

Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a system for greenhouse gas emission allowance trading within the Union and amending Council Directive 96/61/EC (Text with EEA relevance)

[<sup>F1</sup>CHAPTER IV U.K.]

**PROVISIONS APPLYING TO AVIATION AND STATIONARY INSTALLATIONS]**

[<sup>F1</sup>[<sup>F2</sup>Article 11a U.K.]

**Use of CERs and ERUs from project activities in the [<sup>F3</sup>EU ETS] before the entry into force of an international agreement on climate change**

1 Without prejudice to the application of Article 28(3) and (4), paragraphs 2 to 7 of this Article shall apply.

2 To the extent that the levels of CER and ERU use, allowed to operators or aircraft operators by Member States for the period from 2008 to 2012, have not been used up or an entitlement to use credits is granted under paragraph 8, operators may request the competent authority to issue allowances to them valid from 2013 onwards in exchange for CERs and ERUs issued in respect of emission reductions up until 2012 from project types which were eligible for use in the [<sup>F3</sup>EU ETS] during the period from 2008 to 2012.

Until 31 March 2015, the competent authority shall make such an exchange on request.

3 To the extent that the levels of CER and ERU use, allowed to operators or aircraft operators by Member States for the period from 2008 to 2012, have not been used up or an entitlement to use credits is granted under paragraph 8, competent authorities shall allow operators to exchange CERs and ERUs from projects that were registered before 2013 issued in respect of emission reductions from 2013 onwards for allowances valid from 2013 onwards.

The first subparagraph shall apply to CERs and ERUs for all project types which were eligible for use in the [<sup>F3</sup>EU ETS] during the period from 2008 to 2012.

4 To the extent that the levels of CER and ERU use, allowed to operators or aircraft operators by Member States for the period from 2008 to 2012, have not been used up or an entitlement to use credits is granted under paragraph 8, competent authorities shall allow operators to exchange CERs issued in respect of emission reductions from 2013 onwards for allowances from new projects started from 2013 onwards in LDCs.

The first subparagraph shall apply to CERs for all project types which were eligible for use in the [<sup>F3</sup>EU ETS] during the period from 2008 to 2012, until those countries have ratified a relevant agreement with the [<sup>F3</sup>Union] or until 2020, whichever is the earlier.

5 To the extent that the levels of CER and ERU use, allowed to operators or aircraft operators by Member States for the period from 2008 to 2012, have not been used up or an entitlement to use credits is granted under paragraph 8 and in the event that the negotiations on an international agreement on climate change are not concluded by 31 December 2009, credits from projects or other emission reducing activities may be used in the [<sup>F3</sup>EU ETS] in accordance with agreements concluded with third countries, specifying levels of use. In accordance with

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such agreements, operators shall be able to use credits from project activities in those third countries to comply with their obligations under the EU ETS].

6 Any agreements referred to in paragraph 5 shall provide for the use of credits in the [F3EU ETS from project types which were eligible for use in the EU ETS] during the period from 2008 to 2012, including renewable energy or energy efficiency technologies which promote technological transfer and sustainable development. Any such agreement may also provide for the use of credits from projects where the baseline used is below the level of free allocation under the measures referred to in Article 10a or below the levels required by [F3Union] legislation.

7 Once an international agreement on climate change has been reached, only credits from projects from third countries which have ratified that agreement shall be accepted in the [F3EU ETS] from 1 January 2013.]]

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**Textual Amendments**

- F1** Inserted by Directive 2004/101/EC of the European Parliament and of the Council of 27 October 2004 amending Directive 2003/87/EC establishing a scheme for greenhouse gas emission allowance trading within the Community, in respect of the Kyoto Protocol's project mechanisms (Text with EEA relevance).
- F2** Substituted by Directive 2009/29/EC of the European Parliament and of the Council of 23 April 2009 amending Directive 2003/87/EC so as to improve and extend the greenhouse gas emission allowance trading scheme of the Community (Text with EEA relevance).
- F3** Substituted by 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 (Text with EEA relevance).
- F4** Deleted by 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 (Text with EEA relevance).