

## Carbon Emissions! Non-CO2 Emissions! Are You Covered? European Emissions Trading Schemes (ETS)

There are three comparable, but distinct, cap-and-trade carbon emissions trading schemes in Europe. Depending on your operations in Europe, you could have obligations under none, one, two, or all three. Flight Pro International (FPI) offers services to help you ensure compliance with all three schemes.

## EU ETS

Flights to, from, and within the European Union (EU), European Economic Area (EEA), as well as flights to Switzerland and the UK, are covered by the European Union's Emissions Trading Scheme (EU ETS). Flights between the EU's outermost regions will also continue to be included.

## Swiss ETS

Flights that are within the scope of Switzerland's Emissions Trading Scheme (CH ETS) include flights to and from Switzerland, Swiss domestic flights, and flights from Switzerland to the EU/ EEA. Fortunately, since January 2020, the Swiss ETS has been linked with EU ETS – simplifying reporting and emissions reporting obligations.

## **UK ETS**

Since BREXIT, the United Kingdom has implemented their own separate United Kingdom's Emissions Trading Scheme (UK ETS). Flights in scope of UK ETS include UK domestic flights, flights between the UK and Gibraltar, and flights from the UK to the EEA.

## Full Scope vs. Reduced Scope

For all three programs, there is full scope, which refers to all flights to, from, and within the respective covered areas, and a reduced scope which excludes flights to or from locations outside the covered areas.

### **Exemptions**

For private (non-commercial) operators, an exemption applies if the emissions from your fullscope flights are less than 1,000 tCO2 per year, or you have no reduced scope flights. For commercial operators, an exemption applies if you perform fewer than 243 full-scope flights per period for three consecutive four-month periods (Jan-Apr; May-Aug; Sept-Dec); or your fullscope flight emissions are lower than 10,000 tCO2 per year; or you have no reduced scope flights.

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## **EU ETS Non-C02 Monitoring and Reporting Obligations**

As of January 1, 2025, the European Union has added monitoring and reporting obligations for the effects of non-CO2 emissions, which includes soot particles, water vapor, nitrous oxides (NOx) and sulfur oxides (SOx).

For small emitters, a simplified climatological location-based approach (simplified procedures) will be available that primarily uses aircraft in-flight location-related data from Eurocontrol's ETS Support Facility.

Exemption from non-CO2 monitoring and reporting obligations will apply for aircraft operators unless they cross ETS exemption thresholds for full scope flights under EU ETS.

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# Flight Pro International's Emissions Service Solutions

At FPI, we offer a three-tier solution, which matches services to your needs. Each tier is a service "step", so you only pay for the services required.

### **Tier-1 services:**

FPI Compliance staff access and continually analyze your Eurocontrol ETS Support Facility Data. This is the same data used by the various European authorities that oversee the emissions programs. This data also qualifies for simplified reporting procedures related to the EU ETS Non-CO2 monitoring and reporting obligations.

This first service level provides FPI with the information to proactively manage and mitigate your compliance risk related to all three emissions programs. Without this first level of service, we cannot guarantee where you stand in relation to CO2 and non-CO2 emissions numbers and program responsibilities, and we cannot provide the additional service levels.

If you fall below the exemption thresholds for all three programs, no additional service is needed. If you do exceed exemption thresholds, then we can add our *Tier-2 service* offering.

### **Tier-2 services:**

FPI Compliance staff will file the required CO2 and non-CO2 emissions Monitoring Plans (MPs) and Annual Emission Reports (AERs) in timely fashion, verify compliance commitments are met, and ensure that your compliance statuses are accurately reflected within the various European ETS programs.

### Tier-3 services:

This option is for aircraft operators who need assistance with the management of their Aircraft Operator Holding Accounts (aka: Registry Accounts). These registries are like online banking systems which hold accounts for operators regulated under the emission trading systems. Instead of money, these registries hold the commodity of carbon allowances. Our compliance staff will take on and share the oversight and administrative responsibilities; ensuring that the deposits, transfers, and surrendering of carbon allowances are done well in advance of regulated deadlines.

For help with carbon emissions concerns and/or consultation on important regulatory and international compliance requirements, please feel free to contact our Regulatory Compliance staff here at Flight Pro International.

Our success is your success! Partner with us today.