use of CERs or ERUs by aircraft operators pursuant to sub-regulations (1) and (2) shall take place through the issue and immediate surrender of one allowance by the Authority in exchange for one CER or ERU held by the operator in the Community registry. CERs and ERUs used by aircraft operators to meet obligations under regulation 12 in accordance with this regulation shall be subsequently cancelled.

(4) CERs and ERUs that are issued and may be used in accordance with the UNFCCC and the Kyoto Protocol and subsequent decisions adopted thereunder, may be used by aircraft operators in accordance with sub-regulations (1) and (2):

Provided that CERs and ERUs from land use, land use change and forestry activities and, for the period beginning 1st January, 2012 to 31st December, 2012 CERs and ERUs generated from nuclear facilities, may not be so used.

Issue of CERs or ERUs from project activities in the aviation sector.

**14.** No CERs or ERUs from project activities as defined under regulation 2 shall be issued for reductions or limitations of greenhouse gas emissions with respect to aviation activities falling within the scope of these regulations.

Resources Appeals Board.  
Cap. 423.

**15.** The Resources Appeals Board established in article 33 of the Malta Resources Authority Act shall have jurisdiction to hear and determine appeals from decisions of the Authority made under these regulations.

Access to information.

**16.** Decisions related to the allocation of allowances to aircraft operators and any information submitted in respect of the report of emissions may be subject to public access in accordance with the Freedom of Access to Information on the Environment Regulations:

S.L. 504.65

Provided that any access to personal data shall be made in accordance with the Data Protection Act:

Cap. 440.

Provided also that without prejudice to this regulation and to the obligation which may be imposed on the Authority to disclose any information, the Authority shall not disclose any confidential information or any parts thereof or any other information provided in connection with the report which should be treated as commercially confidential:

Provided further that any information which shall be treated as commercially confidential shall be made known at all times to the Authority.

Schedule 1

[Regulations 2, 3, 4(2), 4(6)(b), 5(1)(a), 5(3)(a), 6(1), 10(1), 10(1)(b), 10(6) and 12(1)].

Categories of Activities to which these Regulations apply

Activities	Greenhouse gases
<p>Aviation</p> <p>Flights which depart from or arrive in an aerodrome situated in the territory of a Member State:</p> <p>This activity shall not include:</p> <ul style="list-style-type: none"> <li>(a) flights performed exclusively for the transport, on official mission, of a reigning Monarch and his immediate family, Heads of State, Heads of Government and Government Ministers, of a country other than a Member State, where this is substantiated by an appropriate status indicator in the flight plan;</li> <li>(b) military flights performed by military aircraft and customs and police flights;</li> <li>(c) flights related to search and rescue, fire fighting flights, humanitarian flights and emergency medical service flights authorised by the appropriate authority;</li> <li>(d) any flights performed exclusively under visual flight rules as defined in Annex 2 to the Chicago Convention;</li> <li>(e) flights terminating at the aerodrome from which the aircraft has taken off and during which no intermediate landing has been made;</li> <li>(f) training flights performed exclusively for the purpose of obtaining a licence, or a rating in the case of cockpit flight crew where this is substantiated by an appropriate remark in the flight plan provided that the flight does not serve for the transport of passengers and/or cargo or for the positioning or ferrying of the aircraft;</li> <li>(g) flights performed exclusively for the purpose of scientific research or for the purpose of checking, testing or certifying aircraft or equipment whether airborne or ground-based;</li> <li>(h) flights performed by aircraft with a certified maximum take-off mass of less than 5 700kg;</li> </ul>	<p>Carbon dioxide</p>

Activities	Greenhouse gases
<p>(i) flights performed in the framework of public service obligations imposed in accordance with Regulation (EEC) No 2408/92 on routes within the outermost regions, as specified in Article 299(2) of the Treaty establishing the European Community, or on routes where the capacity offered does not exceed 30 000 seats per year;</p> <p>(j) flights which, but for this exclusion, would fall within the definition of aviation activity as listed here, performed by a commercial air transport operator operating either:</p> <ul style="list-style-type: none"> <li>- fewer than 243 flights per period for three consecutive four-month periods; or</li> <li>- flights with total annual emissions lower than 10,000 tonnes per year.</li> </ul> <p>Flights performed exclusively for the transport, on official missions, of a reigning Monarch and his immediate family, Heads of State, Heads of Government and Government, of a Member State may not be excluded under this paragraph.</p>	

---

Schedule 2

(Regulation 2)

Greenhouse gases

Carbon dioxide (CO<sub>2</sub>)

Methane (CH<sub>4</sub>)

Nitrous Oxide (N<sub>2</sub>O)

Hydrofluorocarbons (HFCs)

Perfluorocarbons (PFCs)

Sulphur Hexafluoride (SF<sub>6</sub>)

---

Schedule 3

[Regulations 6(2)(a) and 10(2)(a)]

Principles for Monitoring and Reporting of Emissions and Tonne-kilometre Data  
from Aviation Activities

Monitoring of carbon dioxide emissions from aviation activities

Emissions shall be monitored by calculation. Emissions shall be calculated using the formula:

Fuel consumption × emission factor

Fuel consumption shall include fuel consumed by the auxiliary power unit. Actual fuel consumption for each flight shall be used wherever possible and shall be calculated using the formula:

Amount of fuel contained in aircraft tanks once fuel uplift for the flight is complete - amount of fuel contained in aircraft tanks once fuel uplift for subsequent flight is complete together with fuel uplift for that subsequent flight.

If actual fuel consumption data are not available, a standardised tiered method shall be used to estimate fuel consumption data based on best available information.

Default IPCC emission factors, taken from the 2006 IPCC Inventory Guidelines or subsequent updates of these Guidelines, shall be used unless activity-specific emission factors identified by independent accredited laboratories using accepted analytical methods are more accurate. The emission factor for biomass shall be zero.

A separate calculation shall be made for each flight and for each fuel.

Reporting of emissions

Each aircraft operator shall include the following information in its report under regulation 10(6):

- A. Data identifying the aircraft operator, including:
  - (i) name of the aircraft operator,
  - (ii) its administering Member State,
  - (iii) its address, including postcode and country and, where different, its contact address in the administering Member State,
  - (iv) the aircraft registration numbers and types of aircraft used in the period covered by the report to perform the aviation activities listed in Schedule 1,
  - (v) the number and issuing authority of the air operator certificate and operating licence under which the aviation activities listed in Schedule 1 were performed,
  - (vi) address, telephone, fax and e-mail details for a contact person, and
  - (vii) name of the aircraft owner.
- B. For each type of fuel for which emissions are calculated:
  - (i) fuel consumption,
  - (ii) emission factor,
  - (iii) total aggregated emissions from all flights performed during the period covered by the report which fall within the aviation activities listed in Schedule 1, for which the operator in question is considered to be the aircraft operator,

- (iv) aggregated emissions from:
  - all flights performed during the period covered by the report which fall within the aviation activities listed in Schedule 1, for which the operator in question is considered to be the aircraft operator and which departed from an aerodrome situated in the territory of a Member State and arrived at an aerodrome situated in the territory of the same Member State,
  - all other flights performed during the period covered by the report which fall within the aviation activities listed in Schedule 1, for which the operator in question is considered to be the aircraft operator,
- (v) aggregated emissions from all flights performed during the period covered by the report which fall within the aviation activities listed in Schedule 1, for which the operator in question is considered to be the aircraft operator and which:
  - departed from each Member State, and
  - arrived in each Member State from a third country,
- (vi) uncertainty.

#### Monitoring of tonne-kilometre data

For the purpose of applying for an allocation of allowances in accordance with regulation 4 or regulation 5, the amount of aviation activity shall be calculated in tonne-kilometres using the following formula:

$$\text{tonne-kilometres} = \text{distance} \times \text{payload}$$

where:

‘distance’ means the great circle distance between the aerodrome of departure and the aerodrome of arrival plus an additional fixed factor of 95 km; and

‘payload’ means the total mass of freight, mail and passengers carried.

For the purposes of calculating the payload:

- (a) the number of passengers shall be the number of persons onboard excluding crew members;
- (b) an aircraft operator may choose to apply either the actual or standard mass for passengers and checked baggage contained in its mass and balance documentation for the relevant flights or a default value of 100 kg for each passenger and his checked baggage.

#### Reporting of tonne-kilometre data

Each aircraft operator shall include the following information in its application under regulation 4 or regulation 5:

- A. Data identifying the aircraft operator, including:
  - (i) name of the aircraft operator;
  - (ii) its administering Member State;
  - (iii) its address, including postcode and country and, where different, its contact address in the administering Member State;
  - (iv) the aircraft registration numbers and types of aircraft used during the year covered by the application to perform the aviation activities listed in Schedule 1;
  - (v) the number and issuing authority of the air operator certificate



- and operating licence under which the aviation activities listed in Schedule 1 were performed;
- (vi) address, telephone, fax and e-mail details for a contact person, and
  - (vii) name of the aircraft owner.
- B. Tonne-kilometre data:
- (i) number of flights by aerodrome pair;
  - (ii) number of passenger-kilometres by aerodrome pair;
  - (iii) number of tonne-kilometres by aerodrome pair;
  - (iv) chosen method for calculation of mass for passengers and checked baggage;
  - (v) total number of tonne-kilometres for all flights performed during the year to which the report relates falling within the aviation activities listed in Schedule 1.

---

#### Schedule 4

[Regulations 7(1), 11(1)(a) and 11(4)]

#### Criteria for Verification

##### General Principles

1. Emissions from flights falling within aviation activities listed in Schedule 1 shall be subject to verification.
2. The verification process shall include consideration of the report pursuant to regulation 10(6) and of monitoring during the preceding year. It shall address the reliability, credibility and accuracy of monitoring systems and the reported data and information relating to emissions, in particular:
  - (a) the reported activity data and related measurements and calculations;
  - (b) the choice and the employment of emission factors;
  - (c) the calculations leading to the determination of the overall emissions; and
  - (d) if measurement is used, the appropriateness of the choice and the employment of measuring methods.
3. Reported emissions may only be validated if reliable and credible data and information allow the emissions to be determined with a high degree of certainty. A high degree of certainty requires the aircraft operator to show that:
  - (a) the reported data is free of inconsistencies;
  - (b) the collection of the data has been carried out in accordance with the applicable scientific standards; and
  - (c) the relevant records of the aircraft used to perform the aviation activities covered by the report are complete and consistent.
4. The verifier shall be given access to all sites and information in relation to the subject of the verification.
5. The verifier shall take into account whether the aircraft operator is registered under the European Community eco-management and audit scheme

(EMAS).

Methodology

Strategic analysis

6. The verification shall be based on a strategic analysis of all the aviation activities covered by the report carried out by the aircraft operator. This requires the verifier to have an overview of all the activities and their significance for emissions.

Process analysis

7. The verification of the information submitted shall, where appropriate, be carried out at the sites used by the aircraft operator to perform the aviation activities covered by the report. The verifier shall use spot-checks to determine the reliability of the reported data and information.

Risk analysis

8. The verifier shall submit all the aircraft for which the aircraft operator is responsible to an evaluation with regard to the reliability of the data of each source contributing to the overall emissions of the aircraft operator.

9. On the basis of this analysis the verifier shall explicitly identify those sources with a high risk of error and other aspects of the monitoring and reporting procedure which are likely to contribute to errors in the determination of the overall emissions. This especially involves the choice of the emission factors and the calculations necessary to determine the level of the emissions from individual sources. Particular attention shall be given to those sources with a high risk of error and the abovementioned aspects of the monitoring procedure.

10. The verifier shall take into consideration any effective risk control methods applied by the aircraft operator with a view to minimising the degree of uncertainty.

Report

11. The verifier shall prepare a report on the validation process stating whether the report pursuant to regulation 10(6) is satisfactory. This report shall specify all issues relevant to the work carried out. A statement that the report pursuant to regulation 10(6) is satisfactory may be made if, in the opinion of the verifier, the total emissions are not materially misstated.

Minimum competency requirements for the verifier

12. The verifier shall be independent of the aircraft operator, carry out his activities in a sound and objective professional manner, and understand:

- (a) the provisions of these regulations, as well as relevant standards and guidance adopted by the Commission pursuant to Article 14(1) of Directive 2003/87/EC as amended by these regulations and any requirements made by the Authority;
- (b) the legislative, regulatory, and administrative requirements relevant to the activities being verified; and
- (c) the generation of all information related to each aircraft for which the aircraft operator is responsible, in particular, relating to the collection, measurement, calculation and reporting of data.

Additional provisions for the verification of aviation emission reports

13. The verifier shall in particular ascertain that:

- (a) all flights falling within an aviation activity listed in Schedule 1 have

been taken into account. In this task the verifier shall be assisted by timetable data and other data on the aircraft operator's traffic including data from Eurocontrol requested by that aircraft operator;

- (b) there is overall consistency between aggregated fuel consumption data and data on fuel purchased or otherwise supplied to the aircraft performing the aviation activity.

Additional provisions for the verification of tonne-kilometre data submitted for the purposes of regulations 4 and 5.

14. The general principles and methodology for verifying emissions reports as set out in this Schedule shall, where applicable, also apply correspondingly to the verification of aviation tonne-kilometre data submitted under regulation 4(2) and regulation 5(2).

15. The verifier shall in particular ascertain that only flights actually performed and falling within an aviation activity listed in Schedule 1 for which the aircraft operator is responsible have been taken into account in that operator's application under regulation 4 and regulation 5. In this task the verifier shall be assisted by data on the aircraft operator's traffic including data from Eurocontrol requested by that operator. In addition, the verifier shall ascertain that the payload reported by the aircraft operator corresponds to records on payloads kept by that operator for safety purposes.

---