

ENVIRONMENT



August 2022

The Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) is the first global market-based scheme that applies to a sector. It complements other aviation in-sector emissions reductions efforts such as technological innovations, operational improvements and sustainable aviation fuels to meet the ICAO aspirational goal of carbon neutral growth.

ICAO Council Recommendations on CORSIA for the next Assembly

On 24 August 2022, the 226th Session of the ICAO Council completed its work on the **first periodic review of the implementation of CORSIA**, in accordance with paragraphs 9 g) and 17 of ICAO Assembly Resolution <u>A40-19</u>. In the context of sustainable development of the international aviation sector and also in light of the impacts of COVID-19 pandemic and the sector's recovery, in addition to confirming its previous decision for the pilot phase of CORSIA, the Council decided on its recommendations in the form of **adjustments to the future phases of CORSIA**, for consideration by the 41st Session of the ICAO Assembly (A41).

The Council had in front of it the <u>additional CAEP analysis</u> on the impacts of COVID-19 pandemic on CORSIA and its baseline scenarios. The analysis built upon the results of the CAEP work that was considered during the previous 225th Council Session in March 2022.

The Council noted that the behaviour of aviation during 2020 was heavily impacted by the pandemic and represented an anomaly, and agreed that the 2020 data would not be used for the purpose of defining the CORSIA baseline, which should be referenced to 2019 data. The Council also discussed possible adjustments on other design elements of CORSIA, in light of the pandemic impacts and aviation's recovery scenarios, while maintaining the originally-intended balance of the Scheme to address special circumstances and respective capabilities of States, and the level of ambition and continued relevancy of CORSIA as the only global scheme.

As a result of the considerations, the Council decided on the following recommendations to the Assembly:

- → Use of 2019 CO₂ emissions as the CORSIA baseline for the pilot phase (2021 2023);
- → Use of 85% of 2019 CO₂ emissions as the CORSIA baseline after the pilot phase (2024 2035); and
- → Changes to the **percentage of the sectoral and individual operator's growth factors** for the calculation of offsetting requirements under CORSIA as follows:
 - 100% sectoral and 0 % individual for 2021 2032; and
 - 85 % sectoral and 15% individual for 2033 2035.

The above Council decisions and recommendations are reflected in the updated Assembly Resolution A40-19 that is contained in Assembly Working Paper A41-WP/371, for consideration by A41.

The Council also acknowledged that the adjusted CORSIA baseline on the performance of CORSIA would need to be closely monitored as part of future CORSIA periodic reviews, with a view to ensuring the level of ambition of the scheme as had been initially envisaged.



The A41 will start on Tuesday, 27 September 2022 and is expected to complete its deliberations on Friday, 7 October 2022. More information, including the agenda, suggested schedule and relevant documents can be found on the ICAO A41 website.

In addition to the updated Assembly Resolution A40-19 above, the Assembly will also consider the Council's report (refer to A41-WP/370) on

the **substantial progress achieved for the robust implementation of CORSIA**, including the update of Annex 16, Volume IV and other relevant CORSIA implementation elements, and the continued progress made on the implementation of the ICAO ACT-CORSIA (Assistance, Capacity-building and Training for CORSIA) programme.

In this regard, the Council welcomed the increasing number of States that voluntarily participate in CORSIA and encouraged other States to do so as soon as possible (refer to A41-WP/370 and the "Status of CORSIA Implementation Package" below). CORSIA implementation remains on track, and the latest decision by the Council is the testimony that the safeguard clause and periodic review process are the effective means of providing flexibility needed to adjust to unexpected developments impacting international aviation. With such assurances, more States may be ready to announce their voluntary participation in CORSIA at the next Assembly.

Status of CORSIA Implementation Package

The ICAO Council **successfully developed, and has been updating, all essential components** of the CORSIA implementation package. Specifically:

- → The **first edition of Annex 16, Volume IV** containing the Standards and Recommended Practices (SARPs) for CORSIA monitoring, reporting and verification (MRV) became applicable on 1 January 2019, the starting date for the MRV of CO₂ emissions under CORSIA.
- → The **second edition of ETM (doc 9501), Volume IV**, which provides technical guidance to support the implementation of SARPs was published in 2019.
- The **five CORSIA Implementation Elements**, as reflected in various ICAO documents directly referenced in Annex 16, Volume IV, contain materials that are essential for the implementation of CORSIA and approved by the Council for publication on the ICAO CORSIA webpage, as follows:
 - Participation in CORSIA: The ICAO document CORSIA States for Chapter 3 State Pairs, contains the list of States that participate in CORSIA in a given year from 2021 onwards. The ICAO Council has approved three annual editions covering the list of volunteer States for the three years of the pilot phase (2021-2024). For 2021, 88 States volunteered to participate in CORSIA; for 2022, the number increased to 107 States; and for 2024 it increased further to 115 States.
 - ICAO CORSIA CO₂ Estimation and Reporting Tool (CERT): The CERT allows aeroplane operators
 to apply simplified MRV procedures under CORSIA as per Annex 16, Volume IV. The ICAO Council
 has approved four versions of the tool for the period 2018-2021.
 - CORSIA Eligible Fuels: Editions of the five ICAO documents related to CORSIA Eligible Fuels (i.e., Sustainable Aviation Fuel (SAF) and Lower Carbon Aviation Fuel (LCAF)) were approved by the ICAO Council with a view to providing an incentive and means to reduce an aeroplane operator's CO₂ offsetting requirements under CORSIA. Information in these ICAO documents includes default life-cycle emissions values, methodologies for calculating actual life-cycle emissions

values, sustainability criteria, approved sustainability certification schemes (SCS), and requirements for SCS.

- CORSIA Eligible Emissions Units: The ICAO Council approved the ICAO document CORSIA Emissions Unit Eligibility Criteria, and approved and updated the ICAO document CORSIA Eligible Emissions Units on the basis of TAB's assessment work and recommendations. Aeroplane operators can use these documents to help them choose approved eligible emissions units for use under CORSIA.
- CORSIA Central Registry (CCR): The CCR is an online database that was launched in May 2020 to facilitate the reporting by States under CORSIA. The reported data serves as the basis for the CCR-related ICAO documents, including information such as: list of aeroplane operators attributed to States and list of accredited verification bodies in States, as well as total average CO₂ emissions for 2019 and 2020 aggregated for all aeroplane operators on each State pair route. Data collected through the CCR will allow for the calculation of the CORSIA annual Sector's Growth Factor (the 2021 value will be made available by the end of October 2022).

For more information, refer to the CORSIA website (<u>www.icao.int/corsia</u>) and the Assembly Working Paper on CORSIA at ICAO A41 website.

Reporting 2021 Information through the CORSIA Central Registry (CCR) As of 31 August 2022, 74 States had reported 2021 CO₂ emissions through the CCR. **Aeroplane Operators** 600 Status of 2021 CO2 Reports 400 (number of States)* 178 200 120 Submitted 147 CCR States 100 0 Under submission Accounts AOs 80 States 60 40 **Verification Bodies** 20 263 60 60 CCR Users 40 Feb Mar Apr May Jun 39 Accounts 20 0 * Totals are provisional and may change as States finalize their CCR: CORSIA Central Registry VBs States

As per the SARPs in Annex 16, Volume IV, the Secretariat will provide data to **fill the emissions gap for States that do not submit data through the CCR** in accordance with the CORSIA submission deadlines.

The Secretariat will compile the **2021 CO₂ emissions** and any **2021 CORSIA Eligible Fuels (CEF)-related data** in the CORSIA document "CORSIA Central Registry (CCR): Information and Data for Transparency". The document will be published no later than 31 October 2022 on the ICAO website following its approval by the ICAO Council.

Also by 31 October 2022, the ICAO Secretariat will publish the first edition of the ICAO document "CORSIA Annual Sector's Growth Factor (SGF)", which will contain the **2021 SGF value**, following its approval by the ICAO Council. States will use the 2021 SGF value to calculate the 2021 offsetting requirements of aeroplane operators attributed to them.

CORSIA Capacity Building





ACT-CORSIA is the ICAO **A**ssistance, **C**apacity Building and **T**raining programme on **CORSIA**. It was established in June 2018 and encompasses the CORSIA Buddy Partnerships and all other ICAO outreach materials (see below).

The ACT-CORSIA Buddy Partnerships, which rely on individual training of CORSIA Focal Points, are the core of capacity building activities. For 2022, the focus of the training under the ACT-CORSIA Buddy Partnerships is on the use of the CCR and, in particular, the **new reporting requirements** as relating to CO₂ emissions and CORSIA eligible fuels.



Since August 2022, the **United Kingdom has joined the list of Supporting States** providing technical expertise to the ACT-CORSIA Buddy Partnerships. The **United Kingdom will work with Kenya** on the implementation of partnerships with Ethiopia,

Rwanda, Seychelles, South Sudan, Tanzania and Uganda.



Other changes in the ACT-CORSIA Buddy Partnerships include: the establishment of **new partnerships among already-participating States**, namely of Colombia and Paraguay to be supported by Spain, of Côte d'Ivoire to be supported by Canada and France, and of

Saudi Arabia to be supported by Germany; and the inclusion of **Jordan as a new participating State** to be supported by Qatar.

The inclusion of Jordan and the United Kingdom has increased the number of States participating in the ACT-CORSIA Buddy Partnerships to 136. More information on the ACT-CORSIA Buddy Partnerships can be found here.

Upcoming CORSIA Implementation Deadlines (2022)

- **31 October 2022**: The Secretariat to publish on the ICAO website total **2021 CO₂ emissions** and any **2021 CEF-related data** in CORSIA document "CORSIA Central Registry (CCR): Information and Data for Transparency".
- **31 October 2022**: The Secretariat to publish on the ICAO website the ICAO document entitled "CORSIA Sector's Growth Factor (SGF)" containing the **2021 value for the SGF**; the SGF will be used by States to calculate the offsetting requirements of the operators attributed to them.
- **30 November 2022**: Using the CCR, States to update their **list of aeroplane operators** that are attributed to them, and the **list of verification bodies** accredited in them.
- **30 November 2022**: States to calculate and inform the operators attributed to them of their **CORSIA offsetting requirements** for 2021.
- **31 December 2022**: States to obtain from the ICAO website and use the ICAO document entitled "CORSIA Aeroplane Operator to State Attributions" containing the latest list of operators and the State to which they have been attributed.

Outreach Materials on CORSIA



Since the adoption of the CORSIA-related <u>Standards and Recommended Practices (SARPs)</u> in 2018, ICAO has developed the remaining elements needed for the CORSIA implementation.

Click <u>here</u> for an infographic on the status of all implementation elements.

The <u>ICAO CORSIA website</u> contains materials to support States, operators and verification bodies in their work towards implementation of CORSIA, namely:

- Examples of Good Practice
- Frequently Asked Questions
- Brochures and Leaflets
- Videos
- Seminars
- Online Tutorials

ICAO Council recommendations on LTAG for next Assembly



ICAO convened the High-level Meeting on the feasibility of a long-term global aspirational goal (LTAG) for international aviation CO_2 emissions reductions (<u>HLM-LTAG</u>) at the ICAO Headquarters in Montréal, Canada, from 19-22 July 2022. Ministers and high-level officials representing States and International Organizations attended the hybrid event, with in-person and virtual participation.

The HLM-LTAG considered inputs covering various scenarios and options for aviation in-sector CO_2 emissions reductions, such as the latest technological innovations, new types of aircraft and operations, and an increasing global production capability for Sustainable Aviation Fuels (SAF).

A <u>successful outcome for the HLM-LTAG</u> was achieved, following four days of high-level environment talks, and States agreed to work together to strive to achieve a <u>collective LTAG</u> of net-zero carbon emissions by 2050, in support of the Paris Agreement's temperature goal, recognizing that each States' special circumstances and respective capabilities will inform the ability of each State to contribute to the LTAG within its own national timeframe.

The <u>conclusions of the HLM-LTAG</u> (also refer to <u>ICAO Doc 10178 for HLM-LTAG Report</u>) supported further deliberations by the ICAO Council on 24 August 2022, where the Council decided on its recommendations as contained in Assembly Working Paper <u>A41-WP/368</u> (international aviation and climate change) and <u>A41-WP/369</u> (update of Assembly Resolution A40-18), for consideration by the 41st Session of the ICAO Assembly.



The CORSIA Verification Course provides training on how to verify CO₂ Emissions Reports that have been prepared by aeroplane operators, in accordance with the provisions of the CORSIA Standards and Recommended Practices (SARPs).

>Click here for more information and registration

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For more information, visit the ICAO website: www.icao.int/corsia