ICAO Resolution on GMBM – Assembly Decisions & Next Steps

Resolution A39-3, “Consolidated statement of continuing ICAO policies and practices related to environmental protection – Global Market-based Measure (MBM) scheme”
Carbon Offsetting and Reduction Scheme for International Aviation
CORSIA – KEY DESIGN ELEMENTS (1)

• The scheme has a phased implementation approach, with a pilot phase from 2021 through 2023; a first phase from 2024 through 2026; and a second phase from 2027 through 2035.

• For the first two phases from 2021 to 2026, participation by States is voluntary.

• 66 States – representing about 86.5% of international aviation Revenue Tonne-Kilometres (RTKs) – had announced their intention to participate in CORSIA from its outset.

• For the second phase from 2027, all States that have an individual share of 2018 RTKs higher than 0.5% of total RTKs or whose cumulative share in the list of States from the highest to the lowest amount of RTKs reaches 90% of total RTKs are required to participate.

• Least Developed Countries (LDCs), Small Island Developing States (SIDS) and Landlocked Developing Countries (LLDCs), unless they volunteer, will be exempt.
CORSIA – KEY DESIGN ELEMENTS (2)

- CORSIA is based on a route-based approach.

This means:

That emissions from international flights between two States, where both the origin and destination States participate in CORSIA, are covered by the offsetting requirements of the scheme;

On the other hand:

Emissions from international flights between two States, where the origin and/or destination States do not participate in CORSIA, are excluded from the offsetting requirements of the scheme but still included in the reporting requirements.
CORSIA – KEY DESIGN ELEMENTS (3)

• Participating States and air-routes between the participating States to be covered by CORSIA are defined every year from 2021 and the amount of CO\textsubscript{2}-offsetting requirements for individual aircraft operators is calculated, as follows:
  
a) during the period from 2021 through 2029, the amount of CO\textsubscript{2}-offsetting requirements is calculated by multiplying the operators’ annual emissions with a single sectoral growth factor every year, following a so-called 100 per cent sectoral approach; and
  
b) from 2030, the amount of CO\textsubscript{2}-offsetting requirements is calculated following a hybrid approach that takes into account both the sectoral growth factor and growth factors of individual operators: the individual factors’ contribution to the calculation will be at least 20 per cent from 2030 to 2032; and at least 70 per cent from 2033 to 2035.

• Starting in 2022, CORSIA will be reviewed, every three years, by the Council.
# Who participates and when?

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<th>Pilotphase from 2021 in the order of announcement</th>
<th>1. Phase from 2024</th>
<th>2. Phase from 2027</th>
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<tbody>
<tr>
<td>Canada, Mexico, United States, Indonesia, China, 44-ECAC-Staaten, Marshall Islands, Singapore, Japan, Guatemala, Malaysia, Kenya, United Arab Emirates, New Zealand, Republic of Korea, Australia, Thailand, Israel, Costa Rica, Papua New Guinea, Qatar, Burkina Faso, Zambia</td>
<td>undecided</td>
<td>Probably: Indien, Russland, Saudi Arabien, Brasilien, Phillipinen, Chile, Süd-Afrika, Äthiopien</td>
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<tr>
<td><strong>ECAC-States:</strong> Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxemburg, Malta, Netherlands, Poland, Portugal, Romania, Slovak, Slovenia, Spain, Sweden, United Kingdom, Albania, Armenien, Aserbaidschan, Bosnien und Herzegowina, Georgien, Island, Republik Moldau, Monaco, Montenegro, Norwegen, San Marino, Serbien, Schweiz, das ehemalige Jugoslawien, Republik Mazedonien, Türkei, Ukraine.</td>
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| 66 Staaten, 85 % der RTK, x % der CO₂-Emissionen | | 90 % of RTK, x % of CO₂-emissions |
Who participates in 2021?
Implementation of CORSIA relies on the work programme of ICAO. The Assembly requested the Council, with the technical contribution of the CAEP, to develop SARPs and related guidance material for a MRV system and emissions units criteria (EUC), for adoption by the Council by 2018.

The Council, with technical contribution of CAEP, will develop policies and related guidance material to support the establishment of:

- Registries by States or groups of States, for adoption by the Council by 2018; and,
- A consolidated central registry under the auspices of ICAO, for operationalization no later than 1 January 2021. The establishment of registries will assist in the tracking of the purchased emissions units and checking that operators and States are in compliance with the offsetting requirements of the CORSIA.
• While fuel and CO$_2$-emissions data will be collected, reported and verified by States/operators through the MRV system from 2019, there are basic traffic data that will be required to establish the basis for determining the participation of States in the second phase of CORSIA, in the form of RTKs in year 2018. This RTK information needs to be made available through the ICAO Statistics Programme in a timely manner.

• It is important to recognize that different States have different levels of experience, readiness and capacity for the development of the MRV system and establishment of registries. It would be crucial to capture the assistance needs of States, raise awareness and build capacity in States, including through CORSIA seminars/workshops.
Development of SARPs and Guidance

In order to develop the CORSIA-related SARPs and guidance for the MRV system, EUC and registries, the following activities are foreseen for the next triennium:

- a) Draft text for the CORSIA SARPs and guidance to be developed by two more meetings of CAEP's Global Market-Based Measure Task Force (GMTF) in February and June 2017, followed by approval by CAEP Steering Group meeting in September 2017;

- b) Preliminary review of SARPs by the 212th Council Session and 206th Air Navigation Commission (ANC) Session during the fourth quarter of 2017; and,

- c) Final review of SARPs by the 208th ANC Session followed by the adoption by the 214th Council Session during the second quarter of 2018, for SARPs to be applicable from 1 January 2019.

It should be emphasized that the progress of the SARPs/Guidance development process should be frequently disseminated to States, including through CORSIA seminars, for the feedback received to be considered by the process.
The Assembly requested:

• Member States whose aircraft operator undertakes international flights, to implement the MRV system, from 1 January 2019; and,

• To establish their own registries or group registries established by groups of States, or to arrange for participation in other registries.

• To ensure the timely implementation of the CORSIA, the following capacity building and assistance activities are foreseen for the next triennium:

  a) CORSIA regional seminars and one seminar at ICAO Headquarters during the first half of 2017 and 2018;
  b) Assistance to States should focus on the establishment of necessary national policies and regulatory framework, as well as to support the necessary infrastructure development for the MRV system and registries;
Small Scale Implementation

Germany has offered the following activities to ICAO

- Partially implement CORSIA with 10 aircraft operators and 10 administering states for test purposes in 2017
- Start in March 2017, duration 6 months
- Cover all ICAO regions, MRV provisions on the basis of draft SARPs
- Provide seminars in 5 ICAO regions afterwards
- Initiative was announced by ICAO during IWAF

Activities are part of a wider ICAO capacity building strategy

- Small Scale Implementation in coordination with ICAO and IATA
- Main purpose of activities is to support the SARPs endorsement process in ICAO (‘workable, has been tested‘) but also to fine tune guidance material and identify major technical issues
Thank you for your attention!