

DECISION OF THE EEA JOINT COMMITTEE No 112/2020
of 14 July 2020
amending Annex XX (Environment) to the EEA Agreement [2023/1372]

THE EEA JOINT COMMITTEE,

Having regard to the Agreement on the European Economic Area (“the EEA Agreement”), and in particular Article 98 thereof,

Whereas:

- (1) Directive (EU) 2018/410 of the European Parliament and of the Council of 14 March 2018 amending Directive 2003/87/EC to enhance cost-effective emission reductions and low-carbon investments, and Decision (EU) 2015/1814 ⁽¹⁾ is to be incorporated into the EEA Agreement.
- (2) Budgetary issues are not part of the EEA Agreement. The application of the first sentence of the first subparagraph of Article 10a(6) of Directive 2003/87/EC is therefore without prejudice to the scope of the EEA Agreement.
- (3) The EFTA States’ figures relevant to the calculation and adjustment of the EEA-wide quantity of allowances to be issued from 2021 to 2030 set out in Part B of this Decision apply the revised linear reduction factor of 2.2% to the figures determined for the period from 2013 to 2020 set out in Decision of the EEA Joint Committee No 152/2012 of 26 July 2012 ⁽²⁾.
- (4) Annex XX to the EEA Agreement should therefore be amended accordingly,

HAS ADOPTED THIS DECISION:

Article 1

Annex XX to the EEA Agreement shall be amended as follows:

1. The following indent is added in point 21a (Directive 2003/87/EC of the European Parliament and of the Council):
‘— **32018 L 0410**: Directive (EU) 2018/410 of the European Parliament and of the Council of 14 March 2018 (OJ L 76, 19.3.2018, p. 3).’
2. The adaptations in point 21a (Directive 2003/87/EC of the European Parliament and of the Council) are replaced by the following:
‘The provisions of the Directive shall, for the purposes of this Agreement, be read with the following adaptations:
 - (a) At the time of incorporation of the Directive, Liechtenstein does not have any aviation activities as defined in the Directive operated on its territory. Liechtenstein will comply with the Directive when relevant aviation activities take place on its territory.
 - (b) The following subparagraph shall be added in Article 3c(4):
“The EEA Joint Committee shall, in accordance with the procedures laid down in the EEA Agreement and based on figures provided by the EFTA Surveillance Authority in cooperation with Eurocontrol, decide on the EEA-wide historical aviation emissions by adding the relevant numbers concerning flights within and between the territories of the EFTA States and flights between the EFTA States and third countries to the Commission decision when incorporating the latter into the EEA Agreement.”

⁽¹⁾ OJ L 76, 19.3.2018, p. 3.

⁽²⁾ OJ L 309, 8.11.2012, p. 38.

(c) In Article 3d(4), the second subparagraph shall be deleted.

(d) The following subparagraph shall be added in Articles 3e(2) and 3f(4):

“By the same date, the EFTA States shall submit applications received to the EFTA Surveillance Authority, which shall promptly pass them onto the Commission.”

(e) The following subparagraphs shall be added in Article 3e(3):

“The EEA Joint Committee shall, in accordance with the procedures laid down in the EEA Agreement and based on figures provided by the EFTA Surveillance Authority in cooperation with Eurocontrol, decide on the EEA-wide number for the total number of allowances, the number of allowances to be auctioned, the number of allowances in the special reserve and the number of free allowances, by adding the relevant numbers concerning flights within and between the territories of the EFTA States and flights between the EFTA States and third countries to the Commission decision when incorporating the latter into the EEA Agreement.

The Commission shall decide on the EEA-wide benchmark. During the decision-making process the Commission shall cooperate closely with the EFTA Surveillance Authority. The calculation and publication by the EFTA States under Article 3e(4) shall take place subsequent to the decision of the EEA Joint Committee incorporating the decision adopted by the Commission into the EEA Agreement.”

(f) The following subparagraph shall be added in Article 3f(5):

“The Commission shall decide on the EEA-wide benchmark. During the decision-making process the Commission shall cooperate closely with the EFTA Surveillance Authority. The calculation and publication by the EFTA States under Article 3f(7) shall take place subsequent to the decision of the EEA Joint Committee incorporating the decision adopted by the Commission into the EEA Agreement.”

(g) The following paragraphs shall be inserted in Article 9:

“The increase in the average annual total quantity of allowances in the EU ETS due to the extension of the system to cover Liechtenstein and Norway pursuant to paragraph 1 shall be in accordance with the EFTA Surveillance Authority’s decisions concerning their national allocation plans for the period from 2008 to 2012.

The increase in the average annual total quantity of allowances in the EU ETS due to the extension of the system to cover Iceland pursuant to paragraph 1 shall correspond to 23 934 tonnes of CO₂ equivalent.

In respect of the EFTA States, the figures to be taken into account for the calculation of the EEA-wide quantity of allowances to be issued from 2013 onwards pursuant to this Article are set out in Part A of the Appendix.”

(h) The following sentence shall be added in Article 9a(1):

“For Norway, the average annual quantity of allowances issued in respect of the installations mentioned in this paragraph is 878 850.”

(i) The following subparagraph shall be added in Article 9a(2):

“With regard to installations in the EFTA States carrying out activities listed in Annex I which are only included in the EU ETS from 2013 onwards, the average annual emissions of the reported period for the adjustment shall be:

Iceland: 1 862 571 tonnes of CO₂ equivalent.

Liechtenstein: 0 tonnes of CO₂ equivalent.

Norway: 5 269 254 tonnes of CO₂ equivalent.”

(j) The following paragraphs shall be added after Article 9a(4):

“5. In respect of the EFTA States, the figures to be taken into account for the adjustment of the EEA-wide quantity of allowances to be issued from 2013 onwards pursuant to this Article are set out in Part A of the Appendix.

6. The Commission shall calculate and adjust the annual EEA-wide quantity of allowances to be issued from 2013 onwards in accordance with Article 9 and this Article in order to include the EFTA States' figures as set out in Part A of the Appendix. The Commission shall publish the adjusted EEA-wide quantities of allowances for 2013 and onwards."

- (k) The following paragraph shall be added in Article 10(2):

"For the purposes of point (a), in respect of Liechtenstein and Norway, their shares shall be calculated on the basis of the following emissions:

Liechtenstein: 20 943 tonnes of CO₂ equivalent.

Norway: 18 635 669 tonnes of CO₂ equivalent.

In respect of Iceland, the share referred to in point (a) shall be calculated on the basis of 36 196 tonnes of CO₂ equivalent adjusted by 899 645 tonnes of CO₂ equivalent, representing the share of verified emissions for 2005 from installations carrying out activities listed in Annex I, which are only included in the EU ETS from 2013 onwards. Iceland's share shall thus be calculated on the basis of 935 841 tonnes of CO₂ equivalent."

- (l) Article 10(3) shall not apply to the EFTA States.

- (m) The following sentence shall be added to the second subparagraph of Article 10b(3):

"Sectors and subsectors in the EFTA States shall submit their applications to the EFTA Surveillance Authority, which shall pass them on to the Commission."

- (n) The second sentence in Article 16(3) shall be replaced by the following:

"The EFTA States shall provide for excess emissions penalties that are equivalent to those in the EU Member States."

- (o) The following paragraph shall be inserted after Article 16(12):

"13. The EFTA States shall submit any requests pursuant to Article 16(5) and (10) to the EFTA Surveillance Authority, which shall promptly pass them on to the Commission."

- (p) The following subparagraph shall be added in Article 18a(1):

"Reallocation of aircraft operators to the EFTA States shall take place during year 2011, after fulfilment by the operator of its 2010 obligations. A different timeline for reallocation of aircraft operators initially assigned to a Member State on the basis of the criteria mentioned under (b), can be agreed by the initial administering Member State, further to an explicit request introduced by the operator within 6 months from the adoption by the Commission of the EEA-wide list of operators provided for in Article 18a(3)(b). In this case, reallocation shall take place no later than in 2020 with regard to the trading period beginning in 2021."

- (q) In Article 18a(3)(b), the words "for the European Economic Area" shall be inserted after the words "aircraft operators".

- (r) The following subparagraph shall be added in Article 18b:

"For the purposes of carrying out their tasks under the Directive, the EFTA States and the EFTA Surveillance Authority may request the assistance of Eurocontrol or another relevant organisation and may conclude to that effect any appropriate arrangements with those organisations."

- (s) The following paragraph shall be added to Article 20:

"4. The issue, transfer and cancellation of allowances concerning the EFTA States, their operators and the aircraft operators administered by them shall be registered in the independent transaction log referred to in paragraph 1.

The Central Administrator shall be competent to perform the tasks referred to in paragraphs 1 to 3 when the EFTA States, their operators or the aircraft operators administered by them are concerned."

(t) The following paragraph shall be added to Article 25:

“2. Allowances of the EU ETS include allowances issued or traded by the EFTA States or their operators under the EU ETS. Upon conclusion by the Union of an agreement referred to in this Article, no distinction shall be made between such allowances.

The Commission shall keep the EFTA States informed at an early stage regarding the negotiation and conclusion of agreements or non-binding arrangements according to this Article.”

(u) The following shall be added after Annex V:

“APPENDIX

PART A

EFTA States’ figures relevant to the calculation and adjustment of the EEA-wide quantity of allowances to be issued from 2013 to 2020 pursuant to Articles 9 and 9a of Directive 2003/87/EC

1. EFTA States’ figures pursuant to Article 9

For the determination of these figures, the linear factor of 1.74% has been applied.

Iceland

These figures are based on the average annual verified emissions from 2005 to 2010 from activities falling in principle under Directive 2003/87/EC during the period from 2008 to 2012 corresponding to 23 934 allowances.

Year	Amount of allowances
2013	22 684
2014	22 268
2015	21 851
2016	21 435
2017	21 018
2018	20 602
2019	20 186
2020	19 769

Liechtenstein

These figures are based on an average annual total quantity of allowances by Liechtenstein for the period from 2008 to 2012 corresponding to 17 943 allowances as set out in Liechtenstein’s National Allocation Plan.

Year	Amount of allowances
2013	17 006
2014	16 694
2015	16 382
2016	16 070
2017	15 758
2018	15 445
2019	15 133
2020	14 821

Norway

These figures are based on an average annual total quantity of allowances by Norway for the period from 2008 to 2012 corresponding to 14 255 268 allowances, as set out in the Norwegian National Allocation Plan.

Year	Amount of allowances
2013	13 511 143
2014	13 263 101
2015	13 015 060
2016	12 767 018
2017	12 518 976
2018	12 270 935
2019	12 022 893
2020	11 774 851

2. EFTA States' figures pursuant to Article 9a(1)

For the determination of these figures, the linear factor of 1.74% has been applied.

Norway

Year	Amount of allowances
2013	832 974
2014	817 682
2015	802 390
2016	787 098
2017	771 806
2018	756 514
2019	741 222
2020	725 930

3. EFTA States' figures pursuant to Article 9a(2)

For the determination of these figures, the linear factor of 1.74% has been applied.

Iceland

Year	Amount of allowances
2013	1 732 936
2014	1 700 527
2015	1 668 119
2016	1 635 710
2017	1 603 301
2018	1 570 892
2019	1 538 484
2020	1 506 075

Norway

Year	Amount of allowances
2013	4 994 199
2014	4 902 514
2015	4 810 829
2016	4 719 144
2017	4 627 459
2018	4 535 774
2019	4 444 089
2020	4 352 404

PART B

EFTA States' figures relevant to the calculation and adjustment of the EEA-wide quantity of allowances to be issued from 2021 to 2030 pursuant to Articles 9 and 9a of Directive 2003/87/EC

For the determination of these figures, the linear factor of 2.2% has been applied.

CAP 2021-2030	Iceland	Norway
2021	1 484 341	16 404 311
2022	1 442 838	15 955 437
2023	1 401 335	15 506 563
2024	1 359 832	15 057 689
2025	1 318 329	14 608 814
2026	1 276 826	14 159 940
2027	1 235 323	13 711 066
2028	1 193 819	13 262 192
2029	1 152 315	12 813 318
2030	1 110 811	12 364 443"

3. The following is added in point 21aj (Decision (EU) 2015/1814 of the European Parliament and of the Council):

‘ as amended by:

— **32018 L 0410**: Directive (EU) 2018/410 of the European Parliament and of the Council of 14 March 2018 (OJ L 76, 19.3.2018, p. 3).’

Article 2

The text of Directive (EU) 2018/410 in the Icelandic and Norwegian languages, to be published in the EEA Supplement to the *Official Journal of the European Union*, shall be authentic.

Article 3

This Decision shall enter into force on 15 July 2020, provided that all the notifications under Article 103(1) of the EEA Agreement have been made *.

* Constitutional requirements indicated.

Article 4

This Decision shall be published in the EEA Section of, and in the EEA Supplement to, the *Official Journal of the European Union*.

Done at Brussels, 14 July 2020.

For the EEA Joint Committee
The President
Sabine MONAUNI
