Implementation of EU ETS Maritime in Sweden



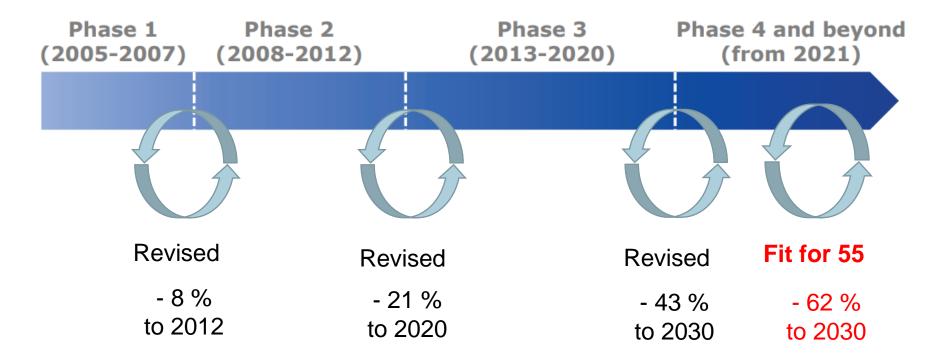
Agenda

- 9.00 Introduction Swedish Environmental Agency
- 9.15 Maritime transport in EU ETS – Swedish Environmental Agency
- 10.15 Union Registry Swedish Energy Agency
- 10.45 Q & A
- 11.00 Webinar ends

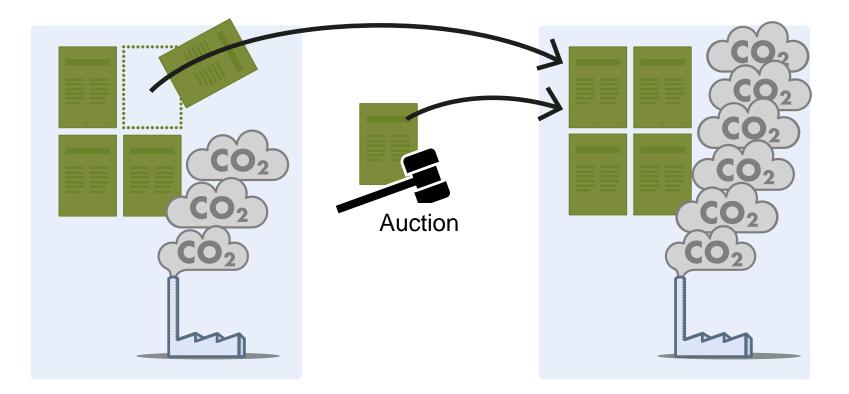


Introduction to EU ETS

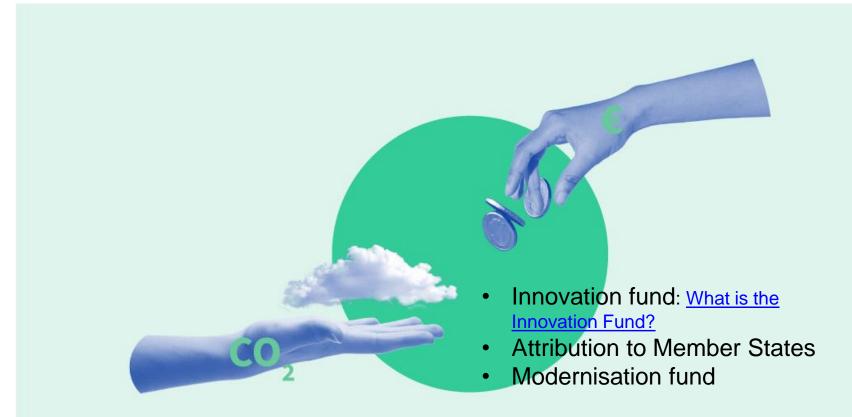
The development of EU ETS



Market based system



Use of auction revenues



Maritime transport in EU ETS

Regulation

- EU ETS directive 2003/87/EG
- EU MRV regulation (EU) 2015/757
- Implementation and delegated regulations related to EU ETS directive and EU MRV regulation: <u>Maritime transport in the</u> <u>EU Emissions Trading System (ETS)</u>
- Guidance Document n°1 (<u>The EU ETS and MRV Maritime</u> <u>General guidance for shipping companies</u>)

- Updated Swedish regulation since 1 January 2024:
 - Lag (2020:1173) om vissa utsläpp av växthusgaser
 - Förordning (2020:1180) om vissa utsläpp av växthusgaser

Authorities in Sweden – Maritime ETS/EU MRV

Authority	Responsibility	Contact
Swedish Environmental Protection Agency	Competent authority of EU ETSAdministering authority of EU MRV	euets@naturvardsverket.se
Swedish Energy Agency	National administrator (Union Registry)	euets@energimyndigheten.se
Swedish Transport Agency	 Responsible authority of port state control Flag state authority FuelEU Maritime 	mrv@transportstyrelsen.se

Administering authority for shipping companies

- The Swedish EPA is administering authority for shipping companies registered in Sweden, and shipping companies not registered in a MS according to the allocation key according to article 3gf.1 in the ETS directive 2003/87/EG.
- Regulated in <u>Implementing decision (EU) 2024/411</u> and attribution continuously in the IT system <u>THETIS-MRV</u> by EMSA (European Maritime Safety Agency).

THETIS-MRV

- Use the IT system <u>THETIS-MRV (europa.eu)</u> to report greenhouse gas emissions from maritime transport according to the MRV Regulation (EU) 2015/757 and ETS Directive 2003/87/EC (to submit monitoring plans and emissions reports etc).
- Questions related to THETIS-MRV shall be sent to EMSA by using the following email address: <u>maritimesupportservices@emsa.europa.eu</u>
- Questions related to the EU MRV and EU ETS regulatory framework shall be addressed to: <u>fitfor55@emsa.europa.eu</u>

Compliance

Monitoring plans

- Submit a verified monitoring plan in the IT system THETIS-MRV for ships covered by the scope in article 2(1a) and 2(1b) MRV regulation (EU) 2015/757 from 1 January 2025,
- Submit a verified monitoring plan in THETIS-MRV to the administering authority at the latest of the 1 April 2024 for ships covered by article 6(6) MRV regulation (EU) 2015/757,
- For ships active after 1 January 2024, according to Article 6(7) of the MRV Regulation, a verified monitoring plan shall be submitted to the administering authority in THETIS-MRV no later than three months after the ship's first call in an EEA port.

Deadlines for emissions reports

31 March 2025, Submit verified emissions reports in THETIS-MRV

Shipping companies are obligated to submit verified emissions reports for reporting year 2024 to the administering authority (both emissions reports according to article 11 in EU MRV regulation and aggregated company emissions report according to article 11a in EU MRV regulation).

Penalties

Acording to the Swedish legislation Förordning (2020:1180) om vissa utsläpp av växthusgaser 10 kap 1 §:

En verksamhetsutövare som inte har lämnat in en verifierad utsläppsrapport i tid, ska betala en förseningsavgift **på 50 000 kronor.**

För sjötransportverksamheter gäller första stycket endast utsläppsrapporter enligt artikel 11a i EU:s MRV-förordning. När det gäller utsläppsrapporter enligt artikel 11 i samma förordning ska i stället förseningsavgiften uppgå till **10 000 kronor**. Förordning (2023:729).

Sustainable biofuels

- Companies do not need to surrender allowances for emissions resulting from the combustion of sustainable biomass compliant with the sustainability criteria established by the Renewable Energy Directive. Evidence is needed (Proof of Sustainability). Read more in Annex II Part C in EU MRV (EU) 2015/757.
- For more information, please refer to Guidance Document n°1 (<u>The EU ETS and MRV Maritime General guidance for</u> <u>shipping companies</u>), in particular Section 5.2.

Phase-in of requirements for maritime transport

Article 3gb in ETS directive

- 40 % of verified emissions reported for 2024 that would be subject to surrender requirements in accordance with Article 12,
- 70 % of verified emissions reported for 2025 that would be subject to surrender requirements in accordance with Article 12,
- 100 % of verified emissions reported for 2026 and each year thereafter in accordance with Article 12.

Deadlines to surrender allowances

30 September 2025, surrender allowances

Shipping companies are obligated to surrender allowances equal to the total verified emissions during the preceding calendar year.

Penalties

Article 16.3 and 16.3a ETS-directive

The excess emissions penalty shall be EUR 100 for each tonne of carbon dioxide equivalent emitted for which the shipping company has not surrendered allowances. Payment of the excess emissions penalty shall not release the operator or aircraft operator from the obligation to surrender an amount of allowances equal to those excess emissions when surrendering allowances in relation to the following calendar year

Partial emission reports

- Where there is a change of company, the previous company shall submit a verified partial emission report to the administering authority in THETIS-MRV within 3 months, according to article 11.2 in MRV-regulation.
- After the verified partial emissions report is submitted to the administering authority in THETIS-MRV, the ship can be release by the previous company in the IT-system to the new company.

Assessment of monitoring plans

• Missing information under the tab "Measuring equipment"

Measuring equipment	Emission sources	Fuel tanks	Fuel types and EF	Fuel consump.	CCS and CCU	Navigation	Cargo	Control activities	Further info.	Non conformities	MP revision	Docs		
	Measuring (equipment	:							Aş	plied to			Technical description
													•	

• Table C.2.4 in GD1

Measurement Equipment	Elements applied to (Emission sources, tanks)	Technical Description (age, specification, maintenance in-tervals)
Name of manufacture, Type (sounding tape, flowmeter, CO ₂ sensor), Model	Main engine	Date of Installation, Reference to manufacture specifications, Cali- bration and interval standards used, maintenance intervals.

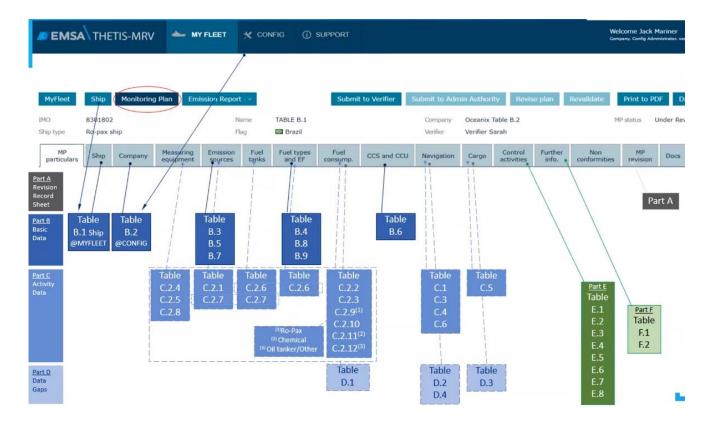
• Difference between the fuels listed under the tabs "Fuel types and EF" and under "Fuel tanks", "Emission sources"

MP particulars Ship	Company	Emission sources	Fuel tanks	Fuel types and EF	Fuel consump.	CCS and CCU	Navigation	Cargo	Control activities	Further info.	Non conformities
Fuel origin	EFs defined by user Fuel origin Fuel type GHG Legal Framework: [TTW - Slip] Method for determining 🔮 Method for determination of density EFs									F	uel description
Fossil fuel	Heavy fuel oil (HFO)					Fuel supplier					
Fossil fuel	Light fuel oil (LFO)	:0)					Fuel supp				
Fossil fuel	Fossil fuel Diesel oil (MDO)							Fuel supp	lier		
Fossil fuel	Liquefied natural gas (LNG)										
Fossil fuel	Liquefied petroleum gas (

- Shipowners with an ETS obligation shall submit a list of the ships under their responsibility (with the IMO (ship) number), as referred to in Article 2 of Implementing Regulation (EU) 2023/2599. This is done by uploading a file under Actions/Monitoring Plans/Docs in THETIS-MRV.
- Missing mandates or mandates not in line with 2023/2599
- No Verifier's conclusions attached see Art. 9 and 73 of (EU) 2023/2917

- Procedures in the Monitoring Plans
- Description of procedure used to determine the CO2 EFs of biofuels and RFNBOs/RCFs in accordance with Point 1.2 of Part C to Annex II to the MRV Regulation

• Link between THETIS-MRV and GD1/(EU) 2023/2449



From "5 March 2024: Fourth general webinar": Reducing GHG emissions - ETS Webinars - EMSA - European Maritime Safety Agency



Important deadlines 2025

- 31 March, Submit verified emissions reports (both per vessel and company) to administering authority in THETIS-MRV
- 30 September, Surrender allowances in the Union Registry

Related information and FAQs

- The Swedish EPA:s web page:
 - <u>Rederier inom EU ETS</u>
 - <u>Maritime transport in the EU Emissions Trading System</u>
 - Information about penalties and supervision (in Swedish)
- Information from the EU Commission regarding legislation and published recorded webinars: <u>General maritime webpage</u>
- FAQ from the EU Commission regarding the maritime sector and EU ETS: <u>Maritime ETS FAQ</u>
- FAQ from the EU Commission regarding the maritime sector and EU MRV: <u>Maritime EU MRV FAQ</u>

