



EUROPEAN
COMMISSION

Brussels, **XXX**
[...] (2017) **XXX** draft

COMMISSION REGULATION (EU) .../...

of **XXX**

**amending Commission Regulation No 389/2013 of 2 May 2013 establishing a Union
Registry**

(Text with EEA relevance)

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THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a scheme for greenhouse gas emission allowance trading within the Community and amending Council Directive 96/61/EC¹, and in particular Articles 12 and 19 thereof,

Whereas:

- (1) The registries system ensures the accurate accounting of transactions under the Union emissions trading system set up by Directive 2003/87/EC, the Kyoto Protocol and Decision No 406/2009/EC. Registries are standardised and secured electronic databases containing common data elements to track the issue, holding, transfer and cancellation of the relevant units, to provide for public access and confidentiality as appropriate and to ensure that there are no transfers which are incompatible with the obligations.
- (2) In order to protect the environmental integrity of the EU emission trading system, aviation operators and other operators in the EU ETS may not use allowances that are issued from 1st January 2018 onwards by a Member State in respect of which there are obligations lapsing for aviation operators and other operators.
- (3) This Regulation should enter into force on 1st January 2018 in order for the measures to take effect for allowances to be allocated for free, received in exchange of international credits or auctioned in 2018. The provisions therein are without prejudice to any future agreement with such a Member State.
- (4) Appropriate technical measures should be put in place to ensure the effectiveness of this Regulation at the time of its entry into force.
- (5) The measures provided for in this Regulation are in accordance with the opinion of the Climate Change Committee,

HAS ADOPTED THIS REGULATION:

Article 1

Regulation No 389/2013 is amended as follows:

1. In Article 41, paragraph 3 is replaced by the following paragraph:

¹ OJ L 275, 25.10.2003, p. 32.

- '3. The central administrator shall ensure that the Union Registry assigns each allowance a unique unit identification code upon its creation. Allowances which are created as from 1st January 2018 pursuant to the National Allocation Table or the international credit entitlement table of a Member State in respect of which there are obligations lapsing for aviation operators and other operators, or to be auctioned by an Auction Platform appointed by such a Member State, shall be identified by a country code as from 1st January 2018.'
2. In Article 67, the following paragraph 4 is inserted:
- '4. Allowances which have a country code pursuant to Article 41(3) may not be surrendered.'
3. In Article 99, the following paragraph 4 is inserted:
- '4. The Commission may instruct the central administrator to temporarily suspend the acceptance by the EUTL of some or all ETS processes from 1 January 2018 until the measures foreseen in Article 41(3), Article 67(4) and Annex XIV paragraphs 4(c) and 5(a) have been implemented.'
4. In Annex XIV, paragraph 4(c) is replaced by the following:
- '(c) the amount of allowances or Kyoto units involved in the transaction, including the country code but without unique unit identification code of the allowances and the unique numeric value of the unit serial number of the Kyoto units;'
5. In Annex XIV, paragraph 5(a) is replaced by the following:
- '(a) current holdings of allowances and Kyoto units, including the country code but without the unique unit identification code of the allowances and the unique numeric value of the unit serial number of the Kyoto units;'

Article 2

This Regulation shall enter into force on 1st January 2018.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the Commission

*On behalf of the President
Miguel ARIAS CAÑETE
Member of the Commission*