

**Alticor Inc, American Express,  
Finnair Oyj, Franklin Templeton Travel Inc,  
Honeywell International Inc, Metropolitan Life,  
River Aviation Oy,  
Verizon Corporate Services Group Inc.**

Date  
21.12.2021  
Doc No  
TRAFICOM/593578/05.00.25.02/2021  
Reference  
TRAFICOM/18771/05.00.25.02/2021

### Issue of aviation emission allowances to be allocated free of charge

The Finnish Transport and Communications Agency issues aviation emission allowances free of charge to aircraft operators for the period 2021-2023 as follows:

ETSID	Operator name	2021	2022	2023
380	Alticor Inc	3	3	3
372	AMERICAN EXPRESS	1	1	1
1167	Finnair Oyj	467129	456621	446113
22109	FRANKLIN TEMPLETON TRAVEL INC.	7	7	7
8849	HONEYWELL INTERNATIONAL Inc	12	12	12
8930	METROPOLITAN LIFE	5	5	5
32127	River Aviation Oy	35	34	33
37304	Verizon Corporate Services Group Inc.	3	3	3
	<b>TOTAL</b>	<b>467195</b>	<b>456686</b>	<b>446177</b>

This decision revises the decision TRAFICOM/18771/05.00.25.02/2021 made by the Finnish Transport and Communications Agency on January 25th 2021.

### Justifications

According to section 8 of the Act on Aviation Emissions Trading (34/2010), the European Commission will, for each emissions trading period, establish the number of aviation emission allowances to be allocated free of charge. The Finnish Transport and Communications Agency will determine the total number of the emission allowances to be issued to each aircraft operator.

Article 28a(1) of Directive 2003/87/EC provided a temporary derogation from the scheme for the period between 2013 and 2023, in respect of flights to and from aerodromes in countries outside the European Economic Area (EEA) and from flights between the EEA and outermost regions, and between different outermost regions. Article 28a(2) of Directive 2003/87/EC further provided that aircraft operators shall be issued a number of free allowances reduced in proportion to the reduction of the surrender obligation.

Article 28a(2) of Directive 2003/87/EC requires that the number of allowances allocated to aircraft operators should be subject to the application of the linear factor referred to in Article 9 of the Directive. Pursuant to Article 9 of Directive

2003/87/EC, the linear reduction factor that cuts the overall number of emission allowances is set at an annual rate of 2.2% from 2021 onwards.

Following the expiry of the transitional period laid down in the Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community, flights between aerodromes situated in the territory of the European Union and aerodromes situated in the United Kingdom and flights between aerodromes situated in the United Kingdom were not subject to reporting and compliance obligations under the Union Emissions Trading System (EU ETS), in accordance with the temporary derogation, set in Article 28a(1) of Directive 2003/87/EC.

An agreement between the European Union and the United Kingdom of Great Britain and Northern Ireland was reached in December 2020. The Trade and Cooperation Agreement between the European Union and the European Atomic Energy Community, of the one part, and the United Kingdom of Great Britain and Northern Ireland, of the other part ('the Agreement') was signed by the Union on the basis of Council Decision (EU) 2020/2252 and was approved by the Union on the basis of Council Decision (EU) 2021/689. The Agreement was provisionally applied until its entry into force on 1 May 2021. The Agreement provides that each party is to have in place an effective system of carbon pricing that covers aviation and that flights from aerodromes situated in the territory of the EEA to aerodromes situated in the United Kingdom are to be regulated under the EU ETS.

On 17 June 2021, the Commission adopted Delegated Regulation (EU) 2021/1416 amending Directive 2003/87/EC of the European Parliament and of the Council, as regards the exclusion from the EU ETS of incoming flights from the United Kingdom.

It is therefore necessary to revise the number of aviation allowances allocated to each aircraft operator for the years 2021-2023.

According to section 16 of the Act on Aviation Emissions Trading (34/2010), on 28 February each year at the latest, the Energy Authority records the number of aviation emission allowances to be allocated free of charge to each aircraft operator during that year on the operator's holding account in the registry.

According to article 10 of the Commission Regulation (EU) No 389/2013, if an aircraft operator's flights are no longer included in the Union scheme in a given year, the national administrator shall set the corresponding aircraft operator holding account to excluded status. The Energy Authority shall not record the emission allowances on the aircraft operator's holding account.

## **Provisions applied**

Act on Aviation Emissions Trading (34/2010)

Directive 2003/87/EC of the European Parliament and of the Council establishing a system for greenhouse gas emission allowance trading within the Union and amending Council Directive 96/61/EC

Commission Delegated Regulation (EU) 2021/1416 amending Directive 2003/87/EC of the European Parliament and of the Council as regards the exclusion of incoming flights from the United Kingdom from the Union emissions trading system

Commission Regulation (EU) No 389/2013 establishing a Union Registry pursuant to

Directive 2003/87/EC of the European Parliament and of the Council

### **Additional information**

Helena Waltari, tel. +358 29 534 6132, email: [helena.waltari@traficom.fi](mailto:helena.waltari@traficom.fi)

This document has been signed electronically. Finnish Transport and Communications Agency (Traficom) 21.12.2021. The authenticity of the signature can be verified using a reader programme that supports electronic signatures or from Traficom's registry.

Ilme Jarno  
Verkostojohtaja

Waltari Helena  
Johtava asiantuntija

### *Enclosures*

Instruction for appeal

### *For information*

The Energy Authority