

Notification under the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA)

2021/0204(COD) - 14/07/2021 - Legislative proposal

PURPOSE: to amending Directive 2003/87/EC (EU ETS) to phase out free emission allowances for aviation and align with the global Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA).

PROPOSED ACT: Decision of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: Directive 2003/87/EC established an EU emissions trading system (EU ETS). It is aimed at tackling climate change by reducing greenhouse gas (GHG) emissions in a cost-effective and economically efficient way.

The European Green Deal launched a new growth strategy for the EU that aims to transform the EU into a fair and prosperous society, with a modern, resource-efficient and competitive economy. The '[European Climate Law](#)' has made the EU's climate neutrality target by 2050 legally binding.

The Commission has presented a **complementary and interconnected set of proposals as part of the 2030 Climate and Energy 'Fit for 55'** package to achieve the greenhouse gas emission reduction target of **at least 55% compared to 1990**. This 'Fit for 55' legislative package is the most comprehensive building block in the efforts to implement the ambitious new 2030 climate target, and all economic sectors and policies will need to make their contribution.

The 'Fit for 55' package, the Next Generation EU and the Multiannual Financial Framework for 2021-2027 will help to achieve the twin green and digital transitions that Europe is aiming for.

As part of this package, this proposal introduces an **amendment to aviation rules** in the Emissions Trading System of the European Union (EU ETS) to implement Member States' notification to EU-based airlines of the offsetting for the year 2021 under the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) of the International Civil Aviation Organisation (ICAO).

CONTENT: with this proposal decision, the Commission seeks to **phase out free emission allowances for aviation** and align with the global Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) in a way that is consistent with the EU's 2030 climate objectives.

The EU ETS Directive would thus allow the CORSIA scheme to be applied to emissions from EU-based airlines for flights to and from countries outside the EEA.

The objective is to implement this notification in a manner that minimises the administrative burden of national authorities and airline operators, and provides legal certainty as regards CORSIA offsetting by airlines based in Member States.

Due to the COVID-19 pandemic, aviation CO₂ emissions in the EU ETS have decreased by 64% in 2020 compared to 2019. Aviation emissions are unlikely to exceed their 2019 levels in 2021. Therefore, the additional compensation for aircraft operators is expected to be zero for the year 2021.

However, the proposed decision provides that Member States should implement the CORSIA scheme by notifying aircraft operators based in those Member States of their compensation for the year 2021 by 30 November 2022.