#### **Basic information**

#### 2013/0224(COD)

COD - Ordinary legislative procedure (ex-codecision procedure) Regulation

Monitoring, reporting and verification of carbon dioxide emissions from maritime transport

Amending Directive 2009/16/EC 2005/0238(COD)

Amended by 2021/0211A(COD) Amended by 2021/0211B(COD)

#### Subject

- 3.20.03 Maritime transport: passengers and freight
- 3.60.08 Energy efficiency
- 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

Procedure completed

#### Key players

#### **European Parliament**

| Committee responsible                           | Rapporteur                | Appointed  |
|-------------------------------------------------|---------------------------|------------|
| ENVI Environment, Public Health and Food Safety | FARIA José Inácio (ALDE)  | 05/09/2013 |
|                                                 | Shadow rapporteur         |            |
|                                                 | FJELLNER Christofer (PPE) |            |
|                                                 | ARSENIS Kriton (S&D)      |            |
|                                                 | HASSI Satu (Verts/ALE)    |            |
|                                                 | CALLANAN Martin (ECR)     |            |

| Former committee responsible                    | Former rapporteur              | Appointed  |
|-------------------------------------------------|--------------------------------|------------|
| ENVI Environment, Public Health and Food Safety | SKYLAKAKIS Theodoros<br>(ALDE) | 05/09/2013 |

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| ITRE Industry, Research and Energy                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | G Marita (S&D) 04/09/2013 | ULVSKOG Marita (S&D) |
| TRAN Transport and Tourism SIMPSON                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Brian (S&D) 11/09/2013    | SIMPSON Brian (S&D)  |

| Council | of | the | European |
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| Union   |    |     |          |

| Council configuration                    | Meetings | Date       |
|------------------------------------------|----------|------------|
| Transport, Telecommunications and Energy | 3372     | 2015-03-05 |
| Transport, Telecommunications and Energy | 3261     | 2013-10-10 |
| Environment                              | 3284     | 2013-12-13 |
| Environment                              | 3320     | 2014-06-12 |
| Environment                              | 3361     | 2014-12-16 |
| Environment                              | 3363     | 2014-12-17 |

#### European Commission

| Commission DG  | Commissioner     |
|----------------|------------------|
| Climate Action | HEDEGAARD Connie |
|                |                  |

European Economic and Social Committee

European Committee of the Regions

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| Key events |                                                                                               |                                  |         |
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| Date       | Event                                                                                         | Reference                        | Summary |
| 28/06/2013 | Legislative proposal published                                                                | COM(2013)0480                    | Summary |
| 04/07/2013 | Committee referral announced in Parliament, 1st reading                                       |                                  |         |
| 10/10/2013 | Debate in Council                                                                             |                                  |         |
| 13/12/2013 | Debate in Council                                                                             |                                  |         |
| 30/01/2014 | Vote in committee, 1st reading                                                                |                                  |         |
| 31/01/2014 | Committee report tabled for plenary, 1st reading                                              | A7-0080/2014                     | Summary |
| 16/04/2014 | Decision by Parliament, 1st reading                                                           | T7-0424/2014                     | Summary |
| 16/04/2014 | Results of vote in Parliament                                                                 |                                  |         |
| 12/06/2014 | Debate in Council                                                                             |                                  |         |
| 24/09/2014 | Committee decision to open interinstitutional negotiations after 1st reading in Parliament    |                                  |         |
| 03/12/2014 | Approval in committee of the text agreed at early 2nd reading interinstitutional negotiations | PE610.786<br>GEDA/A/(2015)002643 |         |
| 06/03/2015 | Council position published                                                                    | 17086/1/2014                     | Summary |
| 12/03/2015 | Committee referral announced in Parliament, 2nd reading                                       |                                  |         |
| 26/03/2015 | Vote in committee, 2nd reading                                                                |                                  |         |
| 01/04/2015 | Committee recommendation tabled for plenary, 2nd reading                                      | A8-0122/2015                     | Summary |
| 28/04/2015 | Decision by Parliament, 2nd reading                                                           | T8-0102/2015                     | Summary |
| 28/04/2015 | Results of vote in Parliament                                                                 | F                                |         |
| 28/04/2015 | Debate in Parliament                                                                          | <b>₽</b>                         |         |

| 29/04/2015 | Final act signed                        |  |
|------------|-----------------------------------------|--|
| 29/04/2015 | End of procedure in Parliament          |  |
| 19/05/2015 | Final act published in Official Journal |  |
|            |                                         |  |

| Technical information                        |                                                                                                    |
|----------------------------------------------|----------------------------------------------------------------------------------------------------|
| Procedure reference                          | 2013/0224(COD)                                                                                     |
| Procedure type                               | COD - Ordinary legislative procedure (ex-codecision procedure)                                     |
| Procedure subtype                            | Legislation                                                                                        |
| Legislative instrument                       | Regulation                                                                                         |
| Amendments and repeals                       | Amending Directive 2009/16/EC 2005/0238(COD) Amended by 2021/0211A(COD) Amended by 2021/0211B(COD) |
| Legal basis                                  | Treaty on the Functioning of the EU TFEU 192-p1                                                    |
| Other legal basis                            | Rules of Procedure EP 165                                                                          |
| Mandatory consultation of other institutions | European Economic and Social Committee<br>European Committee of the Regions                        |
| Stage reached in procedure                   | Procedure completed                                                                                |
| Committee dossier                            | ENVI/8/02411                                                                                       |

### **Documentation gateway**

### European Parliament

| Summary |
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#### Council of the EU

| Document type | Reference | Date | Summary |
|---------------|-----------|------|---------|
|               |           |      |         |

| Council statement on its position                      | 06572/2015          | 03/03/2015 |         |
|--------------------------------------------------------|---------------------|------------|---------|
| Council position                                       | 17086/1/2014        | 06/03/2015 | Summary |
| Coreper letter confirming interinstitutional agreement | GEDA/A/(2015)002643 | 09/03/2015 |         |
| Draft final act                                        | 00020/2015/LEX      | 29/04/2015 |         |

#### **European Commission**

| Document type                                  | Reference     | Date       | Summary |
|------------------------------------------------|---------------|------------|---------|
| Legislative proposal                           | COM(2013)0480 | 28/06/2013 | Summary |
| Document attached to the procedure             | SWD(2013)0236 | 28/06/2013 |         |
| Document attached to the procedure             | SWD(2013)0237 | 28/06/2013 |         |
| Commission response to text adopted in plenary | SP(2014)471   | 09/07/2014 |         |
| Commission communication on Council's position | COM(2015)0128 | 10/03/2015 | Summary |
| Follow-up document                             | COM(2025)0109 | 18/03/2025 |         |

#### National parliaments

| Document type | Parliament<br>/Chamber | Reference     | Date       | Summary |
|---------------|------------------------|---------------|------------|---------|
| Contribution  | PL_SENATE              | COM(2013)0480 | 13/08/2013 |         |
| Contribution  | ES_PARLIAMENT          | COM(2013)0480 | 01/10/2013 |         |
| Contribution  | MT_PARLIAMENT          | COM(2013)0480 | 08/10/2013 |         |
| Contribution  | PT_PARLIAMENT          | COM(2015)0128 | 24/07/2015 |         |

### Other institutions and bodies

| Institution/body | Document type                                  | Reference    | Date       | Summary |
|------------------|------------------------------------------------|--------------|------------|---------|
| EESC             | Economic and Social Committee: opinion, report | CES5340/2013 | 16/10/2013 |         |

| Additional Information |          |      |
|------------------------|----------|------|
| Source                 | Document | Date |
| National parliaments   | IPEX     |      |
| European Commission    | EUR-Lex  |      |

| Final act                    |         |
|------------------------------|---------|
|                              |         |
| Regulation 2015/0757         |         |
| OJ L 123 19.05.2015, p. 0055 | Summary |

| Delegated acts |                              |  |
|----------------|------------------------------|--|
| Reference      | Subject                      |  |
| 2016/2904(DEA) | Examination of delegated act |  |
| 2016/2905(DEA) | Examination of delegated act |  |
| 2023/2914(DEA) | Examination of delegated act |  |
| 2023/2915(DEA) | Examination of delegated act |  |
| 2023/2932(DEA) | Examination of delegated act |  |
|                |                              |  |

# Monitoring, reporting and verification of carbon dioxide emissions from maritime transport

2013/0224(COD) - 28/06/2013 - Legislative proposal

PURPOSE: to monitor, report and verify carbon dioxide emissions from maritime transport.

PROPOSED ACT: Regulation of the European Parliament.

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: in the view of contributing to the EU 2020 Strategy, the 2011 Commission White Paper on Transport states that EU CO2 emissions from maritime transport should be reduced by 40% (if feasible 50%) from 2005 levels by 2050.

In 2010 the total CO2 emissions related to European maritime transport activities (including intra EU routes, incoming voyages to the EU and outgoing voyages from the EU) were estimated to be of the order of 180 Mt CO2. Despite of the introduction of minimum energy efficiency standards for certain categories of new ships ("Energy Efficiency Design Index",

EEDI) by the International Maritime Organisation (IMO) in 2011, the emissions are expected to increase.

The projected increase of CO2 emissions from shipping is not in line with the EU objectives, leading to negative impacts on climate change. Furthermore, at the EU level, international maritime transport remains the only transport mode not included in the EU's greenhouse gas emissions reduction commitment which requires additional efforts from all other sectors.

Today, the precise amount of CO2 and other greenhouse gas emissions of EU-related maritime transport is not known due to the lack of monitoring and reporting of such emissions. Convinced of the need for a **staged approach to reduce greenhouse gas emissions from maritime transport**, the Commission considers that a robust system for monitoring, reporting and verification (MRV) of greenhouse gas emissions from maritime transport is a prerequisite for any market-based measure or efficiency standard, whether applied at EU level or globally.

IMPACT ASSESSMENT: according to the results of the impact assessment, the MRV only option would lead to more **limited emission reductions** estimated at up to 2% in 2030 (compared to the baseline) leading to cost reductions up to around EUR 1.2 billion in 2030. Costs of implementation are estimated at around EUR 26 million per year (when excluding ship below 5000 GT from the scope). Overall, the relative benefit/cost ratio of this option is very high.

LEGAL BASIS: Article 162(1) of the Treaty on the Functioning of the European Union (TFEU).

CONTENT: the purpose of the legislative proposal is to ensure that greenhouse gas emissions from ships are monitored and reported, and therefore to improve the availability of information for policy and decision making in the context of the Union's climate change commitments and provide incentives for mitigation efforts.

To this effect, it is proposed to establish an EU MRV system for CO2 emission from ships as first step of a staged approach to reduce these emissions.

The operational characteristics of the proposed MRV system are as follows:

CO2 emissions from ships: the proposed measure focusses on CO2 emissions representing about 98% of the greenhouse gas emissions of the shipping sector and on large ships above 5000 Gross Tons (GT) which account for around 55% of the number of ships calling into Union ports and represent around 90% of the related emissions..

Minimise the administrative burden: the proposal aims to reduce the administrative burden as much as possible for ship owners and operators and provides to this effect that the annual calculation of CO2 emissions shall be based on fuel consumption and fuel type and energy efficiency using available data from log books, noon reports and bunker delivery notes.

In addition, reporting and publication of reported information should be organised on an annual basis.

Geographical scope: the following routes will in principle be covered in a non-discriminatory manner for all ships regardless their flag: intra-EU voyages; voyages from the last non-EU port to the first EU port of call (incoming voyages); voyages from an EU port to the next non-EU port of call (outgoing voyages).

Verification of emission reports: the operational framework seeks the use of existing structures and bodies of the maritime sector, in particular recognised organisations to verify emission reports and to issue documents for compliance.

Verification by accredited verifiers should ensure that monitoring plans and emission reports are correct and in compliance with the requirements defined by this Regulation. A document of compliance issued by an independent verifier will have to be carried on board ships and will be subject to inspection by Member State authorities.

**Towards a global system**: given the Commission's clear preference for measures taken at global level, the EU MRV should serve as example for the implementation of a global MRV with the aim to speed up the international discussions. In this context, relevant submissions to the IMO will be made when appropriate.

The proposal includes a provision allowing the Commission to review this Regulation in the context of future international developments, in particular in case of the introduction of a global MRV system through the IMO. In such an event the proposed Regulation should be reviewed and if appropriate amended to align the provisions on MRV with the international system.

BUDGETARY IMPLICATION: the Regulation will be implemented using the existing budget and will not have an impact on the multi-annual financial framework. Limited IT development costs for the necessary adjustment of an existing tool hosted and operated by EMSA of around EUR 0.5 million are expected. EMSA's involvement depends on the respective ancillary task of the agency to be activated and approved by the EMSA Board.

# Monitoring, reporting and verification of carbon dioxide emissions from maritime transport

2013/0224(COD) - 31/01/2014 - Committee report tabled for plenary, 1st reading/single reading

The Committee on the Environment, Public Health and Food Safety adopted the report by Theodoros SKYLAKAKIS (ALDE, EL) on the proposal for a regulation of the European Parliament and of the Council on the monitoring, reporting and verification of carbon dioxide emissions from maritime transport and amending Regulation (EU) No 525/2013.

The committee recommended that Parliament's position in first reading following the ordinary legislative procedure should amend the Commission proposal as follows:

MRV system a prerequisite for any market-based measure: the report stated that in order to reduce carbon dioxide emissions from shipping at Union level the best possible option remained implementing a market based measure, namely, pricing of the emissions or a levy, that required setting up a system for monitoring, reporting and verification (MRV) of greenhouse gas emissions based on the fuel consumption of ships. Collecting data on such emissions was a first step of a staged approach.

**Title and objective**: this was amended to be a regulation of the European Parliament and of the Council on the monitoring, reporting and verification of **greenhouse gas (rather than carbon dioxide,** as stated in the Commission proposal) emissions from maritime transport and amending Regulation (EU) No 525/2013. Members made it clear that the regulation will apply to monitoring, reporting and verification of greenhouse gas emissions and not just to carbon monoxide. **'Emissions' was defined as the release NOx as well as Co2 into the atmosphere by ships.** 

Scope: the committee felt that smaller ships – i.e above 400 gross tons (rather than 500 tons gross as the Commission had stated) should have to comply with the requirements in the regulation, In order to ensure coherence of the Union MRV system with existing international law, in particular with MARPOL Annex VI.

Members deleted fish catching or processing ships from the list of ships excluded from the scope of the regulation.

Common principles for monitoring and reporting: monitoring and reporting should be complete and cover CO2 and NOx emissions from the combustion of fuels, while the ship is at sea as well as at berth. Companies should take account of the recommendations included in the verification reports in their consequent monitoring and reporting.

Methods for monitoring and reporting emissions: these were set out in Annex I. Members added that where an international agreement to monitor greenhouse gas emissions from maritime transport was reached, the Commission should review the methods set out in Annex I and adopt delegated acts concerning amendments to that Annex in order to specify the use of flow meters for applicable combustion processes and direct emission measurements.

Content of the monitoring plan: this must include a description of the following emission sources and their associated fuel types on board of the ship as follows: (i) main engine(s); (ii) auxiliary engine(s); (iii) boiler(s); (iv) inert gas generator(s).

The plan should also include: (a)the procedures, responsibilities, formulae and data sources for determining and recording the distance travelled and the time spent when navigating through ice; (b) a revision record sheet to record all details of the revision history.

The Commission will be empowered to adopt delegated acts (rather than implementing acts) in order to determine technical rules establishing the templates for the monitoring plans.

Monitoring may be suspended during periods during which a ship was engaged in emergency situations including life-saving activities.

Monitoring on a per-voyage basis: Members added NOx and energy efficiency as determined in Annex II to the list to be monitored but deleted cargo carried and transport work.

By way of derogation, vessels exclusively operating within the scope of the Regulation and performing multiple voyages per day were exempted from monitoring emissions on a per-voyage basis.

Emission report: the ice class of the ship must be included in the report, as must the certified technical efficiency of the ship expressed by the Energy Efficiency Design Index (EEDI) where applicable to the relevant ship type.

**Verification:** the report stated that where the verifier had identified **areas for improvement** in the company's performance related to the monitoring and reporting of emissions, including in relation to achieving higher accuracy and enhancing efficiency in the monitoring and reporting, it should include in the verification report recommendations for improvement.

Publication: by 30 June each year, the Commission shall make publicly available the yearly emissions reported, respecting the confidentiality of commercial information to protect a legitimate economic interest.

Reporting: Members added that the Commission shall biennially assess the maritime transport sector's overall impact on the global climate including through non-CO2 emissions or effects, based on the emission data provided by Member States and improve that assessment by reference to scientific advancements and maritime traffic data.

Annex 1: the committee added modelling with ship movement information (AIS) and ship specific data to the methods of calculating fuel consumption. It also stated that any combination of the methods listed, approved by the verifier may be used if it enhanced the overall accuracy of the measurement.

The Commission shall be empowered to adopt **delegated acts amending Annex I** to adapt the monitoring methods to scientific and technical progress and internationally accepted standards in order to improve the reliability, validity and accuracy of the emission data.

Similarly, it should be empowered to adopt **delegated acts amending Annex II** to further specify and adapt the monitoring of climate-relevant information methods to scientific and technical progress.

## Monitoring, reporting and verification of carbon dioxide emissions from maritime transport

2013/0224(COD) - 16/04/2014 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 547 votes to 63 with 45 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council on the monitoring, reporting and verification of carbon dioxide emissions from maritime transport and amending Regulation (EU) No 525/2013.

Parliament's position in first reading following the ordinary legislative procedure amended the Commission proposal as follows:

Title and objective: Parliament amended the title to read a regulation of the European Parliament and of the Council on the monitoring, reporting and verification of greenhouse gas (rather than carbon dioxide, as stated in the Commission proposal) emissions from maritime transport. Members made it clear that the regulation would apply to monitoring, reporting and verification of greenhouse gas emissions and not just to carbon monoxide. They recalled that according to the impact assessment accompanying the proposal for this Regulation, Union-related CO 2 emissions from international shipping increased with 48% between 1990 and 2007.

Market-based mesures: Parliament noted that in order to reduce carbon dioxide emissions from shipping at Union level the best possible option remained implementing a market based measure, namely, pricing of the emissions or a levy, that required setting up a system for monitoring, reporting and verification (MRV) of greenhouse gas emissions based on the fuel consumption of ships. Collecting data on such emissions was a first step of a staged approach. Public access to the emissions data would contribute to removing market barriers that prevent the uptake of many cost-negative measures which would reduce emissions from the sector.

Scope: Parliament deleted fish catching or processing ships from the list of ships excluded from the scope of the regulation.

Common principles for monitoring and reporting: monitoring and reporting should be complete and cover CO2 emissions (rather than all emissions as stated in the proposal) from the combustion of fuels, while the ship is at sea as well as at berth. Companies should take account of the recommendations included in the verification reports in their consequent monitoring and reporting.

Methods for monitoring and reporting emissions: these were set out in Annex I. Parliament added that where an international agreement to monitor greenhouse gas emissions from maritime transport was reached, the Commission should review the methods set out in Annex I and adopt delegated acts concerning amendments to that Annex in order to specify the use of flow meters for applicable combustion processes and direct emission measurements.

**Monitoring plan**: Parliament specified that by 31 August 2017, companies shall submit to the verifiers a monitoring plan indicating the method chosen to monitor and report emissions and other relevant information for each of their ships **above 400 GT** (rather than 5000GT as stated in the proposal).

Content of the monitoring plan: this must include a description of the following emission sources and their associated fuel types on board of the ship as follows: (i) main engine(s); (ii) auxiliary engine(s); (iii) boiler(s); (iv) inert gas generator(s).

The plan should also include: (a) the procedures, responsibilities, formulae and data sources for determining and recording the distance travelled and the time spent when navigating through ice; (b) a revision record sheet to record all details of the revision history.

The Commission will be empowered to adopt delegated acts (rather than implementing acts) in order to determine technical rules establishing the templates for the monitoring plans. Parliament added that those templates should be as simple as possible and should not entail needless bureaucracy.

Monitoring may be suspended during periods during which a ship was engaged in emergency situations including life-saving activities.

Monitoring on a per-voyage basis: Parliament added xx energy efficiency as determined in Annex II to the list to be monitored but deleted cargo carried and transport work.

By way of derogation, vessels exclusively operating within the scope of the Regulation and performing multiple voyages per day were exempted from monitoring emissions on a per-voyage basis.

Parliament specified that for deep sea shipping calling a series of Union ports, the European leg should be considered as one voyage.

Monitoring on a yearly basis must include total time spent at berth as well as at sea.

Emission report: the ice class of the ship must be included in the report, as must the certified technical efficiency of the ship expressed by the Energy Efficiency Design Index (EEDI) where applicable to the relevant ship type.

**Verification:** Parliament stated that where the verifier had identified **areas for improvement** in the company's performance related to the monitoring and reporting of emissions, including in relation to achieving higher accuracy and enhancing efficiency in the monitoring and reporting, it should include in the verification report recommendations for improvement.

Compliance with monitoring and reporting obligations and inspections: the resolution specified that during the course of visits and inspections undertaken by EMSA to monitor the implementation of Directive 2009/16/EC on Port State Control, EMSA would also monitor the application of these provisions by the competent authorities of Member States and report to the Commission.

International cooperation: where an international agreement on global measures to reduce greenhouse gas emissions from maritime transport was reached, the Commission should review this Regulation and ensure alignment with the relevant international regulations set by the IMO.

Publication: by 30 June each year, the Commission shall make publicly available the yearly emissions reported, respecting the confidentiality of commercial information to protect a legitimate economic interest.

**Delegated acts:** the Commission would be empowered to adopt delegated in order to take into account up-to-date scientific evidence available, as well as to align the Annexes with the relevant international regulations as agreed by the IMO, with the aim of ensuring conformity with international regulations

**Reporting**: Parliament added that the Commission should biennially assess the maritime transport sector's overall impact on the global climate including through non-CO2 emissions or effects, based on the emission data provided by Member States and improve that assessment by reference to scientific advancements and maritime traffic data.

Annexes: Parliament made certain amendments to the Annexes regarding the calculation of fuel consumption and monitoring energy efficiency.

# Monitoring, reporting and verification of carbon dioxide emissions from maritime transport

2013/0224(COD) - 06/03/2015 - Council position

The Council's position fully **reflects the compromise reached in the informal negotiations** between the Council and the European Parliament, with the support of the Commission.

More specifically, the main issues which required modifications compared to the original Commission proposal were:

- the list of definitions, which was expanded, with new definitions added and others being further specified;
- the content of, and procedure for, the modifications to the monitoring plan;

- the types of monitoring of CO2 emissions, where a particular exemption was introduced to monitoring on a per-voyage basis; the possibility
  to monitor and report on a voluntary basis, both yearly and per-voyage, additional information items, such as those relating to the ice-class
  of the ship and to navigation through ice, was also included;
- the organisation of verification activities, with a view to clarifying the sequencing of actions and simplifying the procedure;
- the structure and content of compliance and the mechanism for penalties, together with the possible links to Directive 2009/16/EC on portstate control:
- the deletion of the link to Regulation (EU) No 525/2013 on a mechanism for monitoring and reporting greenhouse gas emissions and for reporting other information at national and Union level relevant to climate change;
- the information that is to be made available by the Commission, the recognition of a (limited) exemption from that publicity, as well as the different types of reports that the Commission is to establish under the Regulation;
- the scope of Annex II, where a possible differentiation between different types of ships and the further specification of applicable parameters
  for the calculation of cargo carried by implementing act was introduced;
- the scope of the delegated acts foreseen in the Regulation.

# Monitoring, reporting and verification of carbon dioxide emissions from maritime transport

2013/0224(COD) - 28/04/2015 - Text adopted by Parliament, 2nd reading

The European Parliament adopted a legislative resolution **approving, unamended**, the Council position at first reading with a view to the adoption of a regulation of the European Parliament and of the Council on the monitoring, reporting and verification of carbon dioxide emissions from maritime transport, and amending Directive 2009/16/EC.

The proposed Regulation aims in particular to create an EU-wide legal framework for monitoring, reporting and verification (MRV) of carbon dioxide emissions from maritime transport, as a first step of the global EU MRV system.

# Monitoring, reporting and verification of carbon dioxide emissions from maritime transport

 $2013/0224 (\mbox{COD})$  - 10/03/2015 - Commission communication on Council's position

The Commission supported the Council's position at first reading. It considered that the informal negotiations led to a balanced package with satisfactory solutions on a number of important issues such as: (i) the scope of the Regulation, (ii) the monitoring and reporting of cargo, (iii) data confidentiality and transparency of information or, (iv) the enforcement provisions.

The fate of the Parliament's amendments is as follows:

- Inclusion of broader references to "greenhouse gas emissions" instead of "CO2 emissions": the Council has retained CO2 as the only
  emission covered, as in the Commission proposal, while accepting some broader wording on GHG emissions and air pollutants in the
  recitals.
- Including fishing and processing ships under the MRV: the Council finally kept these categories out of the Regulation as in the Commission proposal
- Inclusion of a lightened MRV monitoring obligations for vessels operating only EU-related voyages and performing multiple voyages per day: "short sea shipping regime": the
- Council retained the EP's idea while preferred setting a threshold related to the number of voyages scheduled annually so as to provide for more legal certainty for the operators.
- Deletion of 'cargo carried' and 'transport work' from the scope of data monitored as well as related energy efficiency calculations: the Council has retained them as monitoring parameters as put forward in the Commission's proposal.
- Strengthening technical efficiency by requiring certified Energy Efficiency Design Index (EEDI) also for existing ships: the Council has retained the Commission proposed scope of EEDI, only applying to new ships (built or repaired after 2013).
- Adding ships' lice class' and information on severe winter conditions to the information included in the Monitoring plan and emissions reports
   : the Council has retained the EP's main idea but has converted such a reporting into a voluntary one.
- Introduction of a reference to Directive 2003/4/EC on public access to environmental information: the Council has reformulated the Parliament's idea and developed it into a reference to Regulation 1367/2006 on access to environmental information applying to EU

institutions and bodies (Aarhus Regulation) which contains a clause on protected commercially interest to be assessed against public interest in disclosure.

- Tacit extension of the Commission's empowerment to adopt delegated acts: the Council has also retained the usual tacit extension formula, accepted by the Commission.
- Biennual assessment of non-CO2 impacts: the Council has retained the European Parliament's idea but converting it into a (biennual) obligation to be carried out at the time the general report on reported MRV emissions will be produced by the Commission. The Council has inserted a number of changes which do not significantly weaken the proposal and also a number of new provisions into the text which the Commission can accept. The Commission nevertheless makes a specific statement relating to the use made by the Council of the possibility foreseen under Article 5(4) of Regulation 182/2011 (the "no opinion" clause) for implementing acts. The Commission does not oppose it, but it strongly believes that the use of such a provision needs to be justified.

## Monitoring, reporting and verification of carbon dioxide emissions from maritime transport

2013/0224(COD) - 29/04/2015 - Final act

PURPOSE: to set up a system for monitoring, reporting and verification (MRV system) of CO2 emissions based on the fuel consumption of ships as a first step of a staged approach for the inclusion of maritime transport emissions in the Union's greenhouse gas reduction commitment.

LEGISLATIVE ACT: Regulation (EU) 2015/757 of the European Parliament and of the Council on the monitoring, reporting and verification of carbon dioxide emissions from maritime transport, and amending Directive 2009/16/EC.

CONTENT: this Regulation lays down rules for the accurate monitoring, reporting and verification of carbon dioxide (CO2) emissions and of other relevant information from ships arriving at, within or departing from ports under the jurisdiction of a Member State, in order to promote the reduction of CO2 emissions from maritime transport in a cost effective manner.

The introduction of a Union MRV system is expected to lead to **emission reductions of up to 2%** compared to business-as-usual, and aggregated net costs reductions of up to EUR 1.2 billion by 2030.

Scope: this Regulation applies to ships above 5 000 gross tonnage in respect of CO2 emissions released during their voyages from their last port of call to a port of call under the jurisdiction of a Member State and from a port of call under the jurisdiction of a Member State to their next port of call, as well as within ports of call under the jurisdiction of a Member State.

It does not apply to warships, naval auxiliaries, fish-catching or fish-processing ships, wooden ships of a primitive build, ships not propelled by mechanical means, or government ships used for non-commercial purposes.

**Monitoring plan**: by 31 August 2017, companies shall submit to the verifiers a monitoring plan for each of their ships indicating the method chosen to monitor and report CO2 emissions and other relevant information.

Companies shall check regularly, and at least annually, whether a ship's monitoring plan reflects the nature and functioning of the ship and whether the monitoring methodology can be improved.

From 1 January 2018, companies shall, based on the monitoring plan assessed in accordance with the Regulation, monitor CO2 emissions for each ship on a **per-voyage and an annual basis**.

Surveillance methods: the rules should take into account existing requirements and data already available on board ships. Companies should be given the opportunity to select one of the following four monitoring methods: (i) the use of Bunker Fuel Delivery Notes; (ii) bunker fuel tank monitoring on-board; (iii) flow meters for applicable combustion processes; (iv) direct emission measurements.

**Verifier**: the verifier shall be independent from the company or from the operator of a ship and shall be accredited by national accreditation bodies and shall carry out the activities required under this Regulation in the public interest.

A document of compliance issued by a verifier should be kept on board ships to demonstrate compliance with the obligations for monitoring, reporting and verification.

**Inspections**: each Member State shall take all the measures necessary to ensure compliance with the monitoring and reporting requirements by ships flying its flag. Member States shall regard the fact that a document of compliance has been issued for the ship concerned, as evidence of such compliance. Each Member State shall ensure that any inspection of a ship in a port under its jurisdiction includes checking that a valid document of compliance is carried on board.

Member States shall set up a system of **penalties** for failure to comply with the monitoring and reporting obligations.

In the case of ships having failed to comply with monitoring and reporting requirements for two or more consecutive reporting periods and where other enforcement measures have failed to ensure compliance, it is appropriate to provide for the **possibility of expulsion**.

Lastly, the European Maritime Safety Agency (EMSA) should, within the framework of its mandate, support the Commission by carrying out certain tasks.

ENTRY INTO FORCE: 1.7.2015.

DELEGATED ACTS: the Commission may adopt delegated acts to take account of international regulations (International Maritime Organization – IMO standards), as well as technological and scientific developments in this area. The power to adopt such acts is conferred on the Commission for a **period of five years (tacitly extended) from 1 July 2015**. The European Parliament or the Council may object to a delegated act within two months from the date of notification (this period may be extended by two months). If the European Parliament or the Council objects to the delegated act, it shall not enter into force.

## Monitoring, reporting and verification of carbon dioxide emissions from maritime transport

2013/0224(COD) - 01/04/2015 - Committee recommendation tabled for plenary, 2nd reading

The Committee on Environment, Public Health and Food Safety adopted the recommendation for second reading, contained in the report by José Inácio FARIA (ADLE, PT), on the Council position at first reading with a view to the adoption of a regulation of the European Parliament and of the Council on the monitoring, reporting and verification of carbon dioxide emissions from maritime transport, and amending Directive 2009/16/EC.

The parliamentary committee recommended that Parliament approve the Council's first reading position.

This proposal introduces a system for monitoring, reporting and verification of carbon dioxide emissions from maritime transport. It is recalled that:

- Parliament adopted its first reading position on 16 April 2014;
- the ENVI Committee took the decision to open inter-institutional negotiations on 24 September 2014;
- the Parliament's and Council's negotiating teams, with the participation of the Commission, reached an informal agreement on the file on 18
   November 2014:
- the text of the agreement was approved by an overwhelming majority by the ENVI Committee on 3 December 2014;
- Council adopted its first reading position confirming the agreement on 5 March 2015.

As Council's first reading position is in conformity with the agreement reached in the trilogues, the Committee recommends the Parliament to accept it without further amendments.