

Greenhouse gas emission allowance trading within the Community: inclusion of aviation activities in the scheme

2006/0304(COD) - 08/07/2008 - Text adopted by Parliament, 2nd reading

The European Parliament adopted a legislative resolution amending the Council's common position for adopting a directive of the European Parliament and of the Council amending Directive 2003/87/EC so as to include aviation activities in the scheme for greenhouse gas emission allowance trading within the Community. The recommendation for second reading (under the codecision procedure) had been tabled for consideration in plenary by Peter **LIESE** (EPP-ED, DE), on behalf of the Committee on the Environment, Public Health and Food Safety.

The amendments were the result of a compromise between the Council and the Parliament. The main amendments – adopted under the 2nd reading of the codecision procedure – are as follows:

Start date: emissions from all flights arriving at and departing from Community aerodromes should be included from 1 January 2012.

Caps: for the period from 1 January 2012 to 31 December 2012, the total quantity of allowances to be allocated to aircraft operators shall be equivalent to 97% of the historical aviation emissions.

For the period beginning on 1 January 2013, and, in the absence of any amendments following the prescribed review, for each subsequent period, the total quantity of allowances to be allocated to aircraft operators shall be equivalent to 95% of the historical aviation emissions multiplied by the number of years in the period. This percentage may be reviewed as part of a general review of the Directive.

Auction: For the period from 1 January 2012 to 31 December 2012, 15 % (rather than rather than 10% as set out in the common position) of allowances shall be auctioned. From 1 January 2013, 15% of allowances shall be auctioned. This percentage may be increased as part of the general review of the Directive.

Exemptions: these include flights which, but for this point, would fall within this activity, performed by a commercial air transport operator operating either:

- fewer than 243 flights per period for three consecutive four-month periods; or
- flights with total annual emissions lower than 10 000 tonnes per year.

Exemptions apply also to 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 an EU Member State may not be excluded under this point.

Revenues: it shall be for Member States to determine the use to be made of revenues generated from the auctioning of allowances. Those revenues should be used to tackle climate change in the EU and third countries, inter alia, to reduce greenhouse gas emissions, to adapt to the impacts of climate change in the EU and third countries, especially developing countries, to fund research and development for mitigation and adaptation, including in particular in the fields of aeronautics and air transport, to reduce emissions through low-emissions transport, and to cover the cost of administering the scheme. The proceeds of

auctioning should also be used to fund contributions to the Global Energy Efficiency and Renewable Energy Fund, and measures to avoid deforestation.

Member States shall inform the Commission of actions taken pursuant to this provision.

Special reserve for certain aircraft operators: an aircraft operator whose tonne-kilometre data increases by an average of more than 18 % annually between the monitoring year for which tonne-kilometre data was submitted shall not have an allocation exceeding 1 000 000 allowances.

Installations: during the period from 1 January 2012 to 31 December 2012, aircraft operators may use CERs and ERUs, up to 15 % of the number of allowances they are required to surrender. For subsequent periods, the percentage of CERs and ERUs usable in relation to aviation activities shall be reviewed as part of the general review of the Directive and taking into consideration the development of the international climate change regime.

The Commission may, in accordance with the regulatory procedure, develop guidelines relating to the administration of aircraft operators under the Directive by administering Member States.

Assistance from Eurocontrol: Parliament added that the Commission may also request assistance from another relevant organisation.

Review: by 1 December 2014 the Commission shall review the functioning of the Directive in relation to aviation activities in Annex I and may make proposals to the European Parliament and the Council. It must give consideration to, inter alia:

- the impact of the Community scheme on the aviation sector, including issues of competitiveness, taking into account in particular the effect of climate change policies implemented for aviation outside the EU;

- developments, including the potential for future developments, in the efficiency of aviation and in particular the progress towards meeting the Advisory Council for Aeronautics Research in Europe (ACARE) goal to develop and demonstrate technologies able to reduce fuel consumption by 50% by 2020 and whether further measures to increase efficiency are necessary;

- developments in scientific understanding on the climate change impacts of contrails and cirrus clouds caused by aviation with a view to proposing effective mitigation measures.