

ENVIRONMENT

CSRSIA Newsletter

June 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.

State Letter Consultation on Proposed Amendments to Annex 16, Volume IV



Following the Twelfth Meeting of the Committee on Aviation Environmental Protection (CAEP/12, 7-18 February 2022), the ICAO Council's Air Navigation Commission (ANC) conducted the preliminary review of CAEP/12's proposals to amend the Standards and Recommended Practices (SARPs) in Annex 16 — *Environmental Protection, Volume IV* — *Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA)*.

The ANC agreed that the results of its preliminary review be transmitted through State letter AN 1/17.14 – 22/61 to States and appropriate international organizations for their comments. This State letter is scheduled to be published in July 2022, with a three-month period for the provision of comments.

114 States Voluntarily Participate in CORSIA

The 40th ICAO Assembly strongly encouraged all States to voluntarily participate in the pilot phase and the first phase of CORSIA (Resolution <u>A40-19</u>, paragraph 9 c)). <u>107 States</u> have volunteered to participate in the offsetting of CO₂ emissions under the Scheme for 2022.

By end of June 2022, Cambodia, Cuba, Federated States of Micronesia, Maldives, Saint Vincent and the Grenadines, Timor-Leste, and Zimbabwe had volunteered to participate in CORSIA from 1 January 2023, bringing the total of number of participating States to 114

114 States in CSRSIA

CORSIA Eligible Fuels - Council Approval and State Letter Consultation

In June 2022, the ICAO Council approved the amendments recommended by CAEP to the following ICAO documents related to CORSIA eligible fuels:

ICAO document "Default life cycle emission values for CORSIA eligible fuels";

- ICAO document "CORSIA eligibility framework and requirements for sustainability certification schemes (SCS)"; and
- ICAO document "CORSIA methodologies for calculating actual life cycle emissions values".

All three documents will be published on the ICAO website.

The Council also agreed that ICAO Member States should be consulted by means of State letter ENV 6/6 - 22/73 on the CAEP recommendations regarding the amendments to the ICAO document "CORSIA sustainability criteria for CORSIA eligible fuels". This State letter is scheduled to be published in July 2022, with a two-month period for the provision of comments. Any comments received will be considered by the Council during its 227th Session in November 2022.

Reminder – Information on CORSIA Eligible Emissions Units

ICAO CORSIA documents related to CORSIA Eligible Emissions Units

The following two ICAO documents are related to CORSIA Eligible Emission Units, and contain material approved by the Council. These documents are available on the <u>ICAO CORSIA website</u>:

- ICAO document "CORSIA Emissions Unit Eligibility Criteria" aims to ensure the quality of CORSIA eligible emissions units, and the criteria are applied at a programme level, through the assessment of programmes by the ICAO Technical Advisory Body (TAB);
- ICAO document "CORSIA Eligible Emissions Units" includes the eligible programmes to supply CORSIA
 eligible emissions units, as approved by the ICAO Council following the consideration of TAB
 recommendations. The ICAO document specifies each programme's respective scope of eligibility,
 including eligible unit dates and any specifications regarding activity and/or unit types, methodologies,
 programme elements, and/or procedural classes.

ICAO Outreach Materials related to CORSIA Eligible Emissions Units

- Navigating CORSIA A guide to the scheme's design and implementation. Among the materials,
 <u>Episode 4 (CORSIA Eligible Emissions Units)</u> provides information on the process to determine the
 eligibility of emissions units to meet the CORSIA CO₂ offsetting requirements, including an overview of
 the criteria established by ICAO and the process to determine emissions unit eligibility.
- The <u>ICAO CORSIA Forum (6 7 October 2021)</u> provided an overview of the "state of play" in CORSIA implementation, and served as a platform for States to share success stories and lessons learned regarding CORSIA implementation. Information on CORSIA eligible emissions units and TAB's progress of work was also presented: <u>TAB's presentation</u>
- The ICAO CORSIA website contains Frequently Asked Questions (FAQ), including information on CORSIA offsetting requirements and eligible emissions units, namely: Section "Key design element 3: CORSIA offsetting requirements and eligible emissions units" (Questions 2.14 to 2.21); and Section "CORSIA Eligible Emissions Units" (Questions 4.20 to 4.31).

Information on Technical Advisory Body (TAB)

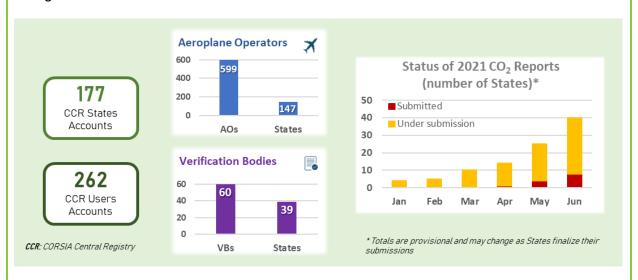
• The <u>Technical Advisory Body (TAB)</u> is the expert body mandated to make recommendations to the ICAO Council on the eligible emission units for use by the CORSIA. To understand the role of TAB and its mandate, please refer to two documents that guide the work of TAB, namely: the <u>TAB Terms of Reference (TOR)</u> which describes the TAB's mandate and the roles and responsibilities; and the <u>TAB procedures</u> which further describes how the TAB undertakes its tasks in accordance with the TOR.

• Every year, TAB organizes a webinar to inform stakeholders of the TAB assessment process, recent developments and next steps. Information on the latest webinar, held in February 2022, including the <u>presentation</u> and <u>recording of the webinar</u>.

Reporting 2021 Information through the CORSIA Central Registry (CCR)

According to Annex 16, Volume IV, Part II, Chapter 2, 2.3.2.2, Appendix 1 and Appendix 5, States are required to continue to report annual CORSIA-related information and data through the CCR. In 2022, States are required to provide 2021 CO₂ emissions on States pairs (same as for 2019/2020), with new reporting requirements including total CO₂ emissions for each aeroplane operator. For the first time, emissions that are subject to offsetting requirements will be reported separately from those that are not subject to offsetting requirements. In addition, States with aeroplane operators that use CORSIA eligible fuels (CEF) and wish to claim associated emissions reductions, have to submit additional information on the CEF claimed.

For 2021 CO₂ emissions, the deadline for submission is 31 July 2022. With the experience of the 2019 and 2020 CO₂ emissions, States are now in a better position to comply with the CORSIA reporting deadlines. As of 30 June 2022, 40 States have started the reporting process through the CCR.



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 (see Did You Know? below).

The Secretariat will compile the **2021 CO₂ emissions** and any **2021 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 – Did You Know?

Emissions data gaps "occur when an aeroplane operator is missing data relevant for the determination of its fuel use for one or more international flights" (Annex 16, Volume IV, Part II, Chapter 2, 2.5). Such gaps can be the result of various reasons, such as irregular operations, data feed issues or critical system failures. Emissions data gaps can be identified by operators, verification bodies, States and ICAO during different stages of the CORSIA MRV process and corrective action can be taken by each stakeholder. Specifically:

- Operator: The operator must provide details in its Emissions Monitoring Plan regarding its procedures to prevent data gaps (Annex 16, Volume IV, Appendix 4, 2.4.1). If a data gap does not exceed 5% of international flights for the 2019-2020 period, or 5% of international flights subject to offsetting requirements for the 2021-2035 period, an operator can use the ICAO CORSIA CERT to estimate the missing emissions.
 - o If the data gap exceeds the 5% threshold, the operator is responsible for disclosing this to the State, and for engaging with the State to address the causes of the gap.
- <u>Verification body</u>: During the verification process, the verification body will identify any **systematic errors** and misstatements resulting in emissions data gaps. The operator must fill any data gap and correct identified misstatements prior to the submission of the Emissions Report to the State.
 - For severe data gaps, the verification body may be unable to obtain sufficient evidence to
 determine compliance of the operator with the CORSIA MRV requirements, which could result in
 the verification body concluding that the Emissions Report is unsatisfactory.
- State: During the **order of magnitude check**, the State may identify an emissions gap in an operator's Emissions Report. In such a case, the State will inform the operator and request corrective action. If an **operator does not provide its annual Emissions Report** in accordance with the timeline in Appendix 1 to Annex 16, Volume IV then the State must engage with the operator to obtain the necessary information. If this proves unsuccessful, then the State must estimate the operator's annual emissions using the **best available information and tools, such as the ICAO CORSIA CERT**.
- ICAO: If a State does not submit to ICAO its annual CO₂ emissions data through the CCR in accordance with the timeline in Appendix 1 to Annex 16, Volume IV then ICAO will provide data to fill the emissions gap. This data will be used to calculate the total sectoral CO₂ emissions and the Sectoral Growth Factor for a given year. The methodology for the ICAO emissions gap filling is available on the ICAO website.



Source: CORSIA FAQs 3.70 to 3.74 available here

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** are the core of capacity building activities. They rely on individual training of CORSIA Focal Points and involves experts from 134 States. More information can be found here. 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. In June 2022, **Albania**, **Azerbaijan**, **Bangladesh**, **Benin**, **Burkina Faso**, **Cameroon**, **Côte d'Ivoire**, **Democratic Republic of Congo**, **Gabon**, **Georgia**, **Guinea**, **Kazakhstan**, **Kyrgyzstan**, **Mauritius**, **Moldova**, **North Macedonia**, **Serbia**, **Togo**, **Turkmenistan** received training under the ACT-CORSIA Buddy Partnerships with **Canada**, **France**, **Germany** and **Japan**.

In June 2022, the Secretariat organized a **webinar on CORSIA for the APAC region**. The purpose of the webinar was to provide an overview of the CORSIA MRV system and of the CORSIA offsetting requirements.

Upcoming CORSIA Implementation Deadlines (2022)

In accordance with Appendix 1 to <u>Annex 16, Volume IV</u>, States should have received verified Emissions Reports and associated Verification Reports by 30 April 2022. The next step in the CORSIA MRV process is for a State to perform an **order of magnitude check** of the Emissions Reports to verify the data against different sources of information to which the State may have access.

To perform such a check, States can use the guidance in the Environmental Technical Manual (Doc 9501), Volume IV, and specifically Chapter 3, 3.3.4.3 and Table 3-9, which contains a checklist for the order of magnitude check of Emissions Reports. The 2019 ICAO CORSIA Regional Workshops included some additional materials on this topic.

Upcoming deadlines for 2022:

1 May 2022 to 31 July 2022: States to conduct an order of magnitude check of the verified 2021 Emissions Reports, including any filling of data gaps in case of non-reporting by aeroplane operators.

31 July 2022: Using the CCR, States to submit to ICAO aggregate 2021 CO2 emissions.

1 August 2022: States to obtain and use the ICAO document entitled "CORSIA States for Chapter 3 State Pairs" applicable for the 2023 compliance year.

ICAO Work on Sustainable Aviation Fuels

On 1 June 2022, ICAO launched the "ICAO Assistance, Capacity-building and Training for Sustainable Aviation Fuels (ACT-SAF) programme" (the recording of the launch event is available on the ICAO TV).

ICAO ACT-SAF will provide opportunities for States to develop their full potential in SAF development and deployment, in line with the ICAO's No Country Left Behind initiative,

the <u>2050 ICAO Vision for SAF</u>, and the three main pillars of sustainable development recognized by the United Nations. As more States and partners get involved in the Programme, ACT-SAF will create positive ripple effects globally, and help unlock feedstock potentials for SAF markets over the coming decades. It will also build upon the action already taken by ICAO on SAF, for example leveraging the successes of the organization in setting global standards for the sustainability of aviation fuels.

2022 CORSIA Periodic Review

In accordance with paragraphs 9 g) and 17 of ICAO Assembly Resolution <u>A40-19</u>, the ICAO Council has been tasked with undertaking a **periodic review** of the implementation of CORSIA every three years, **starting in 2022**. In the context of sustainable development of the international aviation sector and improving the effectiveness of the Scheme, the Council is to consider the **impact of CORSIA on the growth of international aviation**, and to recommend, as necessary, **adjustments to the next phase or compliance cycle** of CORSIA.

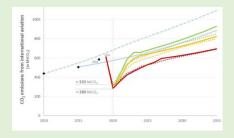
More details on the ICAO Council agreement in March 2021 on the process and methodology for the 2022 CORSIA periodic review can be found on <u>C-DEC 222/12</u> Paragraphs 9 to 10, including the consideration of inputs from its subsidiary bodies (such as the CAEP and the TAB) and timeline. Any recommendations by the Council will be forwarded for consideration by the 41st ICAO Assembly that will take place in September/October 2022.

Update

In March 2022, CAEP's analyses in support of the 2022 CORSIA periodic were presented to the 225th Session of the ICAO Council, including:

- Part I Further assessment of COVID-19 impacts on CORSIA and its baseline.
- Part II Further assessment of costs of CORSIA implementation on States and aeroplane operators.
- <u>Part III</u> Review of the analysis of possible market distortions (in the context of CORSIA design elements.

The CAEP analyses and its <u>executive summary</u> are now available on the ICAO website.



The ICAO Council agreed that further consideration is needed on the **CORSIA baseline beyond the pilot phase** and on the **2022 CORSIA periodic review**, for conclusion by its ongoing 226th Session. Further updates of the CAEP's analyses will be available on the ICAO website in the near future.

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 **here** 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
- <u>Seminars</u>
- Online Tutorials



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