

Emissions Trading System (ETS) Monitoring and Reporting Regulation amendment in response to the ETS revision

Feedback from Carbon Market Watch on the revision of Implementing Regulation (EU) 2018/2066 and inclusion of MRV system for non-CO2 aviation effects

The draft Implementing Regulation proposed by the European Commission concerns various rules on monitoring and reporting emissions under EU ETS. Carbon Market Watch gives specific feedback to rules considering a Monitoring, Reporting, and Verification (MRV) system for non-CO2 aviation effects, and deplores the serious weakening of the commitments compared to earlier rules.

The draft act represents an unacceptable step back. The European Commission's plan to delay the introduction of the (MRV) system on non-CO2 aviation effects for extra-EU flights by two years compared to what co-legislators agreed to in the revised 2023 EU ETS Directive is a serious mistake, delaying further data gathering on these effects where most of them occur (ie, long-haul flights) and contradicting the deal reached by the European Parliament and the Council. The draft act contradicts evidence-based and transparent EU law-making as intended by the European Commission's own Better Regulation agenda.

Non-CO2 aviation effects have been known since at least 1999 and updated research has brought more precision and data to our understanding of them.¹ The climate impact from contrail cirrus alone is similar to that of aviation's CO2 emissions. About 14% of flights create warming contrails, but just 2% of flights cause 80% of the annual

¹ IPCC (1999), Special Report Aviation and the global atmosphere Aviation and the Global Atmosphere — IPCC; Sausen et al (2005), Aviation radiative forcing in 2000: An update on IPCC (1999); D.S. Lee et al (2009), Aviation and global climate change in the 21st century; D.S. Lee et al (2020), The contribution of global aviation to anthropogenic climate forcing for 2000 to 2018; Klower et al (2021), Quantifying aviation's contribution to global warming.

contrail energy forcing,² particularly long-haul flights such as transatlantic voyages. If we look at all non-CO2 climate impacts of aviation (from contrails as well NOx and water vapour for instance), these effects can be two to four times greater than the impact of CO2 emissions from air traffic alone. This has also been observed in the EASA 2020 report.³ The importance of introducing mandatory MRV and, subsequently, mitigation measures to reduce these effects, particularly on long-distance travel where they are by far the most important, cannot be overstated.

While the European Commission stands by introducing the MRV as of January 2025 for intra-EU flights, it has been [delayed](#) by two additional years for extra-EU routes in the draft Implementing Act. The revised EU ETS directive clearly indicates a full-scope approach as of 1 Jan 2025. Instead, only intra-EU flights will be mandated by the MRV from next year and, for extra-EU flights (where most of the non-CO2 effects occur), these two years would be voluntary and MRV would eventually become mandatory for those from 1 Jan 2027, according to the draft act. This backsliding is significant and a mistake from the European Commission.

It will delay the gathering of specific and necessary data on non-CO2 aviation effects from flights where most of these effects are known to occur. This will in turn postpone the time for the EU to introduce the proper measures to abate non-CO2 effects, beyond mere MRV. Finally, this unjustified delay contradicts the adopted revision of the EU ETS Directive particularly on the mentioned MRV scope and timing, which leads to regulatory and legal uncertainty, even [calling into question the legality of the draft act](#).

Carbon Market Watch fully supports the feedback submitted by [Transport & Environment](#) and [Germanwatch](#) and calls upon the European Commission to reverse its decision by amending its draft act after the consultation period and applying the full scope of flights to the non-CO2 MRV system as from January 2025 as aimed for by the revised 2023 EU ETS Directive.

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² Teoh, R., Engberg, Z., Schumann, U., Voigt, C., Shapiro, M., Rohs, S., and Stettler, M.: Global aviation contrail climate effects from 2019 to 2021, EGU sphere [preprint], <https://doi.org/10.5194/egusphere-2023-1859>, 2023.

³ <https://www.easa.europa.eu/en/document-library/research-reports/report-commission-european-parliament-and-council>

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