

ENVIRONMENTAL PROTECTION

2024-02-15

Information to EU ETS shipping companies

This information is primarily for shipping companies that the Swedish Environmental Protection Agency (Naturvårdsverket) have been appointed as the administering authority for, according to the regulation published by the EU Commission on 31 January 2024 (Implementing decision (EU) 2024/411). Please see the information below about the latest news from the Swedish Environmental Protection Agency regarding the implementation of the maritime sector within the EU ETS.

Important next steps for EU ETS shipping companies

- Read up on relevant legislation. Prepare data and information in the monitoring plans and align relevant agreements.
- From January 2024 submit your monitoring plan per ship to your verifier in the IT tool THETIS-MRV (https://mrv.emsa.europa.eu/#public/eumrv)
- The European Commission has on 31 January 2024 published this list of shipping companies by responsible administering authorities (Implementing decision (EU) 2024/411).
 - For shipping companies included in the EU Commission's list, the information is made visible in THETIS-MRV. For shipping companies not on the list, please contact the THETIS-MRV helpdesk for assistance in identifying the relevant administering authority.
 - Shipowners with an ETS obligation shall submit a list of the ships under their responsibility, as referred to in Article 2 of Implementing Regulation (EU) 2023/2599. This is done by uploading a file under Actions/Monitoring Plans/Docs for each vessel in THETIS-MRV.
 - ISM companies with an ETS obligation shall submit an agreement pursuant to Article 1 of Implementing Regulation (EU) 2023/2599. More information about this can be found below under the heading "If the ISM company is to take over the ETS and EU MRV obligation from the shipowner".
- According to the Commission Delegated Regulation (EU) 2023/2904, must shipping companies included in the Commission's list apply to open a maritime operator holding account in the Union Registry no later than 27 March 2024. The application is done through the Swedish Energy Agency, please see Account applications (energimyndigheten.se).

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• Submit a verified monitoring plan in THETIS-MRV to the administering authority at the latest of the **1 April 2024**. See more information below on legal requirements.

 According to previous EU MRV-regulation, submit a verified emission report for the reporting period of 2023 in THETIS-MRV at the latest of the 30 April 2024.

Submission of a verified monitoring plan to the administering authority by 1 April 2024

Below is an unofficial translation of paragraphs 32 and 33 of the Swedish legislation <u>Lag (2020:1173) om vissa utsläpp av växthusgaser</u>. This is not an official translation of the Swedish legislation and the text in English is only for guidance, as it is the legislation in Swedish that is legally binding. Therefore, please contact the Environmental Protection Agency if you have any questions.

- 32 § The regulatory authority shall speedily report violation of the law or regulation issued due to the law to the police or prosecutor, if there is reason to believe that a crime has been committed.
- 33 § The person who intentionally or negligently without a permit operates an activity that releases emissions of greenhouse gases from an installation thus violating regulations issued by the government pursuant to 7 § first paragraph, shall be sentenced to pay a fine or to imprisonment for a maximum of two years for unlawful emission of greenhouse gases.

An aircraft operator or shipping company is guilty of unlawful emission of greenhouse gases if it intentionally or negligently fails to submit a monitoring plan in accordance with regulations issued by the government pursuant to 11 \\$, or article 6 regulation (EU) 2015/757 of the European parliament and of the council of 29 April 2015 on the monitoring, reporting and verification of greenhouse gas emissions from maritime transport, and amending Directive 2009/16/EC.

Regulation (EU) 2015/757 (of the European Parliament and of the Council of 29 April 2015 on the monitoring, reporting and verification of carbon dioxide emissions from maritime transport, and amending Directive 2009/16/EC) states in article 6 that:

- 6. By 1 April 2024, companies shall, for each of their ships falling within the scope of this Regulation, submit to the administering authority responsible a monitoring plan that has been assessed as being in conformity with this Regulation by the verifier and that reflects the inclusion of CH4 and N2O emissions within the scope of this Regulation.
- 7. Notwithstanding paragraph 6, for ships falling within the scope of this Regulation for the first time after 1 January 2024, companies shall submit a monitoring plan in conformity with the requirements of this Regulation to the administering authority responsible without undue delay and no later than three months after each ship's first call in a port under the jurisdiction of a Member State.

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If the ISM company is to take over the ETS and EU MRV obligation from the shipowner

The entity assumed responsibility for the obligations under the EU MRV and EU ETS for the maritime sector is called a shipping company. The definition of shipping company is found in Article 3(w) of the ETC Directive (2003/87/EC). According to the definition, the shipping company is one of the following:

- 1. the shipowner, or
- 2. any other organisation or person, such as the manager or the bareboat charterer, that has assumed the responsibility for the operation of the ship from the shipowner and that, on assuming such responsibility, has agreed to take over all the duties and responsibilities imposed by the International Management Code for the Safe Operation of Ships and for Pollution Prevention, set out in Annex I to Regulation (EC) No 336/2006 of the European Parliament and of the Council (1);

The entity referred to in paragraph 2 above is also referred to as an ISM company. If the ISM company of the ship is to take over the ETS and EU MRV obligations from the shipowner, an agreement shall be established between the two parties in accordance with Implementing Regulation (EU) 2023/2599. If you already have a contract, make sure that it contains all the information necessary and is drafted in the way specified in (EU) 2023/2599. The agreement is to be uploaded in THETIS-MRV by adding a document for each vessel under Actions/Monitoring Plan/Docs.

Related information and FAQs

- Information from the EU Commission regarding legislation and published recorded webinars: General maritime webpage
- FAQ from the EU Commission regarding the maritime sector and EU ETS: Maritime ETS FAQ
- FAQ from the EU Commission regarding the maritime sector and EU MRV: EU MRV FAQ
- Information from EMSA (European Maritime Safety Agency) regarding THETIS-MRV: EMSA THETIS-MRV information
- Information in Swedish from the Swedish Environmental Protection Agency and the Swedish Energy Agency:
 - Rederier inom EU ETS (naturvardsverket.se)
 - Konto för sjöfartsoperatörer (energimyndigheten.se)

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Contact information

• For questions regarding the maritime sector and EU ETS please contact the Swedish Environmental Protection Agency.

E-mail: <u>EUETS@naturvardsverket.se</u>, Telephone: +46 (0)10-698 10 00.

• For questions related to the Union Registry please contact the Swedish Energy Agency (Energimyndigheten)

E-mail: utslappshandel@energimyndigheten.se,

Telephone: +46 (0)16-544 23 00

• For support regarding the IT tool THETIS-MRV please contact EMSA Helpdesk.

E-mail: fitfor55@emsa.europa.eu