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CONTRIBUTION

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| From: | General Secretariat of the Council |
| To: | Working Party on the Environment |
| N° prev. doc.: | WK 5954/2022 |
| Subject: | Fit for 55 package - ETS: Comments from a delegation |

Following the call for comments set out in WK 5954/2022, delegations will find attached comments from the FI delegation regarding ETS maritime.

FINLAND

Follow up to the WPE of 2.5.2022; written comments

Please find below a few written comments in addition to the comments made in the Working Party on Environment meeting 2 May. Finland considers that the compromises proposed by the presidency had improved the text on many issues.

National specificities and specific circumstances

It is of utmost importance to Finland that the question of winter navigation and ice-classed vessels is duly taken into account in the directive. These vessels and voyages made in ice conditions would in our proposal still be kept in the ETS, but would keep them at par with normal vessels traveling in open water, thus securing a level playing field regarding competitiveness. Our proposal is supported also by many other member states.

Finland considers that examination of the proposals on the member states' national specificities and other specific circumstances should continue on the working group level. A thorough discussion is needed.

Review clause on the IMO MBM

Finland appreciates the PCY's drafting proposal on the reporting and review article. Regarding the review clause on the IMO, the eventual Commission proposal to amend the directive should take into account the global level playing field.

Drafting proposal on Article 3ge (1)

*...Where appropriate, the report shall be accompanied by a legislative proposal to amend this Directive, consistent with the Union economy-wide greenhouse gas emission commitments, and with the aim of preserving the environmental integrity and effectiveness of the Union climate **action as well as contributing to level playing field globally.***

Distribution of companies among Member States (article 3gd):

Finland agrees with the comment in the presidency's paper regarding the distribution of companies between MS: "One delegation proposed bringing forward the date of the first submission of the list by the Commission (provided for in the Commission proposal before 1 February 2024). The Presidency notes that this deadline could be too late if the revised directive enters into force on 1 January 2023. Indeed, Article 6(6) of the MRV Regulation provides that companies shall submit their supervisory plan to their administering authority within 3 months of the entry into force of the Directive. Consequently, the Presidency proposes to bring forward the deadline for the Commission to publish the first list to within one month of the entry into force of the Directive."

However, we are not certain that the presidency's intention to "bring forward the deadline for the Commission to publish the first list to within one month of the entry into force of the Directive" is reflected in the proposed Art 3gd 2a because the formulation of the article lacks some clarity.

Penalties Art.16(11a) Exclusion order

Finland mainly supports the presidency's proposal. We propose the text "in respect of a ship not flying the flag of that Member State" to be replaced with "in respect of a ship not flying the flag of that Member State, or a ship flying a non-EU flag").

MRV Regulation 2015/757

Finland's proposal on ice-classed ships and navigation in ice-conditions should be taken into account also in the MRV Regulation.

Artikla 6 (8)

The administering authority should not approve the monitoring plan. This would lead to unnecessary administrative burden due to the fact that the verifier already approves the plan. As a compromise we propose that the verifier approves the plan and that the approved plan will be submitted to the administrative authority for information.

Artikla 6 (6)

The Commission's proposal requires the shipping companies to submit the monitoring plan only 3 months after the amended MRV Regulation has entered into force. However, the timeline proposed by the presidency for surrendering of allowances (art. 3ga) would delay the extension of ETS to maritime transport making it more feasible to submit the plans later on. Moving the deadline would help avoid unclarities and problems in preparing and submitting the plans.
