



# Inclusion of maritime transport in the EU ETS

EMSA/European Commission 3<sup>rd</sup> Webinar

*15 December 2023*

# Structure of the webinar

- I. Introduction – First steps from a shipping company perspective
- II. The ‘shipping company’
- III. Presentation of the information available to stakeholders on DG CLIMA’s website / EMSA’s website
- IV. Q&A



# I. Key first steps

from the perspective of a shipping company

# ETS extension to maritime transport

## *First steps from a shipping company perspective*

- **Now - Get familiar with new requirements and adapt your contract(s)**
  - Consult relevant legislative texts: [Official Journal of the European Union](#), [DG CLIMA dedicated page](#)
  - Consult communication material by DG CLIMA and EMSA: FAQs, Webinar recordings and presentations (links in [DG CLIMA page](#)) and contact [fitfor55@emsa.europa.eu](mailto:fitfor55@emsa.europa.eu) if needed.
  - Start adapting your contracts and preparing your revised monitoring plan
- **As from Jan 2024 – Submit your Monitoring Plan in THETIS-MRV to your verifiers**
- **1 Feb 2024 – identify your responsible Administering Authority and request the opening of a Maritime Operator Holding Account (MOHA) in the Union Registry within 40 working days**
  - For companies on the list, the assigned authority will be visible in THETIS-MRV. For the ones not on the list, the THETIS-MRV helpdesk will assist them in identifying their responsible administering authority in the system. They will have 65 workings days from the first port call
- **By 1 April 2024 – submit your assessed Monitoring Plan to your Administering Authority for approval**



# II. The shipping company

**Key questions to be addressed:**

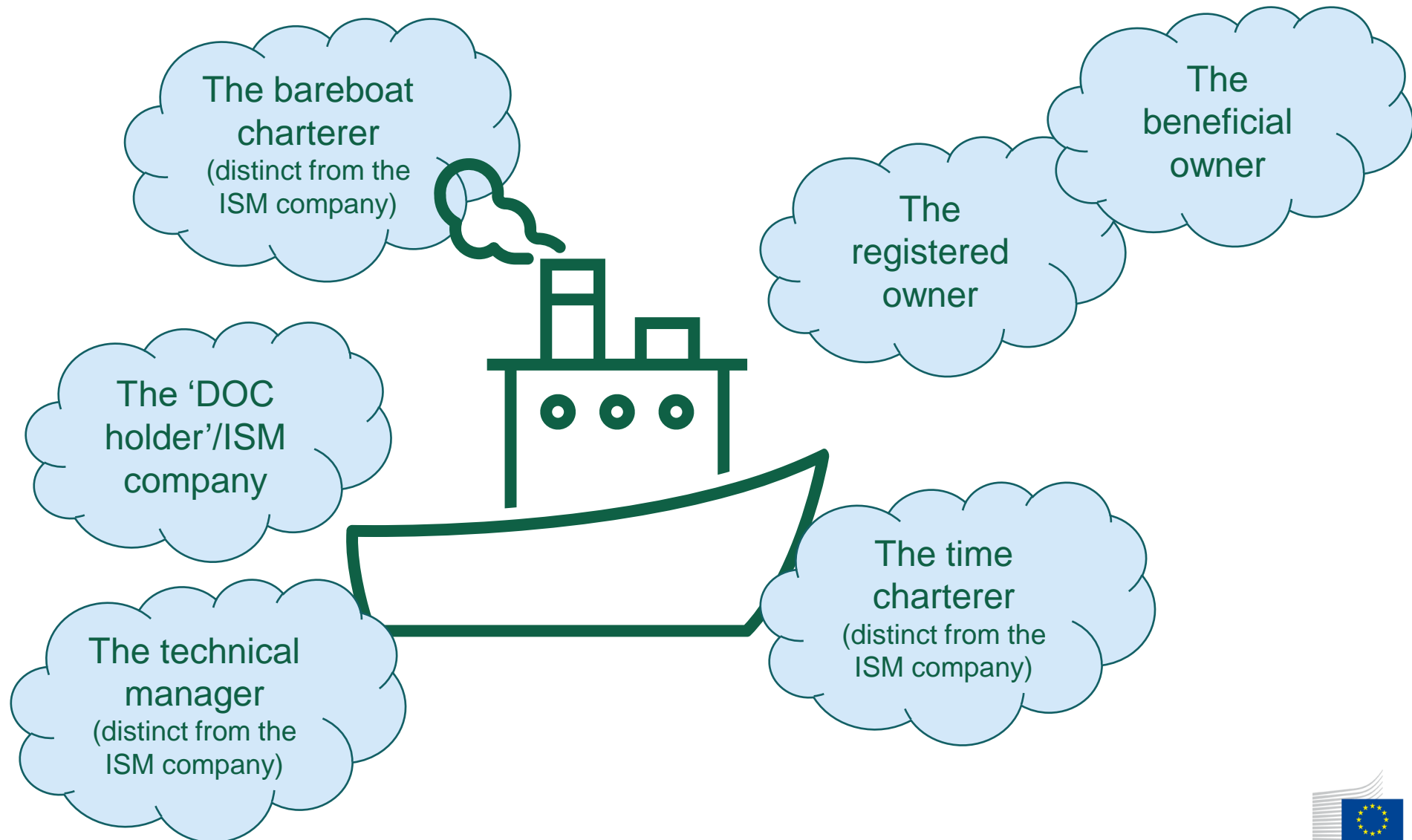
- A. What is a 'shipping company'?**
- B. How is a shipping company attributed to a Member State?**
- C. What information must a shipping company provide to its administering authority in respect of a shipping company?**
- D. How to request a Maritime Operator Holding Account in the Union Registry?**



# The entity responsible for ETS and MRV compliance



# The 'entourage' of a ship

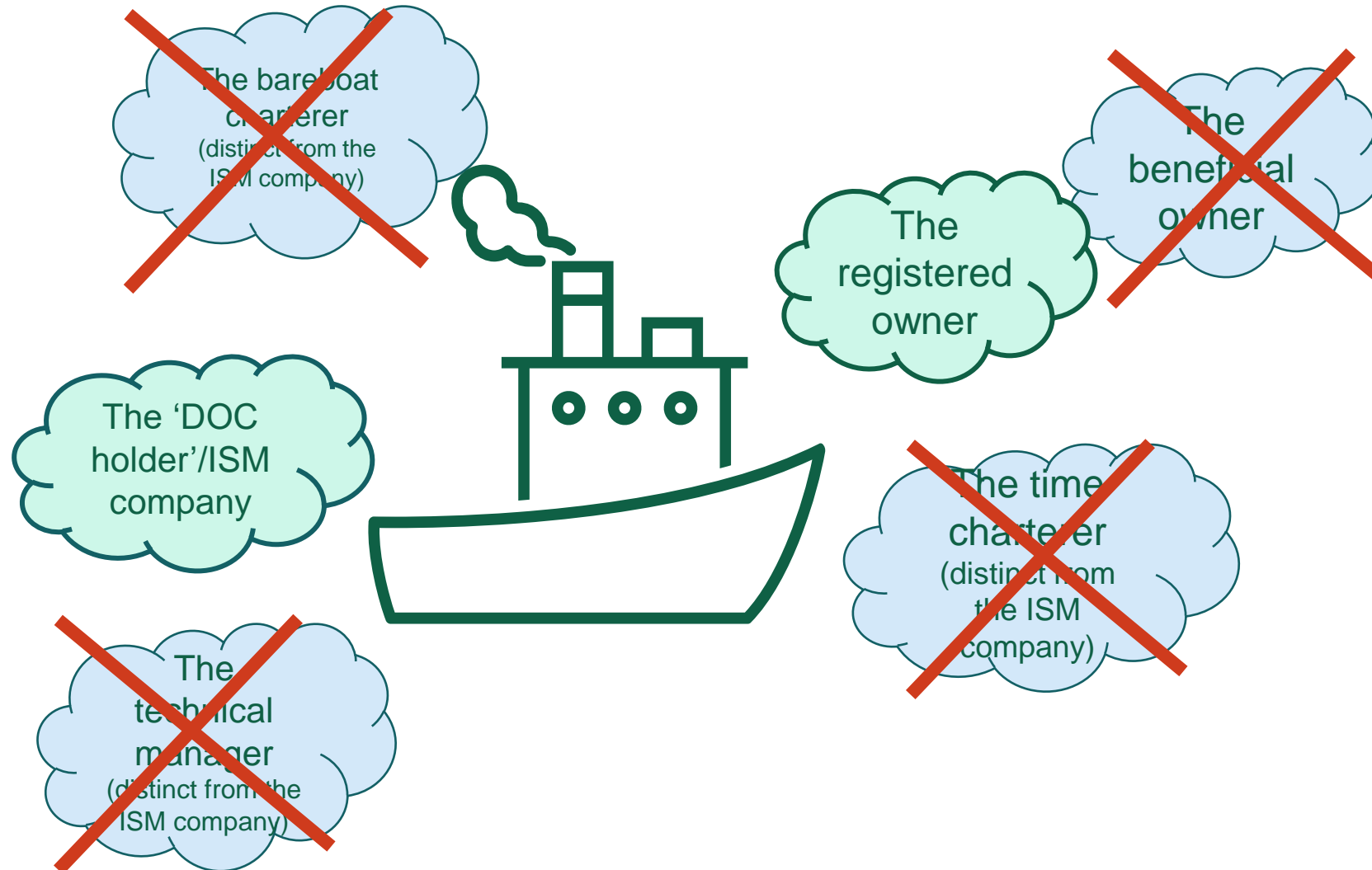


# Who is responsible for ETS and MRV compliance? (1/5)

- According to the EU ETS Directive and MRV Regulation, the “**shipping company**” is the entity responsible for **compliance with ETS/MRV** in respect of the emissions from **a given ship**
- “**shipping company**” is **defined** in the legal texts
  - See Article 3, point (w)) of Directive 2003/87/EC ([‘ETS Directive’](#)) and Article 3, point (d) of Regulation (EU) 2015/757 ([‘MRV Regulation’](#), as amended by [Regulation \(EU\) 2023/957](#))

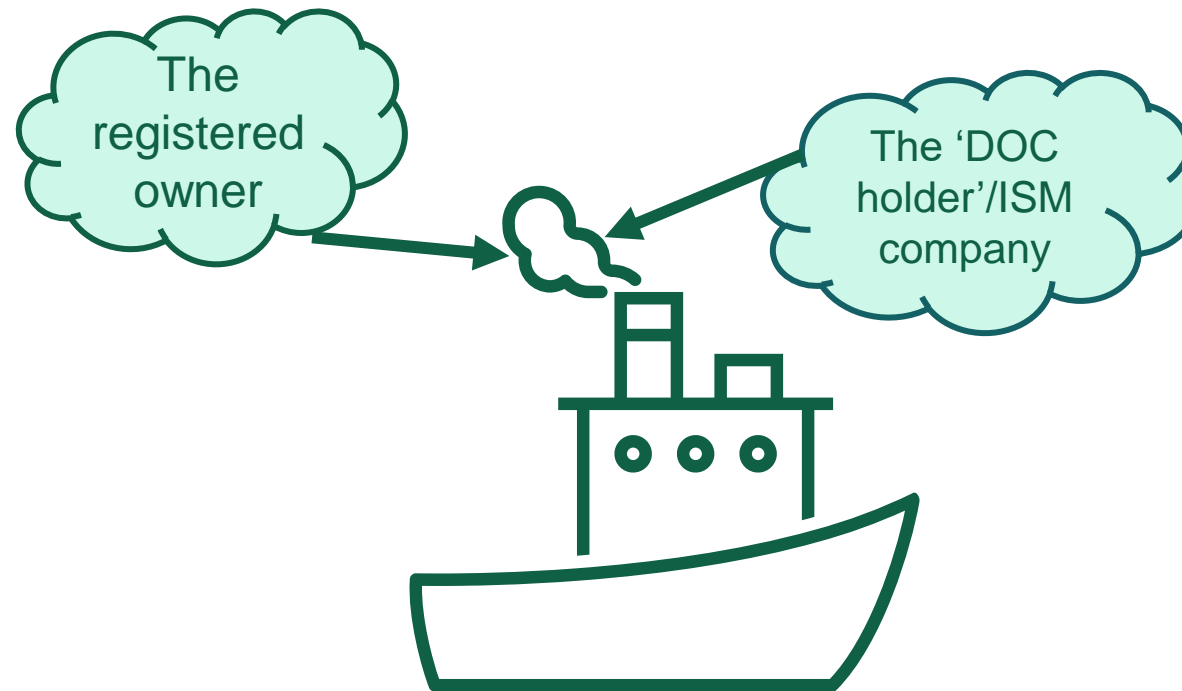


# Who is responsible for ETS and MRV compliance? (2/5)



# Who is responsible for ETS and MRV compliance? (3/5)

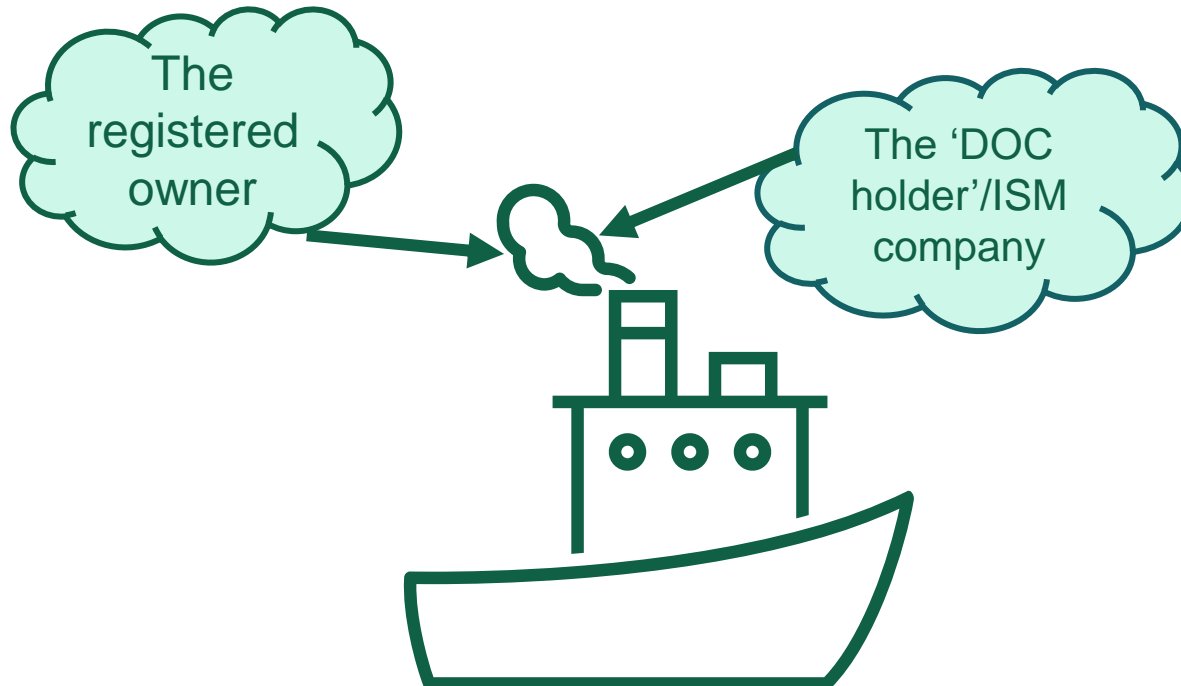
The entity responsible for compliance with ETS and MRV can be either  
(i) the **registered owner** or (ii) the **ISM company**



ISM company:  
“organisation or person [...] 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”  
([ETS Directive](#), Article 3, point (w))

# Who is responsible for ETS and MRV compliance? (4/5)

By default, the **registered owner** is the entity responsible for compliance with the ETS/MRV obligations



The registered owner and the ISM company can conclude **an agreement**, according to which the **ISM company** is the entity responsible for compliance with the ETS/MRV obligations

*Legal framework:*  
[Implementing Regulation \(EU\) 2023/2599](#), Article 1

**Obligation** to have a **document** signed by the registered owner and the ISM company that clearly shows the existence of a **mandate**

# Who is responsible for ETS and MRV compliance? (5/5 )

## *Further clarification*

### **What is a registered owner?**

- The registered owner refers to the owner specified on a ship's certificate of registry.
- The registered owner is assigned an IMO Unique Company and Registered Owner Identification Number.

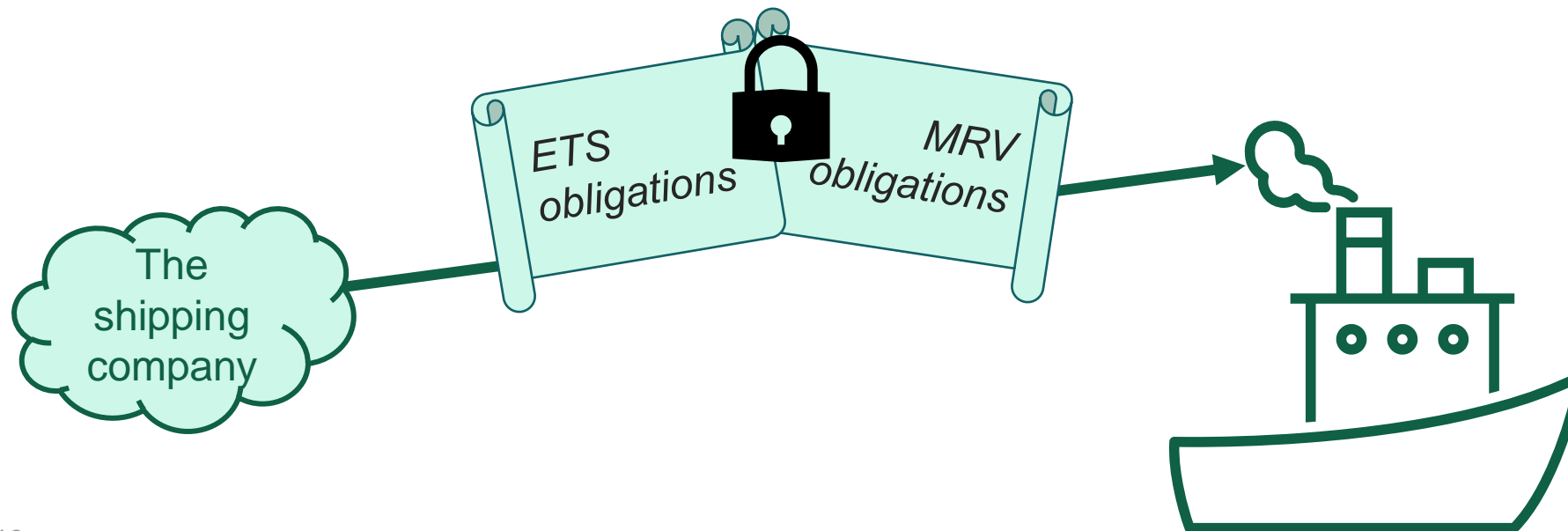
### **Can a bareboat charterer be a 'shipping company'?**

- Only if the bareboat charterer is the ISM company of the ship

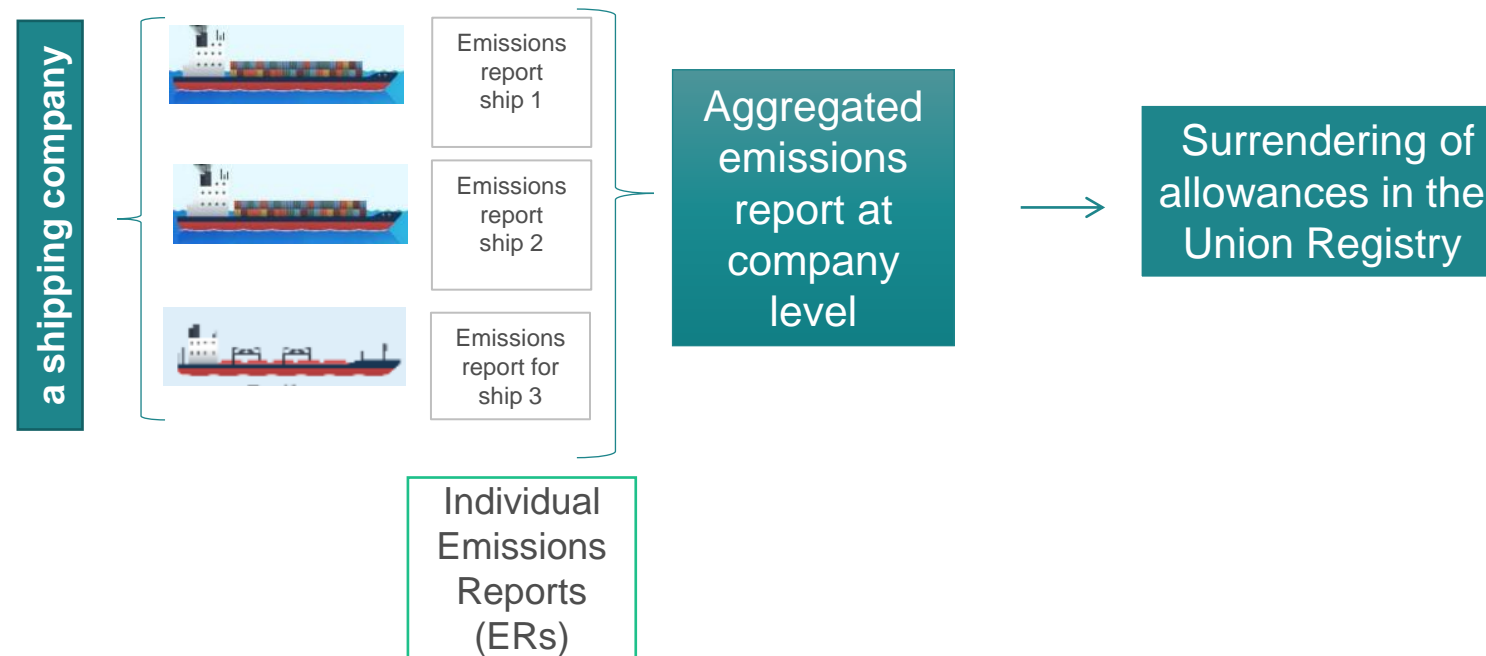


# The same entity is responsible for compliance with both ETS and MRV obligations

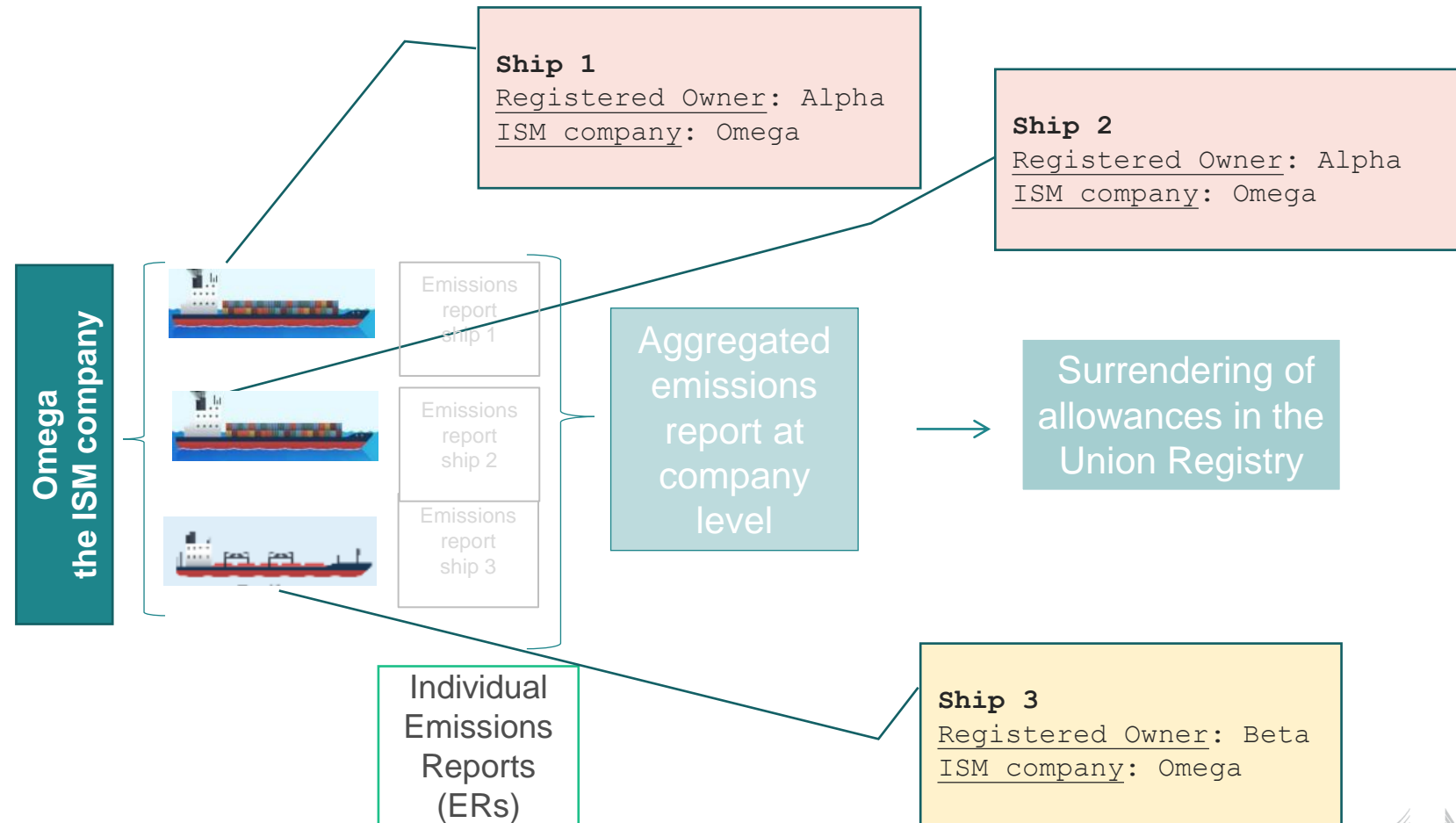
- Key principle: the entity responsible for ETS compliance is necessarily responsible for MRV compliance
- Legal framework: Article 3, point (w)) of the ETS Directive and Article 3, point (d) of the MRV Regulation; Recital 10 of [Regulation \(EU\) 2023/957](#)



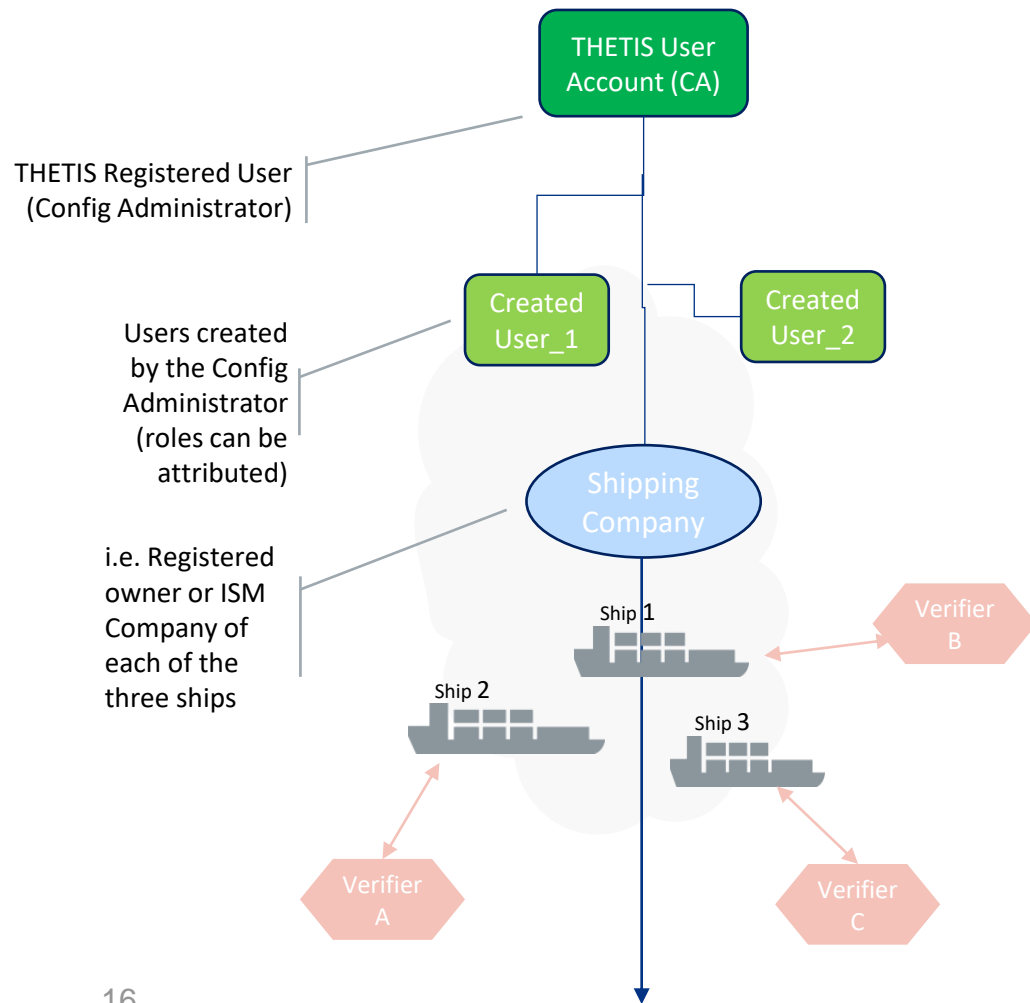
# A shipping company can be responsible for ETS/MRV compliance in respect of several vessels



# An ISM company can be mandated in respect of several vessels belonging to different registered owners



# Can a third party that does not qualify as a 'shipping company' continue to have a role?



- **A third party** can perform operational tasks, e.g. monitoring and reporting tasks on behalf of the shipping company.
- **A third party** that provides services to a shipping company can be granted **access to Thetis MRV**.
- This third party needs to be a **user in Thetis MRV**



Indifferently of this agreement between the third party and the shipping company, the **shipping company** remains **responsible for compliance** with MRV and ETS obligations



# The administering authority in respect of a shipping company



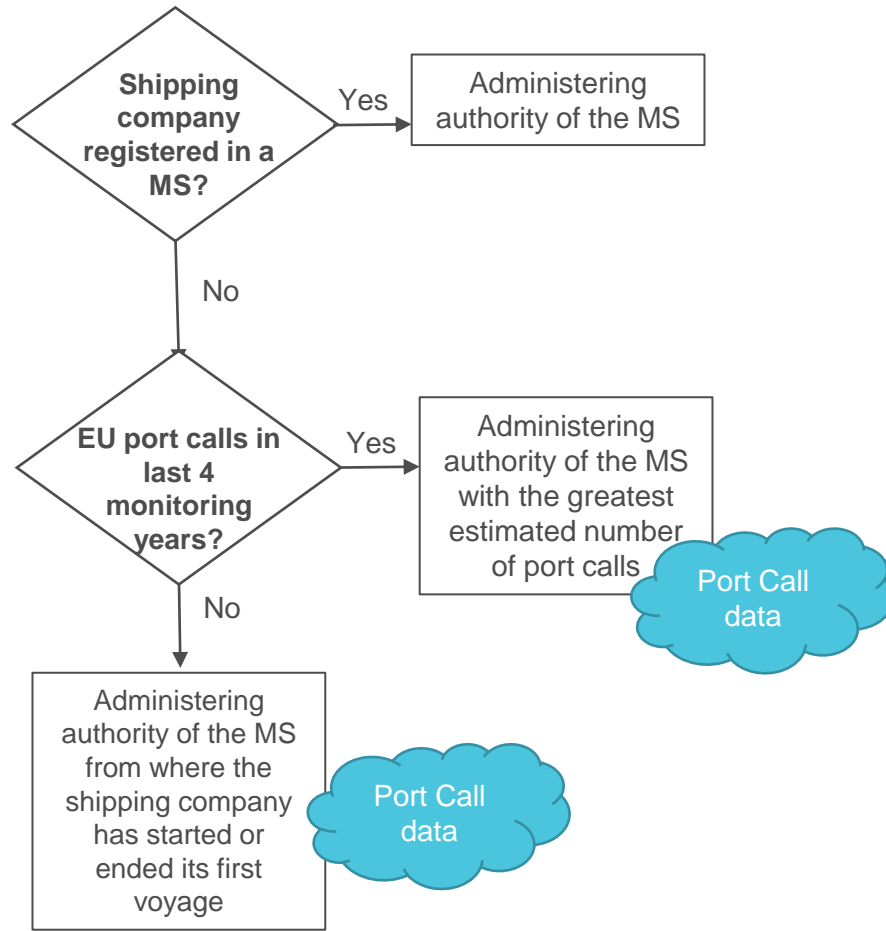
# The administering authority in respect of a shipping company in brief

- Attribute to each shipping company one Member State to **reduce administrative burden** and ensure enforcement.
- The **administering authority in respect of a shipping company** is the entity responsible for enforcing the EU ETS in respect of a shipping company on behalf of a Member State.
- Non-exhaustive list of **tasks of Administering Authorities**:
  - Where the ISM Company is the shipping company, ensures that the ISM Company has been duly mandated by the registered owner
  - Approves the monitoring plans of the ships under the responsibility of a shipping company
  - Receives the verified emissions report at company level (the ‘aggregated emissions data at company level’)
  - Ensures compliance of the shipping company with the EU ETS obligations, including the surrender obligation
- If necessary, impose penalties and sanctions

# The rules for the attribution of shipping companies to Member States

*To reduce administrative burden, one shipping company is attributed to one Member State*

General rules (Article 3gf(1) of the ETS Directive)



Complementing rules ([Implementing Regulation \(EU\) 2023/2599](#), Articles 3, 4 and 5):

- Country of registration = country recorded in THETIS-MRV
- Port call data should be based on SafeSeaNet
- If a company is not registered in a MS and has not EU port call history over the last 4 preceding monitoring years and if its first EU voyage is between two Member States, then the Administering Authority should be the Member State where the voyage started.
- If a company is not registered in a Member State and has an equal number of port calls in two or more Member States in the last 4 monitoring years, then the Administering Authority should be the Member State where the shipping company had its first port call.

# The list of shipping companies and their attributed Member State (1/3)

- The ETS Directive (Article 3gf(2)) empowers the Commission to establish, before **1 February 2024**, a **list of shipping companies**, specifying their administering authority in respect of a shipping company



# The list of shipping companies and their attributed Member State (2/3)

## INPUTS

Companies

country

fleet

port of Calls



## Algorithm

Using the rules defined in Article 3gf of the ETS Directive and Implementing Regulation (EU) 2023/2599

## OUTPUT

*List of shipping companies to be published by 1 Feb 2024*

BELGIUM	
Name of the shipping company	IMO number of the shipping company
Company A	0123456
Company B	1234567
...	...
BULGARIA	
...	...

# The list of shipping companies and their attributed Member State (3/3)

*Legal status of the list: same approach for maritime as for aviation*

## The list does not determine the shipping companies subject to the ETS Directive

- Shipping companies performing a maritime transport activity listed in Annex I to the ETS Directive are covered by the EU ETS. It does not matter if they are on the list of shipping companies at the time of the activity.
- In the case of a shipping company not in the list but covered by the EU ETS, this shipping company will be attributed to a Member State based on the rules under Article 3gf(1) of the ETS Directive. EMSA can help a shipping company to determine its Member State.

## The list of shipping companies determines the administering authority in respect of a shipping company

- Shipping companies and Member States can rely on the attribution made in the list.
- The attribution remains stable until the next update of the list (see Article 3gf(3) of the ETS Directive).



# Information to be provided by the shipping company to its administering authority in respect of a shipping company



# Information to be provided shortly by the shipping company to its AA (1/2)

- If the shipping company is the **registered owner**, the registered owner must provide its AA with a document including the list of the ships under its responsibility for ETS and MRV compliance.
- Content of this document: for each ship with emissions falling within the ETS scope: **name** and **IMO ship identification number**
- Obligation for the registered owner to **update** the document without delay in the following circumstances:
  - The registered owner becomes responsible for an **additional ship** with emissions falling within the ETS scope → the registered owner must provide the new ship's name and IMO ship identification number.
  - **A ship ceases to be under the responsibility** of the registered owner (e.g. the registered owner mandates the ISM Company to comply with ETS and MRV obligations; the registered owner sells the ship) → the registered owner must provide the ship's name and IMO ship identification number and the name and IMO unique company and registered owner identification number of the **new shipping company**

Legal framework: [Implementing Regulation \(EU\) 2023/2599](#), Article 2

# Information to be provided shortly by the shipping company to its AA (2/2)

- If the shipping company is the **ISM Company**, the ISM Company must provide its AA with a document proving that the existence of a **mandate** by the registered owner to the ISM Company to comply with ETS and MRV obligations.
- Language of the document: official language of the MS of the AA or in English.
- The document must be an original; if a copy: the copy must be certified.
- The document must clearly state that the ISM Company is mandated to comply with ETS and MRV obligations in respect of specified ship belonging to the registered owner.
- **(Minimum) Content** of this document to be signed by the registered owner and the ISM Company:
  - **Information about the ISM Company:** name, IMO unique company and registered owner identification number, country of registration (as recorded in GISIS) of the ISM Company
  - **Information about the registered owner:** IMO unique company and registered owner identification number of the registered owner, contact details of the registered owner's contact person
  - **Date of application of the mandate**
  - for each ship with emissions falling within the ETS scope that is covered by the mandate: **name and IMO ship identification number**

## ***Information to be provided shortly by the shipping company to its AA (3/3)***

- **Important information on the mandate** to be provided by the ISM Company that is a shipping company to its AA
  - The Commission does not provide a **template** for the mandate to be provided by the ISM Company to its AA.
  - The AA of the ISM Company may include **additional information requirements** – ISM Companies are advised to check with their respective AA.
  - A **similar document** is to be provided by the ISM Company to its national administrator when requesting the opening of a **Maritime Operator Holding Account** in the Union Registry.
  - Pursuant to the [draft delegated regulation on verification and accreditation rules](#), the mandate must also be **provided to the verifier of the ship**, as accompanying document to the monitoring plan → since a copy can be provided, it is advised that the entities refer to both the ETS and MRV obligations in the document to be provided to the AA by the ISM Company. *[see article 4(3) of the draft regulation]*
  - ISM Companies must check how their AA want the document to be **transmitted**.
    - The AA might require the document to be uploaded in THETIS-MRV



# Shipping companies and the Union Registry



# The Union Registry in brief

- Legal framework: the '**Registry Regulation**' ([Delegated Regulation \(EU\) 2019/1122](#))
  - Revised Registry Regulation under scrutiny by the European Parliament and Council until 25/12/2022. If no objection: publication in the Official Journal of the European Union end of December. Draft legal text available in the section "Commission adoption" of [https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/13862-EU-emissions-trading-system-ETS-update-of-the-Registry-Regulation\\_en](https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/13862-EU-emissions-trading-system-ETS-update-of-the-Registry-Regulation_en)
- The Union Registry (UR) is an IT system similar to **online banking**, ensuring the strict accounting of ETS allowances
- Main types of accounts: operator holding accounts (including **Maritime Operator Holding Account**) and **trading accounts**
- The UR **records** annual verified greenhouse gas emissions
- Annual **reconciliation** of allowances and verified emissions (shipping companies must have surrendered enough allowances to cover all its verified emissions)
- The UR enables the **transfer of allowances** between participants

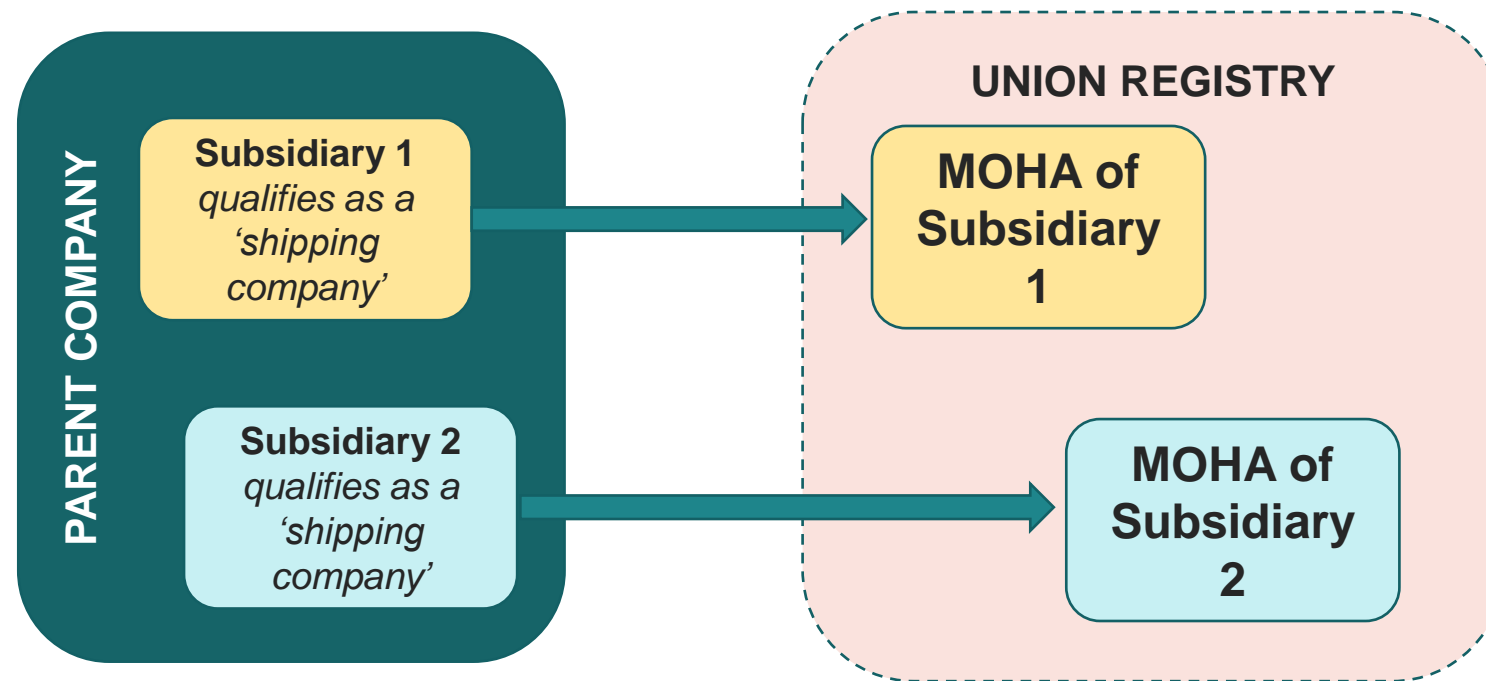
# Requesting a Maritime Operator Holding Account in the Union Registry (1/8)

## *Each shipping company must request a Maritime Operator Holding Account (MOHA)*

- Each shipping company needs a MOHA to (i) register its annual GHG emissions at company level by 31 March and (ii) surrender allowances by 30 September.
- Via its MOHA, the shipping company can also transfer allowances (i.e. it is not necessary for a shipping company to have a trading account).
- Important principle: One Shipping Company, One MOHA

# Requesting a Maritime Operator Holding Account in the Union Registry (2/8)

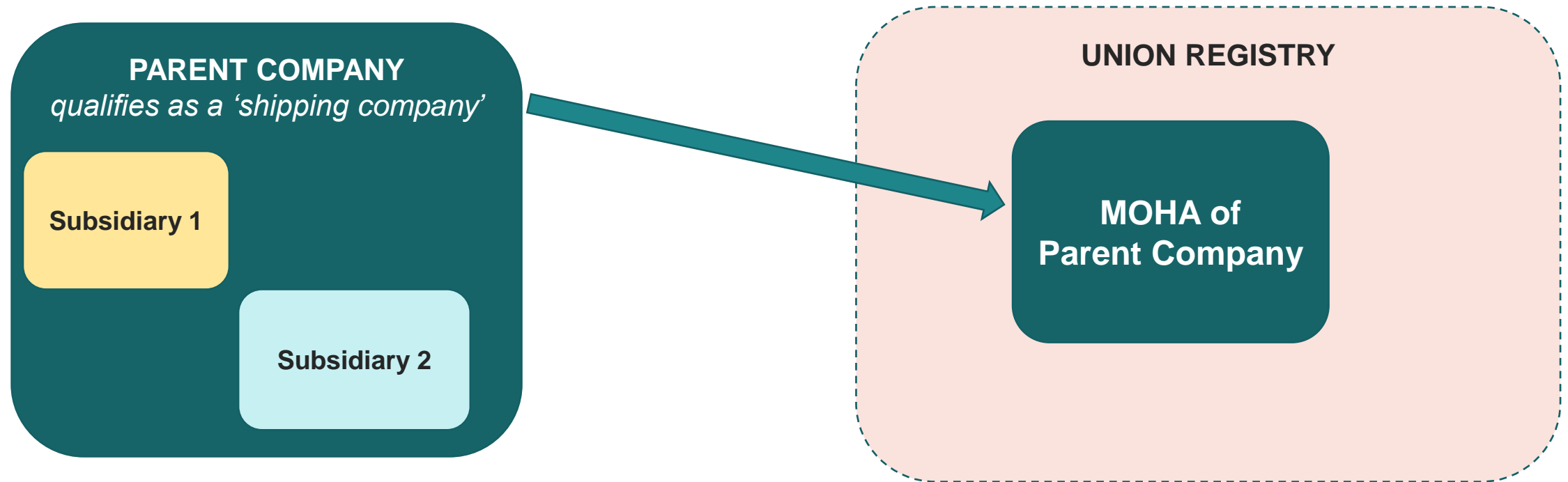
## Illustration of the principle One Shipping Company, One MOHA





# Requesting a Maritime Operator Holding Account in the Union Registry (3/8)

*Illustration of the principle One Shipping Company, One MOHA*



# Requesting a Maritime Operator Holding Account in the Union Registry (4/8)

*The shipping company must request a MOHA to its national administrator*

- The **national administrator** is the entity responsible for administering e.g. MOHAs on behalf of the Member State
- The shipping company must **request the opening of a MOHA** to the relevant national administrator
- **Contact details** and website of the national administrators can be found on: [https://climate.ec.europa.eu/eu-action/eu-emissions-trading-system-eu-ets/union-registry\\_en#links](https://climate.ec.europa.eu/eu-action/eu-emissions-trading-system-eu-ets/union-registry_en#links) (section “contact points”)
- Legal deadlines for requesting the opening of a MOHA:
  - For shipping companies **on the list** of shipping companies and their attributed Member State to be published in February 2024: within **40 working days** of the publication of the list of shipping companies and their attributed Member State
  - For shipping companies **not on that list** to be published in February 2024: **within 65 working days** of the first port of call of a voyage covered by the EU ETS
- *Legal framework: [draft Revised Registry Regulation](#), Article 15a*

# Requesting a Maritime Operator Holding Account in the Union Registry (5/8)

## *The request for opening a MOHA must be accompanied by a set of documents*

- The shipping company must provide its national administrator with the **information** set out in Annex VIIa to the draft Revised Registry Regulation.
- The **information to be provided** includes:
  - IMO unique company and registered owner identification number;
  - mandate by the registered owner to the ISM company (where the shipping company is the ISM company);
  - list of ships under the responsibility of the registered owner (where the shipping company is the registered owner);
  - document identifying the structure of the group (if the shipping company is part of a group).
- National administrators may ask for **additional documents**, depending on national rules (e.g. bank account details, information on the beneficial owner of the legal entity)
- *Legal framework: [draft Revised Registry Regulation](#), article 15a and Annex VIIa*

# Requesting a Maritime Operator Holding Account in the Union Registry (6/8)

## *The shipping company must nominate authorised representatives*

- When requesting the MOHA, the shipping company must **nominate at least two authorised representatives** with access to the MOHA.
- An authorised representative is a **natural person over the age of 18**
- **Role** of the authorised representative: acting on behalf of the shipping company (e.g. surrender of allowances)
- **Process** for nominating authorised representatives: submission of information as per Annex VIII of the Registry Regulation; approval by the national administrator

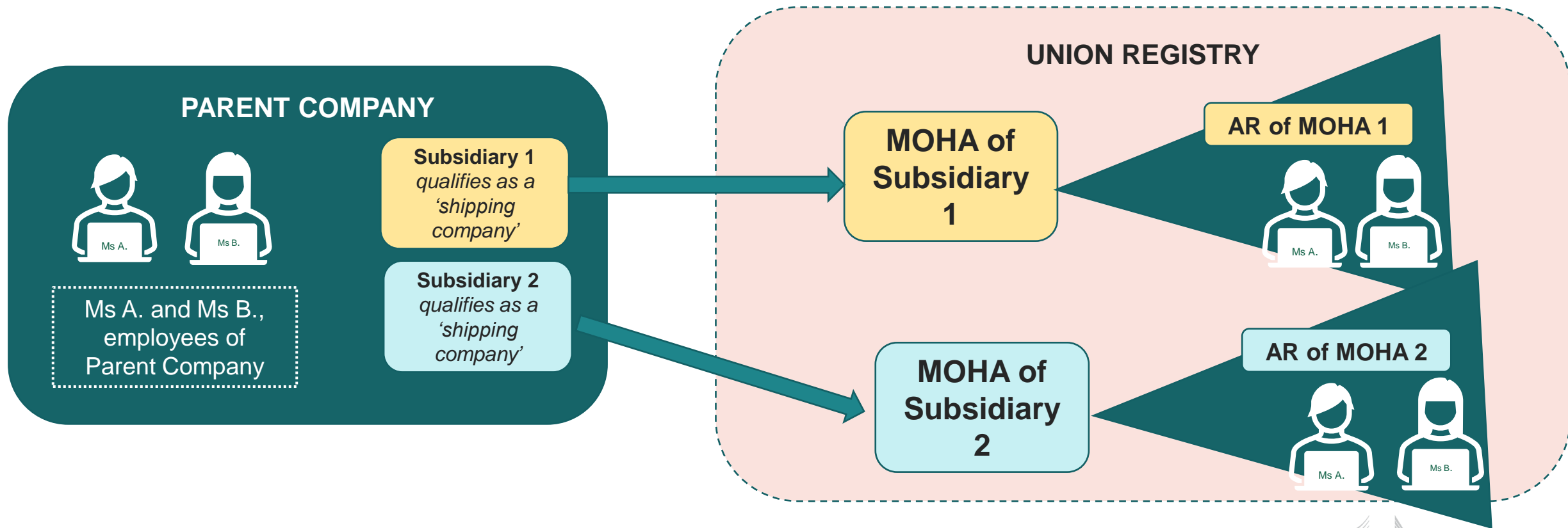
Legal framework: [Registry Regulation](#), articles 20 and 21



# Requesting a Maritime Operator Holding Account in the Union Registry (7/8)

*The same natural person may be the authorised representative (AR) on several MOHAs*

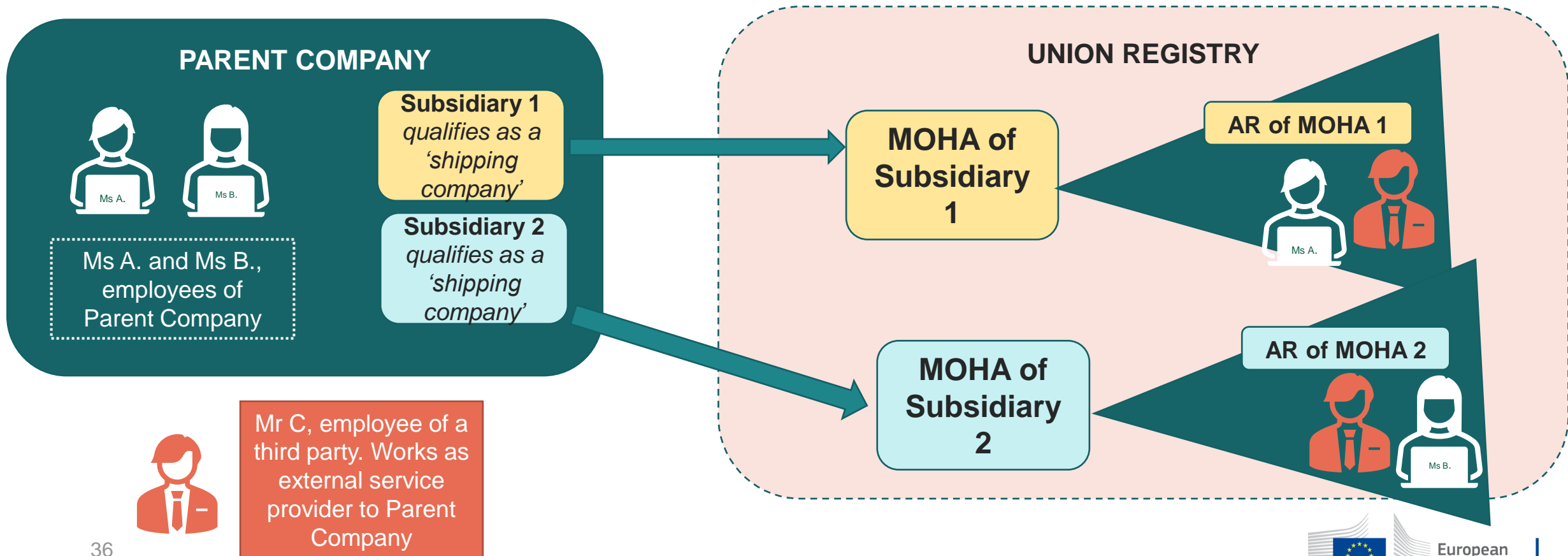
Legal framework: [Registry Regulation](#), articles 20 and 21



# Requesting a Maritime Operator Holding Account in the Union Registry (8/8)

*A third party may be the authorised representative (AR) on a MOHA*

Legal framework: [Registry Regulation](#), articles 20 and 21





# III. The information available to stakeholders



# IV. Questions & Answers



# Thank you

Further questions? Frequently Asked Questions (FAQs) available for [MRV](#) and [EU ETS](#)

Dedicated Helpdesk: [fitfor55@emsa.europa.eu](mailto:fitfor55@emsa.europa.eu)



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