



Climate Action

FAQ – Maritime transport in EU Emissions Trading System (ETS)

The following questions and answers are intended to guide shipping professionals in understanding the application of the EU Emissions Trading System to maritime transport. They do not replace the legislation. For further detail, please consult the updated EU Emissions Trading System Directive.

Extension of the EU Emissions Trading System to maritime transport

State of play

What is the state of play regarding the extension of the EU Emissions Trading System to maritime transport?

The [EU Emissions Trading System \(EU ETS\)](#) ([eu-action/eu-emissions-trading-system-eu-ets_en](#)) ^{EN | ●●●} will be extended to maritime transport emissions from 2024.

The [new rules](#) ([https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32023L0959](#)) ^{EN | ●●●} entered into force on 5 June 2023.

The EU Emissions Trading System, together with the [monitoring, reporting and verification \(MRV\)](#) ([https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2023.130.01.0105.01.ENG](#)) ^{EN | ●●●} of ships' emissions, are one of the Commission's main tools to reduce greenhouse gas emissions in maritime transport.

What are the next steps regarding implementation?

The Commission is preparing to adopt implementing and delegated acts in order to allow for a timely inclusion of the shipping sector in the EU ETS. These acts, which will be published by the end of 2023, will define all the necessary rules, templates, and methods to ensure the good functioning of the system from 1 January 2024.

For instance, they concern the administration of shipping companies by administering authorities, the creation of maritime accounts in the [Union Registry](#) ([eu-action/eu-emissions-trading-system-eu-ets/union-registry_en](#)) ^{EN | ●●●}, specific rules in relation to monitoring, reporting and verification.

To prepare these acts, the Commission is assisted by a new maritime formation within the existing [Expert Group on Climate Change Policy \(CEG\)](#) ([https://ec.europa.eu/transparency/expert-groups-register/screen/expert-groups/consult?lang=en&do=groupDetail.groupDetail&groupID=3590](#)) ^{EN | ●●●}, involving experts from EU Member States. In addition, there are other consultation activities, also involving the industry through the [European Sustainable Shipping Forum \(ESSF\)](#) ([https://ec.europa.eu/transparency/expert-groups-register/screen/expert-groups/consult?lang=en&do=groupDetail.groupDetail&groupID=2869](#)) ^{EN | ●●●}. These acts are also prepared with the support of the [European Maritime Safety Agency \(EMSA\)](#) ([https://www.emsa.europa.eu](#)).

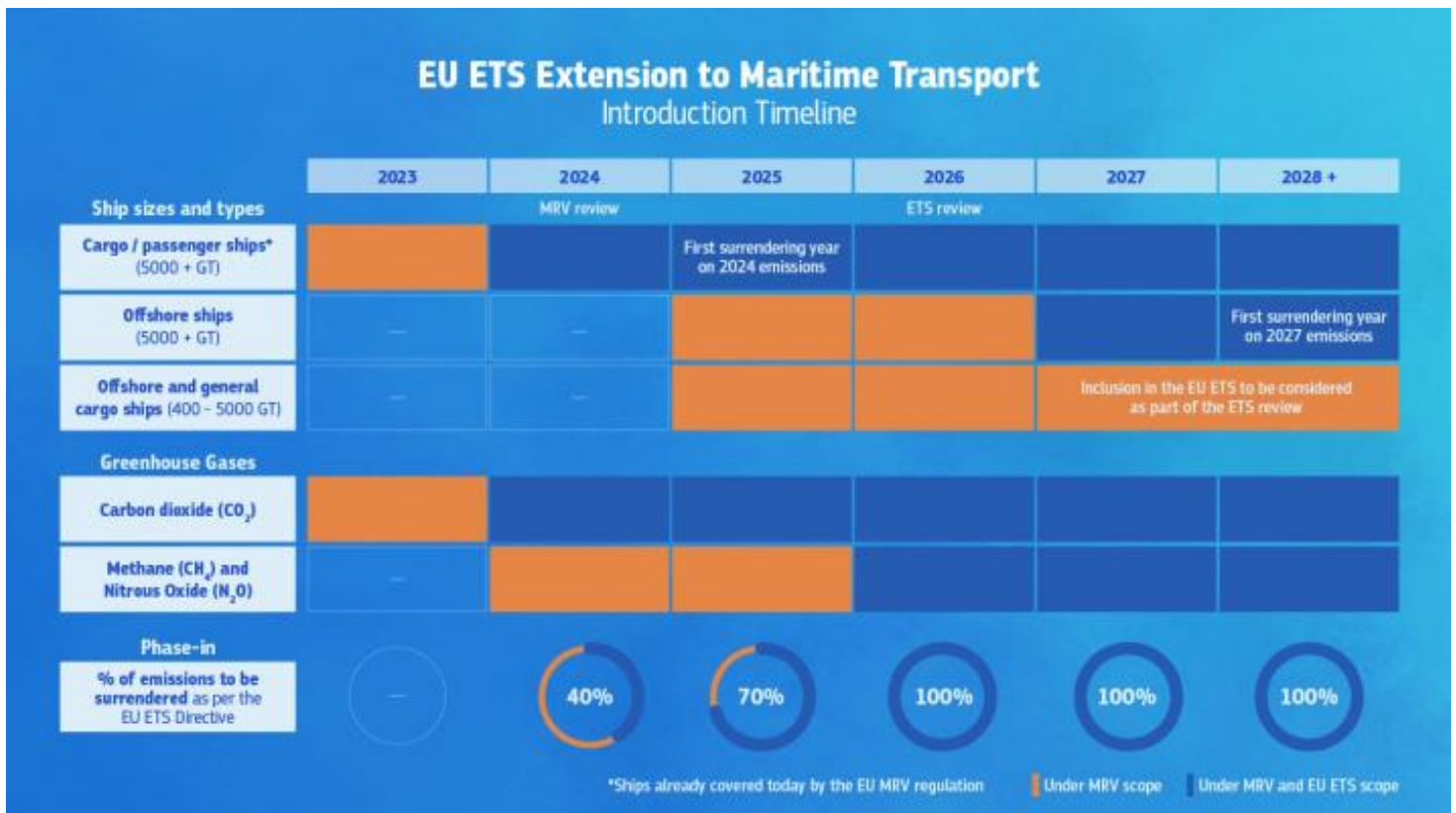
Will the new rules also apply to EEA countries (Iceland, Liechtenstein, Norway)?

The EU ETS Directive ([https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2023.130.01.0134.01.ENG](#)) ^{EN | ●●●} and the MRV Maritime Regulation ([https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2023.130.01.0105.01.ENG](#)) ^{EN | ●●●} are texts with [European Economic Area \(EEA\)](#) ([https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Glossary:European_Economic_Area_\(EEA\)#:-:text=The%20European%20Economic%20Area%2C%20abbreviated%20as%20EEA%2C%20consists,EEA%20entered%20in](#)) relevance, which means the new rules would also apply to countries that are in the EEA (EU Member States and Iceland, Liechtenstein, and Norway).

However, for an EU act to apply to the EEA EFTA States (Iceland, Liechtenstein and Norway), the EEA Joint Committee must adopt a Decision to incorporate the act into the EEA Agreement. Regarding the revised ETS Directive and MRV Maritime Regulation, this decision is pending. The aim is to incorporate acts as soon as possible after their date of entry into force in the EU, in order to ensure that the same rules apply throughout the EEA.

Timing & scope

Overview



When must shipping companies start using allowances to cover their emissions?

Shipping companies must surrender (use) their first ETS allowances by 30 September 2025 for emissions reported in 2024.

The share of emissions that must be covered by allowances gradually increases each year:

- 2025: 40% of emissions reported for 2024 must be covered by emission allowances
- 2026: 70% of emissions reported for 2025
- 2027 and beyond: 100% of reported emissions

To which ships does the EU ETS Directive apply?

- From 2024: cargo and passenger ships of or above 5000 gross tonnage (GT)
- From 2027: offshore ships of or above 5000 GT

To which ships does the EU MRV Maritime Regulation apply?

As of 1 January 2025, companies must report emissions for the following ships:

- Cargo and passenger ships of or above 5000 GT;
- Offshore ships of or above 5000 GT;
- Offshore ships and general cargo ships below 5000 GT but not below 400 GT.

Which type of greenhouse gas emissions will fall within the scope of the MRV Maritime Regulation and of the EU ETS Directive?

The EU MRV Maritime Regulation covers:

- Carbon dioxide (CO₂)
- Methane (CH₄) as of 2024
- Nitrous oxide (N₂O) as of 2024

The EU ETS covers:

- Carbon dioxide (CO₂)
- Methane (CH₄) as of 2026
- Nitrous oxide (N₂O) as of 2026

To which emissions does the EU ETS Directive apply?

The system is flag-neutral and route-based. This means it covers emissions from maritime transport as follows:

- 100% of emissions from ships performing voyages departing from a port under the jurisdiction of an EU Member State [see question on EEA countries above for more information] and arriving at a port under the jurisdiction of an EU Member State (e.g. Hamburg to Marseille and Marseille to Hamburg);
- 100% of emissions from ships within a port under the jurisdiction of an EU Member State (e.g. in the port of Antwerp), i.e. emissions released at berth and during movements within such a port;
- 50% of emissions from ships performing voyages departing from a port under the jurisdiction of an EU Member State and arriving at a port outside its jurisdiction (e.g. Rotterdam to Shanghai);
- 50% of the emissions from ships performing voyages departing from a port outside the jurisdiction of an EU Member State and arriving at a port under the jurisdiction of an EU Member State (e.g. Shanghai to Rotterdam).

Some derogations will apply, for instance for certain voyages to outermost regions or some small islands, or to the benefit of ships using renewable fuels. [see sections on 'Specific rules and derogations' and 'Biofuels and other alternative fuels' below for more information].

What is considered as a “port of call” for the purpose of the EU ETS?

A port of call is the port where a ship stops to load or unload cargo, to embark or disembark passengers, or where an offshore ship stops to relieve the crew. The following stops are excluded:

- stops for the sole purposes of refuelling,
- stops for obtaining supplies,
- stops for relieving the crew (other than an offshore ship),
- stops for going into dry-dock or making repairs to the ship and/or its equipment,
- stops in port because the ship is in need of assistance or in distress,
- ship-to-ship transfers carried out outside ports,
- stops for the sole purpose of taking shelter from adverse weather or rendered necessary by search and rescue activities,
- stops of containerships in the neighbouring container transshipment ports listed in the implementing act to be adopted by the end of 2023.

What happens if a trip takes place during two reporting periods (e.g. starting in December 2024 and ending in February 2025)?

A reporting period is the period from 1 January until 31 December of any given calendar year. Hence, for voyages starting and ending in two different calendar years, the respective data must be accounted under each reporting period. Following the example above, this means that the amount of emissions until 31 December 2024, as monitored by the shipping company, will be reported as part of the 2024 emissions report, while the amount of emissions corresponding to the part of the voyage as of 1 January 2025 will be accounted for in the 2025 emissions report.

If a company already offsets its emissions (e.g. through carbon credit certificates or other mechanisms), would it have any effect on the amount of allowances?

No. Shipping companies will need to surrender (use) EU allowances (EUA) corresponding to the amount of aggregated emissions data at company level to be reported under the EU ETS Directive. Carbon credits or certificates cannot be used for EU ETS compliance purposes.

Does the European Commission consider adopting specific rules and templates for the practical implementation of the EU ETS in shipping?

Yes. The European Commission aims to provide sector-specific rules and templates in relevant implementing and delegated acts to be adopted by the end of 2023, in order to ensure uniform implementation of the EU ETS and MRV rules. In particular, new templates for monitoring plans, emissions reports and reports at company level will be provided.

Functioning of the EU ETS

General understanding of the system

How does the EU ETS work?

The EU Emissions Trading System (ETS) ([/eu-action/eu-emissions-trading-system-eu-ets_en](#)) ^{EN | ●●●} is a 'cap-and-trade' system. A cap ([/eu-action/eu-emissions-trading-system-eu-ets/emissions-cap-and-allowances_en](#)) ^{EN | ●●●} is a threshold, defining the total amount of greenhouse gases that can be emitted by the operators covered by the system. It is reduced annually, at fixed intervals, in line with the EU's climate target.

The ETS objective is to reduce emissions by 62% from 2005 to 2030.

The cap is expressed in emission allowances, where one allowance gives the right to emit one tonne of CO₂eq (carbon dioxide equivalent). Operators are not allowed to generate more greenhouse gas emissions than their allowances can cover. If they do, heavy fines are imposed. Companies covered by the EU ETS must surrender (use) EU allowances corresponding to their emissions in the Union Registry ([/eu-action/eu-emissions-trading-system-eu-ets/union-registry_en](#)) ^{EN | ●●●}. For instance, if a company emits 10,000 tonnes of CO₂ falling within the scope of the EU ETS Directive during a reporting period, that company needs to buy and surrender 10,000 allowances by 30 September of the following year. Emission allowances are auctioned, and companies can buy and sell them through secondary markets.

The system allows flexibility for companies to cut their emissions in the most cost-effective way. Indeed, every year, companies are incentivised to reduce their emissions or to continue to pay for those emissions (i.e. to surrender the corresponding amount of allowances).

How are emissions monitored, reported and verified?

Shipping companies covered by the EU ETS are required to have an approved monitoring plan for monitoring and reporting annual emissions. Every year, companies must submit an emissions report for each of the ship under their responsibility, as well as an emissions report at company level (aggregating the ship data to be reported for ETS purposes). The data for a given year must be verified by an accredited verifier by 31 March of the following year (or by 28 February if so requested by the administering authority). Once verified, companies must surrender (use) the equivalent number of allowances by 30 September of that year.

Shipping companies are subject to obligations under the MRV Regulation since 2018. Data must be reported through THETIS-MRV (<https://mrv.emsa.europa.eu/#public/eumrv>), a platform operated by the European Maritime Safety Agency (EMSA) which enables, among other benefits, the publication of reliable data on ships' emissions.

Please find more information in the FAQ on the MRV Maritime Regulation.

Will companies be asked to continue reporting emissions through the THETIS-MRV platform?

Yes, shipping companies must continue reporting their greenhouse gas emissions through the existing THETIS-MRV platform. The latter will be updated in order to reflect the changes made by the revised MRV Maritime Regulation and ETS Directive. On the basis of the reported aggregated emissions data at company level, companies will then be required to surrender (use) a corresponding amount of EU allowances in the Union Registry.

Buying and surrendering allowances in the Union registry

Please note that the rules on the Union Registry are currently being revised, with a view to reflect the inclusion of the maritime sector within the EU ETS (e.g. through the creation of new 'Maritime Operator Holding Accounts'). The adoption of the revised Registry Regulation is planned for late 2023. It is expected that shipping companies will be able to open Maritime Operator Holding Accounts in 2024, after the European Commission publishes the list of attribution of shipping companies to the responsible administering authorities.

Will shipping companies be required to buy a different, specific type of allowance?

No. Shipping companies will need to acquire general EU allowances (EUA), the same ones used by industry, power sector and aircraft operators.

How can a company know to which EU Member State they should surrender allowances?

Shipping companies will need to surrender allowances in the EU Member State corresponding to their administering authority. For this purpose, shipping companies will need to open a Maritime Operator Holding Account in that EU Member State.

[see questions on 'Administering authorities' for more information about the rules to associate companies with the administering authority of one EU Member State]

How can shipping companies buy allowances?

Emission allowances can be purchased in the primary market through [auctions \(/eu-action/eu-emissions-trading-system-eu-ets/auctioning_en\)](#) ^(EN | ●●●) on the [European Energy Exchange \(EEX\)](#) ^(EN | ●●●) (<https://www.eex.com/en/>), which is currently contracted by the EU and its EU Member States to manage this system. There is also a secondary market in which allowances can be sold bilaterally or through various derivatives provided by financial institutions. To purchase ETS allowances, companies need to open a trading account or a maritime operator holding account in the Union Registry. Please note that the latter option will not be available before 2024.

When can shipping companies start buying allowances?

Shipping companies may already start buying EU allowances by opening trading accounts in the Union Registry. According to the provisions of the [Union Registry Regulation \(https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:02013R0389-20210101\)](#) ^(EN | ●●●) on the opening of a trading account, a shipping company could request the opening of such an account to a national administrator provided that it fulfills the conditions and provides all the necessary information as required by the national administrator. Furthermore, shipping companies may already start buying EU allowances by various derivatives, such as futures.

Can a non-EU citizen purchase and sell EU allowances?

The process for opening trading accounts takes place online and is open to non-EU citizens, subject to conditions spelled out by each EU Member State (through their National Administrator). Users must first open an account in the Union Registry to be able to trade EU allowances.

How long are EU allowances valid for?

EU allowances (EUA) issued on or after 2013 do not expire and may be banked for future years. However, an allowance that has been surrendered cannot be retrieved.

Where can I find more information on the functioning of the Union Registry?

Please see our webpage on the [Union Registry \(/eu-action/eu-emissions-trading-system-eu-ets/union-registry_en\)](#) ^(EN | ●●●)

Key players

Shipping companies and operators

Who is responsible for monitoring and reporting under MRV and ETS?

The shipping company is defined as 'the shipowner or 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](https://eur-lex.europa.eu/legal-content/GA/TXT/?uri=CELEX:32006R0336) (<https://eur-lex.europa.eu/legal-content/GA/TXT/?uri=CELEX:32006R0336>) of the European Parliament and of the Council.'

Who is responsible for surrendering allowances?

The shipping company always remains the responsible entity for surrendering allowances.

Can shipping companies pass on the ETS costs to the operator of the ship?

In case the responsibility for the purchase of the fuel and/or the operation of the ship is assumed by an entity other than the shipping company pursuant to a contractual arrangement, the shipping company is entitled to reimbursement from that entity for the costs arising from the surrendering of allowances. EU Member States must take national measures to ensure that the shipping company is entitled to reimbursement in such situations and must provide the corresponding access to justice to enforce that entitlement.

Although this entitlement to reimbursement should be made effective by EU Member States regardless of contractual arrangements, shipping companies and entities responsible for the purchase of the fuel and/or the operation of the ship are expected to develop contractual clauses to pass on the ETS surrendering costs as appropriate. 'Operation of the ship' for the purposes of this provision means determining the cargo carried or the route and the speed of the ship.

Nevertheless, the shipping company remains the responsible entity for surrendering allowances.

Who is responsible for submitting a ship's emissions report at the end of the reporting period in case of a company change during that reporting period?

Companies must, for each ship under their responsibility (at the end of the reporting period), submit an emissions report for the entire reporting period of the previous year, which has been verified as satisfactory by a verifier. This is true regardless of company changes and of who is responsible for surrendering allowances for these emissions [see the question below for more information on the surrendering]. The emissions report should cover the whole reporting period: for the period of the year during which the ship was under the responsibility of another company, the report would be based on the partial emissions report submitted by that previous company.

Who is responsible for surrendering allowances of a ship in case of a company change during the reporting period?

The shipping company is responsible for surrendering allowances corresponding to emissions from their ships during the time they were under their responsibility. This means that if there is a change of shipping company from Company A to Company B on 1 April 2025, then in 2026, Company A will need to surrender allowances corresponding to emissions from that ship from 1 January to 1 April 2025 [see Article 11(2) of the MRV Maritime Regulation for further details].

Administering authorities

What are the rules to associate a shipping company with its responsible administering authority?

Each company will be associated with the administering authority of one EU Member State. By 1 February 2024, and every two years thereafter, the Commission will publish a list attributing each company to the administering of one EU Member State. It will be done in accordance with the rules spelled out in the EU ETS Directive, i.e.:

- in the case of a shipping company registered in an EU Member State, it will be the EU Member State in which the shipping company is registered;
- in the case of a shipping company that is not registered in an EU Member State, it will be the EU Member State with the greatest estimated number of port calls from voyages performed by that shipping company in the last four monitoring years;
- in the case of a shipping company that is not registered in an EU Member State and that did not carry out any voyage falling within the scope of the EU ETS Directive in the preceding four monitoring years, the administering authority will be the EU Member State where a ship of the shipping company has arrived or started its first voyage falling within the scope of the EU ETS Directive.

What happens if a company is not in the attribution list and starts performing voyages falling within the scope of the EU ETS Directive?

In case of a new shipping company not yet listed in the Commission's published list, the rules spelled out in Article 3gf of the EU ETS Directive shall apply [see the above question]. This means that, on the basis of these rules, companies will be able to identify which is their administering authority. The THETIS-MRV helpdesk will assist the company in assigning its responsible administering authority in the system. The company will then be added to the list at its next update, which happens every two years.

Verifiers

Who will verify the ships' emissions? Can a company have different verifiers for its ships?

Ships' emissions will be verified by verifiers accredited by EU Member States (i.e. National Accreditation Bodies). Shipping companies will be able to select any duly accredited verifier for each of their ships, irrespective of the ship's flag or the place where the company is based and where the accredited verifier is based. In principle, a company may have different verifiers for each of their ships, as well as different verifiers verifying the ship's emissions report and the report at company level.

Sanctions and compliance

What happens if a shipping company does not comply with requirements to surrender allowances?

Companies that fail to surrender allowances are liable to an excess emissions penalty of EUR 100 (corrected for inflation) per tonne of CO₂ equivalent, and are still liable for the surrender of the required allowances. Names of the penalised companies are also disclosed to the public.

EU Member States may set out additional penalties that are effective, proportionate and dissuasive.

Furthermore, in case a shipping company has failed to comply with surrendering obligations for two or more consecutive reporting periods, and where other enforcement measures have failed to ensure compliance, the competent authority of the EU Member State of the port of entry may, after giving the opportunity to the company concerned to submit its observations, issue an expulsion order. In practice, it means that every EU Member State is required to refuse entry to the ships under the responsibility of the shipping company concerned into any of its ports, until the company fulfils its surrender obligations. Where a ship flies the flag of an EU Member State and enters or is found in one of its ports, the EU Member State concerned will, after giving the opportunity to the company concerned to submit its observations, detain the ship until the company fulfils its obligations.

Who will control compliance and enforcement?

Administering authorities will ensure that all companies under their responsibility surrender sufficient allowances in due time. Information about the compliance status of regulated entities will be derived from the Union Registry and be made accessible to the relevant authorities.

Use of revenues

How will EU ETS revenues from the maritime sector be used?

The revised EU ETS provides for dedicated support to accelerate the decarbonisation of the maritime sector through the [Innovation Fund](#) ([/eu-action/funding-climate-action/innovation-fund/what-innovation-fund_en](#)) ^(EN | ...). According to the Commission, 20 million allowances (i.e. about €1.6 billion with a price of €80 per allowance) should be deployed up to 2030 via the Innovation Fund to support the decarbonisation of the sector, notably through dedicated topics in future calls for proposals. The Innovation Fund could support a wide diversity of projects and innovative solutions in the maritime sector, across the whole sector and at scale, including in relation to the production and uptake of renewable and low-carbon fuels.

Besides the Innovation Fund, all auction revenues attributed to EU Member States have to be used for climate-related purposes; and the list of these purposes has been expanded to explicitly cover measures to decarbonise the maritime sector. The list also includes the financing of climate action in vulnerable third countries, including adaptation to the impacts of climate change.

Specific rules and derogations

Are all ships treated in the same way? What about ice class vessels?

Emissions from all ships covered by the EU ETS are treated in the same way. However, ships of ice class IA, IA Super or an equivalent ice class, established based on recommendation of the [Baltic Marine Environment Protection Commission](#) [\[\]](#) (HELCOM), may surrender 5% fewer allowances than their verified emissions released until 31 December 2030. The reason for the difference in treatment is that such ships, due to their design, require more fuel to cover the same distance when traveling in the open sea or under ice conditions.

Are there special rules for ships that connect EU Member States' small islands with the mainland?

Yes. Until 31 December 2030, shipping companies must not surrender allowances for emissions released by passenger ships, other than cruise passenger ships, and by ferries (ro-pax ships), between a port of an island under the jurisdiction of an EU Member State, with no road or rail link with the mainland, and a port under the jurisdiction of that same EU Member State. This derogation can only apply, upon request of each EU Member State, to islands with a population of fewer than 200 000 permanent residents. The list of ports will be published by the end of 2023.

Are there special rules for ships traveling to outermost regions?

Yes. Until 31 December 2030, shipping companies must not surrender allowances for emissions released from voyages between a port located in an outermost region of an EU Member State and a port located in the same EU Member State (e.g. Lanzarote-Valencia), including voyages between ports within an outermost region (e.g. Lanzarote-Fuerteventura) and voyages between ports in the outermost regions of the same EU Member State (Guadeloupe-Martinique). These exemptions include emissions within these ports in relation to such voyages.

Are there special rules for ships operating on a route under a transnational Public Service Obligation (PSO)?

In case of transnational public service obligations (or transnational public service contracts) established by two EU Member States, one having no land border with another EU Member State and the other being the closest, shipping companies must not surrender allowances for emissions released by passenger ships or ferries (ro-pax ships) operating under such a public service obligation until 31 December 2030. The list of concerned route(s) will be published by the end of 2023.

What happens when a shipping company only carries out services falling under ETS derogations? Is there any obligation to monitor and report emissions?

The obligation to monitor and report emissions as per the EU MRV Maritime Regulation is still valid, even if all voyages from the ships under the company's responsibility fall within the scope of a derogation as provided for in Article 12 of the EU ETS Directive. These derogations only have impacts on the surrendering obligations.

What is planned regarding the neighbouring container transshipment ports within 300 nautical miles?

By 31 December 2023 and every two years thereafter, the Commission will publish an implementing act on neighbouring container transshipment ports. Stops of containerships in the identified ports should not be considered as port of calls for the purposes of the MRV Maritime Regulation and ETS Directive.

A port will be considered a 'neighbouring container transshipment port' when its share of transshipment of containers exceeds 65% of its total container traffic and when that port is located outside the Union but less than 300 nautical miles from a port under the jurisdiction of an EU Member State. A port will not be considered a 'neighbouring container transshipment port' if it is located in a third country for which that third country effectively applies measures equivalent to the ETS Directive.

Biofuels and other alternative fuels

Will companies have to surrender allowances for emissions from biofuels or other alternative fuels including RCF and RFNBOs?

The European Commission will ensure consistency in the way biomass and renewable fuels of non-biological origin (RFNBOs) and recycled carbon fuels (RCFs) are treated under the different ETS sectors. Hence, the compliance obligations for the use of such fuels are the same in all sectors covered by the ETS, including aviation and maritime.

Currently, emissions resulting from the combustion of sustainable biomass compliant with the sustainability criteria established by the Renewable Energy Directive have an emission factor of zero under the ETS. The exact treatment of RFNBOs and RCFs remains to be determined by the implementing legislation to be developed pursuant to Article 14 of the EU ETS Directive.

Will Carbon Capture and Utilisation or Storage (CCU/S) technologies reduce the amount of allowances that shipping companies must surrender?

Yes, the EU ETS Directive provides for specific provisions with regards to CCU/S technologies. Companies must not surrender allowances for the following:

- CO₂ captured and transferred to an installation to be stored in a storage site in accordance with the [CCS Directive](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32009L0031); (<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32009L0031>)
- CO₂ utilised to become permanently chemically bound in a product so that it doesn't enter the atmosphere (implementing acts under development).

A Step-by-Step approach for Shipping companies

Step 1: Understand the new requirements and adapt your contract(s)

Where can I access the final legislative texts?

- [Amendments to the MRV Regulation](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2023.130.01.0105.01.ENG) (https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2023.130.01.0105.01.ENG)
- [Amendments to the ETS Directive](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32023L0959) (<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32023L0959>)

Will the Commission provide standard clauses to be inserted in contracts?

No. Relevant stakeholders will have the flexibility to draft clauses with regards to the transfer of costs arising from the surrendering of EU ETS allowances, subject to applicable laws.

[see questions on 'Shipping companies and operators' for more information]

Will the Commission provide support if shipping companies have questions on the new requirements?

Yes. The Commission and the European Maritime Safety Agency are available to answer any queries from stakeholders in relation to the new requirements under the revised MRV Maritime Regulation and the EU ETS Directive. Please contact fitfor55@emsa.europa.eu for any question you may have.

Step 2: Find out which administering authority is responsible for your company

[see questions on 'Administering authorities' for more information]

Step 3: Open an account in the Union Registry

When should shipping companies open an account in the Union Registry?

Shipping companies can already open trading accounts to start buying allowances.

Provided the Registry Regulation is revised in this manner, shipping companies will need to open a Maritime Operator Holding Account in the EU Member State corresponding to their administering authority.

[see questions on 'Buying and surrendering of allowances in the Union Registry' for more information]

Step 4: Update the ship's monitoring plan and submit it to the verifier and the administering authority

By when will companies need to submit their monitoring plan for approval by the administering authority?

Companies will need to submit a monitoring plan for each of their ships falling within the scope of the MRV Maritime Regulation to their administering authority by 1 April 2024. By that date, the monitoring plan must have already been assessed as being in conformity with the MRV Maritime Regulation by an independent accredited verifier.

Why do companies need to revise their ships' monitoring plans?

The monitoring plan should follow updated templates that will be adopted by the Commission by the end of 2023. These updated templates will reflect the revisions brought to the MRV Maritime Regulation, in particular the inclusion of CH₄ and N₂O emissions within the scope of that Regulation.

How can I know if the verifier is accredited to perform ETS-related verification activities?

Accredited verifiers should be able to perform all verification activities falling under the scope of the MRV Maritime Regulation (i.e. including the verification of emissions reports, aggregated emissions data at company level and assessment of monitoring plans). The accreditation should be granted by national accreditation bodies.

Step 5: Monitor your greenhouse gas emissions

As of 1 January 2024, shipping companies should monitor their emissions in accordance with the revised monitoring plan that should be assessed by verifiers and approved by the administering authority.

Step 6: Prepare your emissions reports and the report at company level and get them verified

Once per year, companies must submit an emissions report for each of the ships under their responsibility, as well an emissions report at company level (aggregating the data to be reported for ETS purposes). For this purpose, companies must follow the templates (updated templates to be available in late 2023). All ship-level and company-level emissions reports must be verified by an accredited verifier by 31 March of the following year (or by 28 February if so requested by the administering authority responsible).

Step 7: Surrender EU allowances

Once aggregated emissions data at company level have been verified and submitted to the administering authority, companies must surrender the equivalent number of allowances in the Union Registry by 30 September of that year.

[see questions on 'Buying and surrendering of allowances in the Union Registry' for more information]