



C SIA Newsletter

March 2023

The **Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA)** is the first global marketbased 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.

For more details on what is CORSIA click here

Join CORSIA and Contribute to Achieving Carbon Neutral Growth for International Aviation

Become Part of the ICAO Efforts to Address the Impact of International Aviation on the Global Climate!

The larger the number of States that voluntarily participate in CORSIA, the larger the **environmental effectiveness** of the Scheme through the increased number of routes covered under its offsetting requirements. The 41st Session of the ICAO Assembly strongly encouraged all States to **voluntarily participate** in the pilot phase and the first phase of CORSIA (Resolution <u>A41-22</u>, paragraph 9 c)). For the **pilot phase (2021-2023)**, the number of participating States increased from <u>88 States (for 2021) to 115 States (for 2023)</u>.

118 States in CØRSIA Sierra Leone, Seychelles and Solomon Islands are the latest States to announce their participation in CORSIA increasing the total number of volunteer States to 118 from 1 January 2024, which marks the beginning of the first phase (2024-2026) of CORSIA.

Additional States wishing to participate from 1 January 2024 can send a notification to the ICAO Secretariat by 30 June 2023.

Click here for a sample letter that can be used to notify ICAO of a State's participation in CORSIA.

For more information on the **benefits of voluntary participation** in CORSIA, visit the ICAO <u>website</u>.

Act now to contribute to ICAO's efforts to achieve carbon neutral growth and to reinforce ICAO's continued leadership role in addressing emissions from international aviation.

ICAO Council Approves CORSIA Eligible Emissions Units for First Phase



At its <u>228th</u> <u>Session</u> (13-31 March 2023), the ICAO Council considered the recommendations of the Technical Advisory Body (TAB) from its **2022 assessment cycle**. The ICAO Council reached an important agreement by approving a **2021 vintage start date**

general eligibility parameter for all CORSIA Eligible Emissions Units that are approved for use in the CORSIA first phase (2024-2026 compliance period), in addition to the existing 2016 crediting start date parameter. The approved vintage will cover those units issued in respect of emissions reductions that occurred from 1 January 2021 through 31 December 2026.

Moreover, the Council approved the amendment of ICAO document "CORSIA Eligible Emissions Units", in particular, the addition of the American Carbon Registry and Architecture for REDD+ Transactions to supply CORSIA eligible emissions units for the CORSIA first phase. More details including the TAB's recommendation and the updated ICAO document "CORSIA Eligible Emissions Units" will become available soon on the <u>ICAO website</u>.

Regarding the **2023 assessment cycle**, ICAO opened the call for application for emissions unit programmes that wish to be considered for eligibility under CORSIA for the first phase and to apply for assessment by the TAB against the **CORSIA Emissions Unit Criteria (EUC)**. The period for applications opened from 24 February to 31 March 2023. ICAO received applications from 11 programmes, which will be assessed by the TAB in 2023. The applications will be posted on the ICAO website in April 2023 for public comments. The ICAO Council will consider the results of the 2023 TAB assessment in October / November 2023.

On 8 March 2023, ICAO organized a **webinar on CORSIA Eligible Emissions Units** to inform stakeholders about the **TAB assessment process and to present the key documents** that help understand CORSIA eligibility and application process. The recording of the webinar is now available on the <u>ICAO website</u>.

ICAO Council Approves Amendment to CORSIA SARPs



The ICAO Council, at its <u>228th Session</u> (13 -31 March 2023) adopted **Amendment 1 to Annex 16, Volume IV**; this amendment reflects the recommendations by the CAEP/12 meeting (February 2022) as well as consequential amendments arising from the outcome it to ICAO Assembly (Recolution 041 22)

of the 41st session of the ICAO Assembly (Resolution A41-22).

The amendment to Annex 16, Volume IV covers various aspects, namely: clarification on technical matters related to CORSIA's monitoring, reporting and verification provisions; definition of an offsetting threshold for operators with low levels of activity; calculation of offsetting requirements for new operators that do not qualify as new entrants; and alignment with updated versions of relevant ISO Standards. The amendment also aligns the CORSIA Standards with the outcome of the 41st Session of the ICAO Assembly, whose Resolution A41-22 reflected the recommendations of the ICAO Council arising from the 2022 CORSIA periodic review.

In line with the established procedure for Annex amendments, the ICAO Secretariat will distribute the adopted Amendment 1 to Annex 16, Volume IV through a State letter, following which the second edition of Annex 16, Volume IV is expected to **become applicable on 1 January 2024**.

CORSIA – Did You Know?

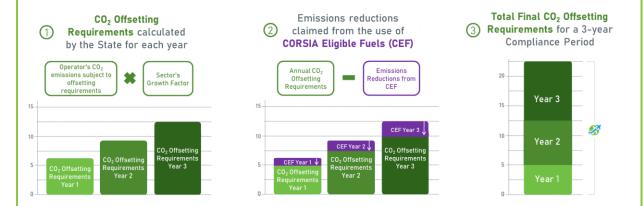
Under CORSIA, an aeroplane operator can **decrease the amount of its CO₂ emissions to be offset** using CORSIA eligible emissions units by claiming <u>in-sector</u> emissions reductions from the use of **CORSIA Eligible Fuels (CEF)**.



CORSIA Eligible Fuels can be <u>either</u> renewable or waste-derived **CORSIA Sustainable Aviation Fuels**, <u>or</u> fossil-based **CORSIA Lower Carbon Aviation Fuels**. For an aviation fuel to qualify as CEF, it **must meet the CORSIA Sustainability Criteria**, which have been approved by the ICAO Council and are published in the ICAO document "CORSIA Sustainability Criteria For CORSIA Eligible Fuels"

that is available on the ICAO website.

As shown below, CORSIA provides for a three-step approach (see steps 1-3 in <u>CORSIA leaflet #5</u>) to determine an operator's offsetting requirements for a three-year compliance period.



() Calculation of operator' annual CO₂ offsetting requirements

- From 2021 to 2032, for each year of a compliance period, the State calculates the operator's annual offsetting requirements (in tonnes) by multiplying the operator's annual CO₂ emissions subject to offsetting requirements, as reported in the operator's verified Emissions Report, by the annual <u>Sector's Growth Factor</u>, as published by ICAO.
 - Notes: The operator must estimate its annual CO₂ emissions subject to offsetting requirements on the assumption that <u>all fuel is conventional</u> even if part (or all) of it qualifies as CEF. For 2033-2035, the calculation of annual offsetting requirements takes into account both the Sector's Growth Factor and the operator's individual growth factor for a specific year.
- The State informs the operator of its annual offsetting requirements for a specific year by
 30 November of the following year; for example, the deadline for 2022 offsetting requirements is
 30 November 2023 see also CORSIA leaflet #4.

Claiming of emissions reductions from the use of CEF (see also <u>CORSIA leaflet #9</u>)

- The operator monitors the use of CEF and calculates the resulting emissions reductions (in tonnes). It compiles CEF-related information, in accordance with <u>Annex 16, Volume IV</u>, Appendix 5, Table A5-2, in a <u>supplement</u> to its annual Emissions Report(s) and arranges for the verification of this information by an accredited verification body. The operator can decide when to make CEF claims, i.e., annually, biannually, or once at the end of a compliance period.
- The operator and the verification body submit the verified CEF-related information to the authority of the operator's State of attribution.

The State deducts the amount of claimed emissions reductions from the use of CEF from the annual offsetting requirements calculated in Step 1. The deduction can be done annually, biannually, or once at the end of a compliance period depending on the operator's frequency of reporting.

(3) Determination of operator's total final CO₂ offsetting requirements

- + The State **adds up** the remaining offsetting requirements (annual offsetting requirements claimed emissions reductions from the use of CEF) for each year of the compliance period to calculate the operator's total final CO₂ offsetting requirements (in tonnes) for the compliance period.
- The State informs the operator of its total final offsetting requirements by 30 November of the year following the last year of the compliance period; for example, the deadline for the pilot phase (2021-2023) is 30 November 2024 - see also CORSIA leaflet #4.

What happens if an operator's total final CO_2 offsetting requirements are negative?

If a State determines that an operator's total final CO₂ offsetting requirements for a compliance period are negative (i.e., total emissions reductions claimed from the use of CEF are more than the sum of the annual offsetting requirements), the operator will not have any offsetting requirements for the compliance period.

Negative offsetting requirements will not be carried forward to a subsequent compliance period.

The operator has to meet its total final CO₂ offsetting requirements (as calculated in step 3 above) through the purchase and cancelation of an equivalent amount of CORSIA eligible emissions units, (see CORSIA leaflet #10) and to report on these cancelations to its State of attribution (see steps 4-5 in CORSIA leaflet #5).

References and further reading:

Annex 16, Volume IV: Part II, Chapter 2, 2.2.4, 2.3.3, 2.4.3; Part II, Chapter 3, 3.2-3.4; Appendix 5, Table A5-2 CORSIA FAQs: 2.15, 2.19, 2.20, 2.21, 2.28, 3.60, 4.11-4.20 CORSIA leaflet #4, CORSIA leaflet #5, CORSIA leaflet #9

Upcoming CORSIA Implementation Deadlines (2023)

In accordance with Appendix 1 to Annex 16, Volume IV, in 2023, States will receive the verified 2022 Emissions Reports and associated Verification Reports by 30 April. The order of magnitude check should be finalized as soon as possible following the receipt of the verified Emissions Report(s) in order to submit CO₂ emissions through the CORSIA Central Registry (CCR) by 31 July.



As verifications are currently ongoing, a CORSIA Focal Point could contact the national accreditation body (NAB) of its State to request to observe a verification of the Emissions Report of an aeroplane operator attributed to the State. This would provide some practical experience of the verification process and a better understanding of any specific situations the operator is confronted with.

1 January to 30 April: Aeroplane operators to compile 2022 CO₂ emissions data to be verified by verification bodies.

by 30 April: Aeroplane operators and verification bodies to submit to States the verified Emissions Reports and associated Verification Reports for 2022 CO₂ emissions.

by 30 June: States to notify ICAO of their intention to participate in the CORSIA offsetting requirements from 1 January 2024 (*for first time participation only*).

by 31 July: States to conduct an order of magnitude check of the verified 2022 Emissions Reports, including any filling of data gaps in case of non-reporting by aeroplane operators, and use the CORSIA Central Registry (CCR) to submit aggregated 2022 CO₂ emissions data and, if applicable, information on CORSIA eligible fuels.





ACT-CORSIA is the ICAO Assistance, Capacity Building and Training 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 rely on individual training of CORSIA Focal Points and are the core of capacity building activities. A total of 136 States participate in the ACT-CORSIA Buddy Partnerships. In March 2023, Armenia, Bahamas, Belarus, Georgia, North Macedonia, Serbia, Tajikistan, Turkmenistan, Uzbekistan, and Vanuatu received training under respective Buddy Partnerships with Germany, Singapore and United Kingdom. More information can be found <u>here</u>.

For 2023, the focus of the training under the ACT-CORSIA Buddy Partnerships continues to be on the use of the CORSIA Central Registry and, in particular, the reporting requirements as relating to CO₂ emissions and CORSIA eligible fuels

ICAO Environmental Regional Seminars (April/May 2023)



Between 13 April and 8 May 2023, the ICAO Secretariat will organize a series of **Regional Seminars** in support of the work of ICAO States relating to the implementation of the long-term global aspirational goal (**LTAG**) of net-zero carbon emissions by 2050.

The objective of these seminars is to raise awareness on the <u>outcome of the 41st ICAO</u> <u>Assembly</u>, focusing on the recent developments on the Assistance, Capacity Building and Training on Sustainable Aviation Fuels (<u>ACT-SAF</u>) programme, financing cleaner energy, implementation challenges and policies, role of State Action Plans and other means for

monitoring the LTAG progress.

The seminars will also offer the opportunity for States to exchange initial views on the expectations from the upcoming Third Conference on Aviation Alternative Fuels (**CAAF/3**) that will take place in November 2023.

For more details on the Regional Seminars, visit the ICAO website.

Navigating CORSIA - A guide to the scheme's design & implementation



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.



Click <u>here</u> for an updated set of **CORSIA Frequently Asked Questions**. Revised versions of the **CORSIA brochure and leaflets** can be found <u>here</u>.

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

- Examples of Good Practice
- <u>Videos</u>
- <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).

> <u>Click here</u> for more information and registration

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