DAERA Consultation on Proposed Fees and Charges for NI Registered Aeroplane Operators in the Carbon Offsetting and Reduction Scheme for International Aviation - CORSIA

23 August 2024



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Overview

CORSIA is the Carbon Offsetting and Reduction Scheme for International Aviation. International governments have adopted CORSIA to stabilise net CO₂ emissions from <u>international aviation</u> from 2021.

If a flight takes off from a UK airport and lands in an airport outside of the European Economic Area (EEA), this flight is subject to CORSIA. Internal flights within the UK are subject to the UK Emissions Trading Scheme (ETS). Flights from the UK to the EEA are currently subject to both the UK ETS and CORSIA. See <u>guidance and fees</u> and charges for UK ETS¹.

CORSIA has applied to international aviation since 1 January 2019 when all 193 International Civil Aviation Organisation's (ICAO) member state airlines were required to report their CO₂ emissions on an annual basis. From 1 January 2021, international flights became subject to offsetting obligations.

CORSIA obligations came into force on 26 May 2021 for UK administered aeroplane operators. These obligations are set out in the <u>Air Navigation Carbon Offsetting and</u> <u>Reduction Scheme for International Aviation (CORSIA) Order 2021 (ANO)</u>. This implements the ICAO <u>Standards and Recommended Practices (SARPs)</u>, <u>Annex 16</u>, <u>Volume IV, CORSIA</u> in the UK.

Since 1 January 2019, you must comply with the CORSIA as soon as you become an aeroplane operator. You will need to work out whether you are an aeroplane operator under the CORSIA and whether international flights are attributed to you.

Criteria

Aeroplane operator

An aeroplane operator is where that person is an operator that produces annual CO₂ emissions greater than 10,000 tonnes from the use of an aeroplane with a maximum certificated take-off mass greater than 5,700 kg conducting international flights.

International flights

An international flight is when an aeroplane takes off from an aerodrome belonging to a state or its territories and lands at one belonging to another state or its territories. This is subject to exclusions.

Exclusions

¹ https://www.daera-ni.gov.uk/articles/emissions-trading-schemes-fees-charges-and-civil-penalties

CORSIA does not apply to the following types of flights, and you do not need to include emissions from them when assessing whether you are an aeroplane operator:

- humanitarian, medical and firefighting flights;
- international flights before or after a humanitarian, medical or firefighting flight provided they are carried out by the same aeroplane and are either needed for these activities, or to reposition the aeroplane for its next activity;
- flights by state aircraft (aircraft used in the military, customs or police services).

An aeroplane operator must be able to provide evidence to support a claim that certain flights are excluded. If you are not sure whether your flights are excluded, please <u>contact the NI Environment Agency (NIEA)</u>:

Northern Ireland Environment Agency 17 Antrim Road Tonagh, Lisburn County Antrim BT28 3AL

Email: <u>emissions.trading@daera-ni.gov.uk</u> Telephone: 028 9056 9299 Fax: 028 9056 9263

Legislative basis for raising fees and charges

The statutory power to implement charges relating to CORSIA is set out in <u>Article 42</u> of <u>The Air Navigation (Carbon Offsetting and Reduction Scheme for International</u> <u>Aviation) Order 2021</u>

NIEA role: service provided / activities undertaken

In Northern Ireland the NIEA (the regulator) is performing activities and services in accordance with the Air Navigation (Carbon Offsetting and Reduction Scheme for International Aviation) Order 2021. These include:

- Application fees: includes the receipt and processing of applications, assessment of potential impacts on people and the environment.
- Subsistence fees or annual charges: compliance monitoring, review of emissions plan, and the issue of warning letters and notices.
- Hourly charge for determination of emissions.

Fees and charges across the UK

A similar charging scheme was progressed in England in 2022 and the proposed Application and Subsistence charges are aligned with those currently utilised by the Environment Agency in England. The hourly rate for determining emissions is based on the rate NIEA currently charge for determining emissions for UK ETS installations under The UK Greenhouse Gas Emissions Charging Scheme (Northern Ireland) 2023.

The purpose of this consultation, and advice on how to respond, is contained on page 5 of this document, and the proposed fees and charges are set out on page 6.

Purpose of the consultation

The purpose of this consultation is to seek views on:

• Proposals to establish a new charging policy for fees and charges associated with the administration of CORSIA for Northern Ireland registered aeroplane operators by NIEA from 1 January 2025.

Confidentiality of responses

Your response, and all other responses to the consultation, may be disclosed on request.

Responding to this consultation

Feedback is requested on these proposals.

Please send your response to this consultation paper by 4 October 2024 to:

Emissions Trading Scheme Policy Team | Climate Change & Green Growth Policy Division. Department of Agriculture, Environment & Rural Affairs (DAERA) 1st Floor, Clare House, 303 Airport Road West, Belfast | BT3 9ED

E: <u>DevelopETS@daera.ni.gov.uk</u>

Proposed Fees and Charges:

Carbon Offsetting and Reduction Scheme for International Aviation - CORSIA

Application charge

An application charge of £1,000 shall accompany an application to determine an emissions monitoring plan made under <u>Article 23 of the ANO</u>.

Subsistence charge

A subsistence charge of £2,338 is payable annually in respect of each calendar year for subsistence as an aeroplane operator administered by the United Kingdom under the ANO.

Charge for estimating emissions

A charge of £141 per hour is payable in relation to time spent by the Northern Ireland Environment Agency (NIEA) in estimating emissions under <u>Article 37(6) of the ANO</u>.

Appendix A

Impact Assessments

In compliance with Section 75 of the Northern Ireland Act 1998 a screening for Equality Impact Assessment has been undertaken for the implementation of the UK Emissions Trading Scheme (UK ETS).

This did not identify any adverse impact on any of the nine Section 75 categories:

- 1. Religious belief
- 2. Political opinion
- 3. Racial group
- 4. Age
- 5. Marital status
- 6. Sexual orientation
- 7. Men and women generally
- 8. Persons with a disability and persons without
- 9. Persons with dependants and persons without.

The UK ETS already applies to the aviation sector, and this consultation does not increase the scope of affected aviation operators.

A regulatory impact assessment is not considered necessary for the proposed charges, in line with <u>Regulatory impact assessment guidance | Department for the Economy (economy-ni.gov.uk)</u> for "changes to statutory fees by a predetermined formula such as the rate of inflation".

A rural needs impact assessment has been conducted for the implementation of the UK ETS and it is not considered that the proposed CORSIA fees and charges will have an impact on rural needs, as the scope of affected aviation operators is not increased as a result of this consultation.

Freedom of Information Act 2000, and Data Protection Act 2018 (GDPR)

Confidentiality of Consultations

The Department of Agriculture, Environment and Rural Affairs (DAERA) will publish a summary of responses following completion of the consultation process. Your response, and all other responses to the consultation, may be disclosed on request. The Department can refuse to disclose information only in exceptional circumstances. Before you submit your response, please read the paragraphs below on the confidentiality of consultations and they will give you guidance on the legal position about any information given by you in response to this consultation.

Section 8(e) of the Data Protection Act 2018 permits processing of personal data when necessary for an activity that supports or promotes democratic engagement. Information provided by respondents to this consultation exercise will be held and used for the purposes of the administration of this current exercise and subsequently disposed of in accordance with the provisions of the Data Protection Act 2018 and General Data Protection Regulation.

The Freedom of Information Act 2000 gives the public a right of access to any information held by a public authority (the Department in this case). This right of access to information includes information provided in response to a consultation. The Department cannot automatically consider as confidential information supplied to it in response to a consultation. However, it does have the responsibility to decide whether any information provided by you in response to this consultation, including information about your identity, should be made public or treated as confidential.

This means that information provided by you in response to the consultation is unlikely to be treated as confidential, except in very particular circumstances.

The Lord Chancellor's Code of Practice on the Freedom of Information Act provides that:

- the Department should only accept information from third parties in confidence if it is necessary to obtain that information in connection with the exercise of any of the Department's functions and it would not otherwise be provided;
- the Department should not agree to hold information received from third parties 'in confidence' which is not confidential in nature;
- acceptance by the Department of confidentiality provisions must be for good reasons, capable of being justified to the Information Commissioner.

For further information about confidentiality of responses, please contact the Information Commissioner's Office:

- Tel: (028) 9027 8757
- Email: <u>ni@ico.org.uk</u>
- Website: <u>https://ico.org.uk/</u>

Appendix C

Economic impact

The level of fees and charges set out in this consultation document are in line with those in other UK Administrations.

The proposed fees and charges will be increased annually in line with the annual GDP deflator value.