

Circular 244/2020

To: Vessel Owners, Managers, Masters, Officers, Deputy Registrars and Other Interested Parties

Subject: Brexit and MRV – The change of status of the UK in the monitoring and verification of CO₂ emissions from maritime transport in the EU.

Attachments: European Commission (EC) notice to stakeholders on the withdrawal of the UK and EU rules on the monitoring and verification of CO₂ emissions from maritime transport.

Date: 31st December 2020

Summary

The transition period following the withdrawal of the United Kingdom (UK) from the European Union (EU) ends on 31 December 2020.

From 1 January 2021, the UK will be treated by EU law as a third country (i.e. not an EU Member State). This means Regulation (EU) 2015/757 on the Monitoring, Reporting and Verification of Carbon Dioxide (CO₂) from Maritime Transport will no longer apply to the UK.

Regulation (EU) 2015/757 requires shipowners to record CO₂ emissions of all ships over 5,000 GT during their voyages from their last port of call to an EU port and from an EU port to their next port of call, as well as within EU ports.

Consequences of UK withdrawal

Based on the European Commission (EC) notice to stakeholders on the withdrawal of the UK and EU rules on the monitoring and verification of CO₂ emissions from maritime transport, attached, shipowners should be aware that the following will no longer fall under the monitoring and reporting requirements of Regulation (EU) 2015/757:

- CO₂ emissions of ships within ports under the jurisdiction of the UK; or
- CO₂ emissions from voyages from a port of the UK to the port of another third country, and vice-versa.

CO₂ emissions records verification

Shipowners should note that CO₂ emissions records collected during 2020 will continue to be verified as they have been previously, with emissions within UK ports and emissions from voyages between the UK and other third countries included in the 2020 record-keeping requirements.

UK MRV Scheme

Likely UK will be moving to its own Monitoring Reporting and Verification (MRV) scheme under domestic legislation following the end of the transition period on 31 December 2020, and will be



putting in place transitional arrangements for vessels calling at the UK in 2021. This UK transitional approach is currently being finalised.

Maritime Cook Islands will notify in due course all interested parties of any further development on the matter.

Owners and managers can address their queries to the following email address:
technical@maritimecookislands.com



Brussels, 16 July 2020
REV2 – replaces the notice (REV1)
dated 19 December 2018

NOTICE TO STAKEHOLDERS

WITHDRAWAL OF THE UNITED KINGDOM AND EU RULES ON THE MONITORING AND VERIFICATION OF CO₂ EMISSIONS FROM MARITIME TRANSPORT

Since 1 February 2020, the United Kingdom has withdrawn from the European Union and has become a “third country”.¹ The Withdrawal Agreement² provides for a transition period ending on 31 December 2020. Until that date, EU law in its entirety applies to and in the United Kingdom.³

During the transition period, the EU and the United Kingdom will negotiate an agreement on a new partnership, providing notably for a free trade area. However, it is not certain whether such an agreement will be concluded and will enter into force at the end of the transition period. In any event, such an agreement would create a relationship which in terms of market access conditions will be very different from the United Kingdom’s participation in the internal market,⁴ in the EU Customs Union, and in the VAT and excise duty area.

Therefore, all interested parties, and especially economic operators, are reminded of the legal situation after the end of the transition period.

Advice to stakeholders:

To address the consequences set out in this notice

- companies are advised to ensure that after the end of the transition period, documents of compliance are issued, like any other verification activities pursuant to Regulation (EU) No 2015/757, only by verifiers accredited by a national accreditation body of an EU Member State.

¹ A third country is a country not member of the EU.

² Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community, OJ L 29, 31.1.2020, p. 7 (“Withdrawal Agreement”).

³ Subject to certain exceptions provided for in Article 127 of the Withdrawal Agreement, none of which is relevant in the context of this notice.

⁴ In particular, a free trade agreement does not provide for internal market concepts (in the area of goods and services) such as mutual recognition, the “country of origin principle”, and harmonisation. Nor does a free trade agreement remove customs formalities and controls, including those concerning the origin of goods and their input, as well as prohibitions and restrictions for imports and exports.

- verifiers currently accredited by the United Kingdom Accreditation Service will need to seek accreditation from a national accreditation body of an EU Member State if they wish to continue their activities under Regulation (EU) 2015/757.

Please note:

This notice does not address

- EU rules on maritime transport, incl. maritime safety;
- other EU rules in climate policy.

For these aspects, other notices are in preparation or have been published.⁵

After the end of the transition period, Regulation (EU) 2015/757 on the Monitoring, Reporting and Verification of Carbon Dioxide (CO₂) Emissions from Maritime Transport⁶ will no longer apply to the United Kingdom. This has in particular the following consequences:

1. SCOPE OF THE MONITORING AND REPORTING OBLIGATIONS

According to Article 4(1) of Regulation (EU) 2015/757, companies are to monitor and report, for each of their ships – regardless of their flag - CO₂ emissions and other relevant parameters, for any voyage between a Member State's port and for any voyage to or from the port of a Member State.

After the end of the transition period, CO₂ emissions

- of ships within ports under the jurisdiction of the United Kingdom; or
- from voyages from a port of the United Kingdom to the port of a third country, and *vice-versa*,

do not fall under these monitoring and reporting requirements.

2. MONITORING PLANS AND EMISSION REPORTS; ACCREDITATION OF VERIFIERS

According to Article 6(1) and Article 11(1) of Regulation (EU) 2015/757, the monitoring plans setting out, *inter alia*, the monitoring method for each ship, as well as the annual emission reports must have been verified by accredited verifiers.

According to Articles 13 and 17 of Regulation (EU) 2015/757, the accredited verifier must assess the conformity of the monitoring plan and of the emission report related to all voyages of a ship falling in the scope of this Regulation (see

⁵ https://ec.europa.eu/info/european-union-and-united-kingdom-forging-new-partnership/future-partnership/preparing-end-transition-period_en

⁶ OJ L 123, 19.5.2015, p. 55.

above) with this Regulation. The same accredited verifier issues, based on the verification report, a document of compliance which must be carried on board of the ship concerned.

According to Article 16 of Regulation (EU) 2015/757, only verifiers that are accredited by a national accreditation body of an EU Member State in line with Regulation (EC) No 765/2008⁷ may carry out verification activities under Regulation 2015/757.

The United Kingdom Accreditation Service will cease to be a national accreditation body within the meaning and for the purposes of Regulation (EC) No 765/2008 at the end of the transition period.⁸ Accordingly, its accreditation certificates will no longer be valid or recognised in the EU after the end of the transition period.

As a consequence, after the end of the transition period, verifiers accredited by the United Kingdom Accreditation Service can no longer carry out any verification activities, including the issuance of documents of compliance, pursuant to Regulation (EU) 2015/757.^{9 10}

The website of the Commission on reducing greenhouse gas emissions from the shipping sector (https://ec.europa.eu/clima/policies/transport/shipping_en) provides general information in this regard. These pages will be updated with further information, where necessary.

European Commission
Directorate-General Climate Action

⁷ Regulation (EC) No 765/2008 of the European Parliament and of the Council of 9 July 2008 setting out the requirements for accreditation and market surveillance relating to the marketing of products, OJ L 218, 13.8.2008, p. 30.

⁸ See also Section A.3 of the “Notice to stakeholders – withdrawal of the United Kingdom and EU rules in the field of industrial products” (REV2, 13 March 2020), published here: https://ec.europa.eu/info/european-union-and-united-kingdom-forging-new-partnership/future-partnership/getting-ready-end-transition-period_en.

⁹ Documents of compliance issued in 2020 by verifiers accredited by the United Kingdom Accreditation Service, covering the reporting period in 2019, remain valid until 30 June 2021 (Cf. Article 17(3) and 18 of Regulation (EU) 2015/757).

¹⁰ Pursuant to Article 34(2) of Regulation (EU) 2016/2072, where the legal entity requesting accreditation is not established in a Member State, it may address its request to the national accreditation body of any Member State that provides accreditation within the meaning of Article 16 of Regulation (EU) 2015/757.