Basic information

2012/0328(COD) COD - Ordinary legislative procedure (ex-codecision procedure) Decision	Procedure completed
Scheme for greenhouse gas emission allowance trading: temporary derogation from the EU Emissions Trading System (EU ETS) Directive Amending Directive 2003/87/EC 2001/0245(COD) **Subject** 3.20.01 Air transport and air freight 3.20.15.02 Air transport agreements and cooperation 3.70.02 Atmospheric pollution, motor vehicle pollution 3.70.03 Climate policy, climate change, ozone layer 3.70.18 International and regional environment protection measures and agreements	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
ENVI Environment, Public Health and Food Safety	LIESE Peter (PPE)	03/12/2012
	Shadow rapporteur GROOTE Matthias (S&D) DAVIES Chris (ALDE) HASSI Satu (Verts/ALE) CALLANAN Martin (ECR) WILS Sabine (GUE/NGL) CYMAŃSKI Tadeusz (EFD)	

Committee for opinion	Rapporteur for opinion	Appointed
INTA International Trade	The committee decided not to give an opinion.	
ECON Economic and Monetary Affairs	The committee decided not to give an opinion.	
ITRE Industry, Research and Energy	The committee decided not to give an opinion.	
IMCO Internal Market and Consumer Protection	The committee decided not to give an opinion.	

	TRAN Transport and Tourism	GROSCH Mathieu (PPE)	19/12/2012

Council of the European Union

Council configuration	Meetings	Date
Transport, Telecommunications and Energy	3213	2012-12-20
Transport, Telecommunications and Energy	3229	2013-03-11
Agriculture and Fisheries	3234	2013-04-15
Environment	3211	2012-12-17

European Commission

Commission DG	Commissioner
Climate Action	HEDEGAARD Connie

European Economic and Social Committee

European Committee of the Regions

Key events

Date	Event	Reference	Summary
20/11/2012	Legislative proposal published	COM(2012)0697	Summary
10/12/2012	Committee referral announced in Parliament, 1st reading		
17/12/2012	Debate in Council		
20/12/2012	Debate in Council		
26/02/2013	Vote in committee, 1st reading		
11/03/2013	Debate in Council		
13/03/2013	Committee report tabled for plenary, 1st reading	A7-0060/2013	Summary
15/04/2013	Debate in Parliament		
15/04/2013	Act adopted by Council after Parliament's 1st reading		
16/04/2013	Decision by Parliament, 1st reading	T7-0113/2013	Summary
16/04/2013	Results of vote in Parliament		
22/04/2013	Act adopted by Council after Parliament's 1st reading		
24/04/2013	Final act signed		
24/04/2013	End of procedure in Parliament		
25/04/2013	Final act published in Official Journal		

Technical information

Procedure reference	2012/0328(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Decision
Amendments and repeals	Amending Directive 2003/87/EC 2001/0245(COD)
Legal basis	Treaty on the Functioning of the European Union TFEU 192-p1
Mandatory consultation of other institutions	European Economic and Social Committee European Committee of the Regions
Stage reached in procedure	Procedure completed
Committee dossier	ENVI/7/11311

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE502.041	21/12/2012	
Amendments tabled in committee		PE504.161	28/01/2013	
Committee opinion	TRAN	PE502.176	19/02/2013	
Committee report tabled for plenary, 1st reading/single reading		A7-0060/2013	13/03/2013	Summary
Text adopted by Parliament, 1st reading/single reading		T7-0113/2013	16/04/2013	Summary

Council of the EU

Document type	Reference	Date	Summary
Draft final act	00011/2013/LEX	24/04/2013	

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(2012)0697	20/11/2012	Summary
Commission response to text adopted in plenary	SP(2013)338	15/05/2013	

National parliaments

Document type	Parliament /Chamber	Reference	Date	Summary
Contribution	FR_SENATE	COM(2012)0697	04/12/2012	
Contribution	PT_PARLIAMENT	COM(2012)0697	18/01/2013	

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
EESC	Economic and Social Committee: opinion, report	CES0144/2013	13/02/2013	

Additional information		
Source	**Document**	**Date**
National parliaments	IPEX	
European Commission	EUR-Lex	

Final act	
Decision 2013/0377 OJ L 113 25.04.2013, p. 0001	Summary

Scheme for greenhouse gas emission allowance trading: temporary derogation from the EU Emissions Trading System (EU ETS) Directive

2012/0328(COD) - 20/11/2012 - Legislative proposal

PURPOSE: to derogate temporarily from Directive 2003/87/EC of the European Parliament and of the Council establishing a scheme for greenhouse gas emission allowance trading within the Community with a view to facilitate progress and reinforce momentum towards the goal of the global regulation of aviation emissions.

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

BACKGROUND: significant progress has been made in the International Civil Aviation Organisation towards the adoption at the 2013 ICAO Assembly of a framework facilitating States' application of market-based measures to emissions from international aviation, and on developing a global market-based measure.

In order to facilitate this progress and provide momentum, it is desirable to **defer enforcement of requirements relating to flights to and from aerodromes outside the Union** and areas with close economic connections to the Union and a shared commitment to tackle climate change arising prior to the 2013 ICAO Assembly.

IMPACT ASSESSMENT: the Commission did not undertake an impact assessment.

LEGAL BASIS: Article 192(1) of the Treaty on the Functioning of the European Union (TFEU).

CONTENT: this proposal for a Decision seeks to enhance the chances of a successful outcome of the 2013 ICAO Assembly in terms of developing a global market-based measure (MBM) and adopting a framework facilitating States' application of market-based measures to international aviation.

The Decision would "stop the clock," **by temporarily deferring enforcement of the obligations** of aircraft operators in respect of incoming and outgoing flights under the European Union's Emission Trading System (ETS). **Action should therefore not be taken against aircraft operators in respect of requirements resulting from Directive 2003/87/EC** establishing a scheme for greenhouse gas emission allowance trading within the Community **arising before 1 January 2014** as regards incoming and outgoing flights. The condition for this is that they have either not received, or have returned, 2012 free allocations granted for such activities to or from aerodromes outside the EU and closely connected areas with a shared commitment to tackle climate change. Proper monitoring, reporting and verification of emissions from such flights is welcomed, but **no compliance sanctions** will be applied in respect of the non-reporting of such emissions.

Directive 2003/87/EC continues to apply in full in respect of flights between aerodromes in the EU and closely connected areas with a shared commitment to tackle climate change.

To provide further momentum to the international discussions and continue EU leadership in this process, the Commission considers it is important that this proposal is agreed between the European Parliament and Council swiftly and ideally by March 2013.

BUDGETARY IMPLICATION: the proposal has no implications for the Union budget.

Scheme for greenhouse gas emission allowance trading: temporary derogation from the EU Emissions Trading System (EU ETS) Directive

2012/0328(COD) - 13/03/2013 - Committee report tabled for plenary, 1st reading/single reading

The Committee on the Environment, Public Health and Food Safety adopted the report by Peter LIESE (EPP, DE) on the proposal for a decision of the European Parliament and of the Council derogating temporarily from Directive 2003/87/EC of the European Parliament and of the Council establishing a scheme for greenhouse gas emission allowance trading within the Community.

The parliamentary committee recommends that the European Parliament's position adopted at first reading according to the ordinary legislative procedure should be to amend the Commission's proposal as follows:

Derogation from Article 16 of Directive 2003/87/EC (penalties applicable to infringements of the national provisions adopted pursuant to the Directive): provisions are contained in the text to give further momentum to the shared commitment of the International Civil Aviation Organisation (ICAO) Member States to address aviation emissions at a global level, it is desirable to defer enforcement of requirements arising prior to the 2013 ICAO Assembly relating to flights to and from aerodromes outside of the Union and areas with close economic connections to the Union and that have a shared commitment to tackle climate change.

By means of their amendments, Members wish to:

- stipulate that **action should not be taken against aircraft operators in respect of requirements relating to the calendar years 2010 to 2012** for reporting verified emissions and for the corresponding surrender of allowances from incoming and outgoing flights to and from such aerodromes resulting from Directive 2003/87/EC;
- clarify that the **number of allowances to be returned is based on the share of verified tonne-kilometres of the relevant flight activities based on the reference year 2010**;
- clarify that **only aviation allowances for 2012 qualify as allowances to be returned for cancellation**.

Cancellation and auctioning of allowances: according to the amended text, the Member States **should cancel all 2012 aviation allowances** in respect of flights to or from aerodromes referred to in the proposed decision that have either not been issued or, if issued, have been returned to them. By way of derogation from Directive 2003/87/EC, **Member States shall auction a reduced number of aviation allowances in respect of 2012**.

Members consider that the number of aviation allowances auctioned by the Member States should be reduced in accordance with the calculations of the Commission, resulting in **15% of the overall amount of 2012 aviation allowances in circulation**.

Use of the revenues generated from the auctioning of allowances: the report calls on the Member States to use revenues generated from the auctioning of allowances for efforts to (i) **tackle climate change**, in particular at international level; (ii) reduce **greenhouse gas emissions** and adapt to the impacts of climate change in developing countries; and (iii) fund **research and developmen**t for mitigation and adaptation including in particular in the field of aeronautics and air transport.

Revenues generated from auctioning shall also be used: (i) on **low-emission transport**; (ii) to fund contributions to the **Global Energy Efficiency and Renewable Energy Fund** and the **Green Climate Fund** under UNFCCC, and (iii) on measures to avoid **deforestation**.

Regular information to Parliament: the Commission shall regularly inform the European Parliament and the Member States concerning the progress of the ICAO negotiations and submit a report on the results achieved at the ICAO Assembly. If the ICAO Assembly does not achieve substantial progress on a global market-based mechanism (MBM), the European ETS will again include all international flights from and to the Union from 2013 onwards. If, however, it succeeds in setting a framework for **global market-based measures**, the Commission may propose further actions.

Scheme for greenhouse gas emission allowance trading: temporary derogation from the EU Emissions Trading System (EU ETS) Directive

2012/0328(COD) - 16/04/2013 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 577 votes to 114 with 21 abstentions, a legislative resolution on the proposal for a decision of the European Parliament and of the Council derogating temporarily from Directive 2003/87/EC of the European Parliament and of the Council establishing a scheme for greenhouse gas emission allowance trading within the Community.

Parliament adopted its position in first reading following the ordinary legislative procedure. It amended the Commission proposal as follows:

Derogation from Article 16 of Directive 2003/87/EC (penalties applicable to infringements of the national provisions adopted pursuant to the Directive): the text provides that to give further momentum to the shared commitment of the International Civil Aviation Organisation (ICAO) Member States to address aviation emissions at a global level, it is desirable to defer enforcement of requirements arising prior to the 2013 ICAO Assembly relating to flights to and from aerodromes outside of the Union and areas with close economic connections to the Union and that have a shared commitment to tackle climate change.

By means of its amendments, Parliament specifies the following:

- **action should not be taken against aircraft operators in respect of the requirements resulting from Directive 2003/87/EC** for the reporting of verified emissions for the calendar years 2010, 2011 and 2012 and for the corresponding surrender of allowances for 2012 from flights to and from such aerodromes;

- the derogation will only apply to aircraft operators who have not been issued free allowances for such activity in respect of 2012 or, if they have been issued such allowances, have returned, **by the thirtieth day following the entry into force of this Decision, to Member States for cancellation a number of 2012 aviation allowances corresponding to the share of verified tonne-kilometres of such activity in the reference year 2010.**

Cancellation and auctioning of allowances: the amended text states that Member States should **cancel all 2012 aviation allowances** in respect of flights to or from aerodromes referred to in the proposed decision that have either not been issued or, if issued, have been returned to them.

In respect of the cancellation, Member States shall **auction a reduced number of 2012 aviation allowances.** That reduction shall be proportional to the lower number of total aviation allowances in circulation. To the extent that the reduced number of those allowances has not been auctioned prior to 1 May 2013, Member States shall adjust accordingly the number of aviation allowances to be auctioned in 2013.

Market-based measures: in a new recital, it is clarified that this derogation is provided by the Union to **facilitate an agreement at the 38th session of the ICAO Assembly on a realistic timetable for the development of a global MBM** beyond the 38th session of the ICAO Assembly and on a framework for facilitating the comprehensive application of national and regional MBMs to international aviation, pending the application of the global MBM. On this basis, further steps could be considered. In this respect, the Commission should, when assessing the need for further action, also take into account the possible impact on intra-European air traffic with a view to avoiding any distortions of competition.

Implementation and keeping Parliament informed: the Commission will: (i) issue the guidance necessary for the implementation of this Decision; (ii) regularly inform the European Parliament and the Council on the progress of ICAO negotiations and shall provide a full report to them on the results achieved at the 38th session of the ICAO Assembly.

Scheme for greenhouse gas emission allowance trading: temporary derogation from the EU Emissions Trading System (EU ETS) Directive

2012/0328(COD) - 24/04/2013 - Final act

PURPOSE: to derogate temporarily from Directive 2003/87/EC establishing a scheme for greenhouse gas emission allowance trading (EU ETS) within the Community.

LEGISLATIVE ACT: Decision No 377/2013/EU of the European Parliament and of the Council derogating temporarily from Directive 2003/87/EC establishing a scheme for greenhouse gas emission allowance trading within the Community.

CONTENT: in order to facilitate the objectives aiming to reduce aviation emissions and to provide momentum in this area, it is desirable to **defer the enforcement of requirements arising prior to the 38th session of the ICAO Assembly and relating to flights to and from aerodromes in countries outside the Union that are not members of the European Free Trade Association (EFTA)**, dependencies and territories of States in the European Economic Area (EEA) or countries having signed a Treaty of Accession with the Union.

By way of derogation from Directive 2003/87/EC establishing a scheme for greenhouse gas emission allowance trading within the Community :

Member States shall take **no action against aircraft operators** in respect of the requirements set out in Directive 2003/87/EC for the **calendar years 2010, 2011 and 2012** in respect of activity to and from the abovementioned aerodromes;

the temporary derogation shall apply exclusively to aircraft operators who have not been issued free allowances for such activity in respect of 2012 or, if they have been issued such allowances, have returned, by the thirtieth day following the entry into force of this Decision, to Member States for cancellation a number of 2012 aviation allowances corresponding to the share of verified tonne-kilometres of such activity in the reference year 2010.

Member States shall **cancel all 2012 aviation allowances** that have either not been issued or, if issued, have been returned to them, in respect of flights to and from the aerodromes concerned. Member States shall **auction** a reduced number of 2012 aviation allowances. That reduction shall be proportional to the lower number of total aviation allowances in circulation. To the extent that the reduced number of those allowances has not been auctioned prior to 1 May 2013, Member States shall adjust accordingly the number of aviation allowances to be auctioned in 2013.

This derogation is provided by the Union to facilitate an agreement at the 38th session of the ICAO Assembly on a **realistic timetable for the development of a global market based measures (MBM)** beyond the 38th session of the ICAO Assembly and on a framework for facilitating the comprehensive application of national and regional MBMs to international aviation, pending the application of the global MBM.

The Commission shall **regularly inform the European Parliament and the Council** on the progress of ICAO negotiations and shall provide a full report to them on the results achieved at the 38th session of the ICAO Assembly.

ENTRY INTO FORCE: 25/04/2013. The Decision shall apply from 24/07/2013.