



> Return address Postbus 20901 2500 EX Den Haag

The Secretary General
International Civil Aviation Organization (ICAO)
999, Robert-Bourassa Boulevard
Montréal, Quebec, Canada
H3C 5H7

**Directorate-General
for Civil Aviation and
Maritime Affairs**
Division for Aviation
Rijnstraat 8
The Hague
PO Box 20901
2500 EX the Hague
The Netherlands

Date 9 March 2018
Subject ICAO State letter 17-129:
Proposal for the First Edition of Annex 16, Volume IV,
concerning Standards and Recommended Practices relating to
the Carbon Offsetting and Reduction Scheme for
International Aviation (CORSA)

Our reference
IENW/BSK-2018/46053

Your reference
AN 1/17.14 - 17/129

Enclosures
3

Dear Dr. Liu,

Please find attached the response of the Netherlands to the Proposal for the First Edition of Annex 16, Volume IV, concerning Standards and Recommended Practices relating to the Carbon Offsetting and Reduction Scheme for International Aviation.

The Netherlands reply as stated in the Response form B to the proposed First Edition of Annex 16, Volume IV is an agreement with comments (Attachment 1). With our agreement, the Netherlands acknowledges the outcome of the 212th session of the ICAO Council held from 31 October until 17 November 2017, which resulted in the current version of the Annex 16, Volume IV.

The Netherlands welcomes this proposal acknowledging the immense amount of work that has been put into the process to arrive at this proposal. It is now important to create the right conditions to allow a timely start of the scheme beginning with establishing the baseline as of the 1st January 2019.

In light of the paramount importance of the credibility and integrity of CORSA, the Netherlands wishes to bring to your attention the comments we have to enhance future improvement of the current version of the underlying proposal.

The Netherlands has concerns that the reopening of the debate on this package could further affect the integrity of CORSA. Therefore, the Netherlands believes no changes should be made to this proposal other than technical and textual improvements aiming at enhancing the implementation and understanding of the CORSA SARP.



In case the next Council session decides to reopen the debate on essential elements of the CORSIA, than the Netherlands wishes the core elements as presented in Attachment 2 to this letter to be taken into consideration at that point in time as well.

Bestuurskern
Dir.Luchtvaart
Afd. Economie en
Luchtvaartpolitiek

For the sake of clarity, I wish to refer to Attachment 3, in which the focus is on elements for technical/textual improvement and consistency in the document.

Date
9 March 2018

Our ICAO State Letter Focal Point has forwarded a scan copy of this letter in advance by e-mail, in order to inform you at the earliest.

Our reference
IENW/BSK-2016/143669

Trusting that I have informed you in a clear and constructive manner, I remain.

Yours sincerely,

On behalf of
THE MINISTER OF INFRASTRUCTURE AND WATERMANAGEMENT,
ACTING DIRECTOR-GENERAL FOR CIVIL AVIATION,

~~Rijk~~ Huyser

Enclosure:

Attachment 1: Attachment B of ICAO State Letter 17-129 (completed and signed)

Attachment 2: containing core elements

Attachment 3: technical/textual proposals for improvement of SARP



ATTACHMENT 1 to the reply of The Netherlands ref no IENW/BSK-2018/46053

ATTACHMENT B to State letter AN 1/17.14 – 17/129

RESPONSE FORM TO BE COMPLETED AND RETURNED TO ICAO TOGETHER WITH ANY COMMENTS YOU MAY HAVE ON THE PROPOSED AMENDMENTS

To: The Secretary General
International Civil Aviation Organization
999 Robert-Bourassa Boulevard
Montreal, Quebec
Canada H3C 5H7

(State) **THE NETHERLANDS**

Please make a checkmark (✓) against one option for each amendment. If you choose options “agreement with comments” or “disagreement with comments”, please provide your comments on separate sheets.

	Agreement without comments	Agreement with comments*	Disagreement without comments	Disagreement with comments	No position
Amendment to Annex 16 — <i>Environmental Protection</i> . Volume IV — <i>Carbon Offsetting and Reduction Scheme for International Aviation (CORSA)</i> (Attachment A refers)		✓			

***Agreement with comments* indicates that your State or organization agrees with the intent and overall thrust of the amendment proposal; the comments themselves may include, as necessary, your reservations concerning certain parts of the proposal and/or offer an alternative proposal in this regard.*

The recommendations and requests for clarifications from The Netherlands are provided on the following pages, more specifically in Attachments 2, 3.

Prepared by DGCA-NL expert Michael Lunter, by the Legal Office of the Ministry of Infrastructure and Watermanagement and by the Netherlands Emissions Authority.

On behalf of
THE MINISTER OF INFRASTRUCTURE AND WATERMANAGEMENT,
ACTING DIRECTOR-GENERAL FOR CIVIL AVIATION,

Rob Huyser

Signature:

Date: 5 March 2018

ATTACHMENT B

to State letter Response of the Netherlands ref no IENW/BSK-2018/46053 concerning attachment B of AN 1/17.14 – 17/129

Agreement with comments

CORE ELEMENTS

Introductory comments on the conditionality of the agreement and on the core elements:

The Netherlands welcomes the ICAO's Global Market Based Mechanism CORSIA as an important result of hard work and political courage in order to achieve a broadly supported resolution. Therefore, a timely decision on the SARP package is of paramount importance for the CORSIA to be put in place in 2019 and start with offsetting as of 1 January 2021.

Although The Netherlands is concerned about the Council discussions on the package as delivered by CAEP, it can support the consensus achieved at the 212th Council Session, as recorded in C-DEC 212/7 and circulated with State Letter AN 1/17.14 – 17/129 while it recalls the importance of robust CORSIA rules and a timely implementation in order to ensure that CORSIA delivers on its objectives.

As stated in the accompanying letter to this reply, The Netherlands is willing to swiftly move towards the implementation of CORSIA on the basis of the now circulated CORSIA Package and to follow-up on the work that will remain to be completed in due time so as to enable an effective implementation, in accordance with the Bratislava declaration of the 44 ECAC States and with the request made by the 39th Assembly.

The Netherlands wishes to reemphasize its own and Europe's higher ambitions linked to the need to make sure that CORSIA delivers on its objectives and to underline Europe's/The Netherlands' important concessions in order to reach a global compromise.

The Netherlands considers it equally important to underline that, beyond states' participation and consistent implementation, the quality of the eligible Emission Units used to offset aviation emissions, including their vintages and accounting, and the sustainability of alternative fuels claimed for emission reductions are critical to CORSIA's environmental effectiveness and uniform application, and thus they are essential to the overall credibility of the scheme.

In light of the above critical points, The Netherlands emphasises that, should any States or stakeholders seek to further weaken any aspect of the circulated compromise, notably with regard to the emissions units and sustainability of alternative fuels – through the comment and adoption process – the agreement with the SARP package would then have to be reconsidered.

Referring to our concern with the discussions in the ICAO Council and conscious of the many diverging views on details of the proposal The Netherlands cautions against any re-opening of the core elements of the CORSIA package as presented in this attachment. Should however, the present CORSIA Package be re-opened, The Netherlands together with the other European States, will insist on its views and comments on these core issues being taken into account as well in the proposed package and The Netherlands/ Europe will again be ready to engage in the debate that will follow in relation to the points as outlined below, which are considered to be essential at making sure that the scheme delivers on its objectives.

Core elements

1. Effective and uniform application of CORSIA

Argumentation

- Emission unit eligibility criteria and sustainability criteria for eligibility of sustainable aviation fuels contained in the Implementation Elements are critical to CORSIA's environmental integrity, effectiveness and uniform application, and thus the overall credibility of the scheme.
- It is understood that these criteria must be legally binding without ambiguity and their integrity must be maintained for an effective functioning of the scheme.
- There must not be discretion or exception in their application in order to guarantee legal certainty and a level playing field between States and Aeroplane Operators.
- Annex 16 Volume IV must maintain the direct references to 'CORSIA Emission Unit Eligibility Criteria', the list of 'CORSIA Eligible Emission Units' resulting from these criteria's application, 'CORSIA Eligibility Framework and Requirements for Sustainability Certification Schemes', 'CORSIA Approved Sustainability Certification Schemes', and the 'CORSIA Sustainability Criteria for Sustainable Aviation Fuels' and must require their application for the implementation of the SARPs without discretion or exception.

Proposed text:

Annex 16 Vol. IV	Current text	Proposed text
Part II. Chapter 1. Administration, Note 2.	The ICAO documents referred to in this Volume of Annex 16 and listed below are material approved by the Council for publication by ICAO to support this Volume and are essential to the implementation of the CORSIA. These documents are available on the ICAO CORSIA website and may only be amended by the Council.	The ICAO documents referred to in this Volume of Annex 16 and listed below are material approved by the Council for publication by ICAO to support this Volume and are essential to the implementation of the CORSIA. <u>Their use is mandatory where this Volume of Annex 16 requires their application.</u> These documents are available on the ICAO CORSIA website and may only be amended by

		the Council.
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2. Eligible emission units

Emission units eligibility criteria

Argumentation

- CORSIA will be effective only if the growth of aviation emissions from 2020 is effectively compensated by projects on the ground generating emission units that represent real, additional, permanent and verified reductions of greenhouse gases that are accounted for only once towards any climate mitigation obligation or voluntary action.
- Quality and integrity of emission units is critical to CORSIA environmental added-value and credibility.
- Full application of Emissions Unit Eligibility Criteria as defined in the current draft Implementation Elements is a necessary and first condition for the quality and integrity of eligible emission units.
- In accordance with Assembly Resolution A39-3, paragraph 20(c)¹, the Emissions Unit Eligibility Criteria must be legally binding in full and consistently applied.
- Legal certainty on CORSIA Eligible emission units and on Emission Unit Eligibility Criteria that will apply to determine eligible emission units under CORSIA is necessary. Both States and Aeroplane Operators will have to be certain that the units purchased are eligible for compliance.
- There must not be any discretion or exception in the application of the Emission Unit Eligibility Criteria aiming at prevention of market distortions and maintaining the principle of non-discrimination.
- Only emission units that meet all CORSIA Emissions Unit Eligibility Criteria as defined in the current draft Implementation Elements would be eligible under CORSIA.
- Eligibility of UNFCCC credits must be conditional to those credits fulfilling CORSIA Emission Unit Eligibility Criteria.
- As agreed in the Assembly Resolution A39-3, vintages should be defined.
- Likewise, emission units, including UNFCCC credits, must not be counted as contributing to the achievement of Nationally Determined Contributions under the Paris Agreement, or any other climate obligation or voluntary action. Other forms of double counting shall also be avoided.
- Emissions Unit Eligibility Criteria must be subject to a robust and transparent governance process for changes to them in line with Assembly resolution paragraph 20(e).

¹ 20. (c) the Council to develop, with the technical contribution of CAEP, the SARPs and related guidance material for Emissions Unit Criteria (EUC) to support the purchase of appropriate emissions units by aircraft operators under the scheme, taking into account relevant developments in the UNFCCC and Article 6 of the Paris Agreement, for adoption by the Council as soon as possible but not later than 2018;

Vintages

Argumentation

- Before becoming operational, SARPs and the Implementation Elements must also provide certainty on the unit vintages, also known as eligibility dates (i.e. dates / periods to which emission reductions are referenced which are acceptable/eligible under the scheme).
- Unit vintage eligibility is essential information for operators to properly prepare for the implementation of CORSIA, reducing the risk of purchasing units that may ultimately not be eligible.
- CORSIA can only have an environmental added value (compared to a scenario without CORSIA), when it leads to the generation of additional emission reductions.
- Thus, emission reductions that have already been achieved prior to the agreement by the ICAO Assembly on the CORSIA Resolution would have been generated anyhow in the absence of CORSIA.
- Therefore, only emissions units that originate from projects with a start date after the CORSIA Resolution, specifically after 31 December 2016, should be admissible under CORSIA.
- The same approach should be valid for the eligibility of UNFCCC credits and should be strictly conditional to those credits originating from programmes or projects that started after 31st December 2016.

Proposed text (EUC and vintages)

Annex 16 Vol. IV	Current text	Proposed text
Part II. Chapter 4. Emission units, 4.2 Cancelling CORSIA Eligible Emissions Units, paragraph 4.2.1	The aeroplane operator shall meet its offsetting requirements according to 3.4.4, as calculated by the State to which it is attributed, by cancelling CORSIA Eligible Emissions Units in a quantity equal to the sum of its final offsetting requirements for a given compliance period (i.e., FOR _c). The CORSIA Eligible Emissions Units are only those units described in the ICAO document entitled "CORSIA Eligible Emissions Units", which meet the CORSIA Emissions Unit Eligibility Criteria contained in the ICAO document entitled "CORSIA Emissions Unit Eligibility Criteria". These ICAO documents are available on the ICAO CORSIA website.	The aeroplane operator shall meet its offsetting requirements according to 3.4.4, as calculated by the State to which it is attributed, by cancelling CORSIA Eligible Emissions Units in a quantity equal to the sum of its final offsetting requirements for a given compliance period (i.e., FOR _c). <u>The CORSIA Eligible Emissions Units shall represent real, additional, permanent and verified reductions of greenhouse gases, that are accounted for only once towards any climate mitigation obligation or voluntary action, and are generated from projects which started after 31st December 2016.</u> The CORSIA Eligible Emissions Units are only those units described in the ICAO document entitled "CORSIA Eligible Emissions

		Units", which meet the CORSIA Emissions Unit Eligibility Criteria contained in the ICAO document entitled "CORSIA Emissions Unit Eligibility Criteria". These ICAO documents are available on the ICAO CORSIA website.
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3. Sustainable Aviation Fuels

Argumentation

- Sustainability criteria are essential to CORSIA's environmental integrity when accounting for the use of Sustainable Aviation Fuels under the CORSIA.
- Only alternative fuels with significant emission reductions compared to conventional jet fuels and which do not create other negative environmental, social and economic impacts, may be eligible for claiming emissions reductions under the CORSIA.
- Sustainability criteria related to themes 1 and 2 are critical to ensure that alternative fuels used by aeroplane operators do not have negative climate change impacts.
- However, criteria related to themes one and two are not sufficient to ensure environmental integrity and sustainability of aviation alternative fuels.
- In accordance with ICAO 212th Council decision, CAEP should continue to review SARPs provisions relating to the use of Sustainable Aviation Fuels in the CAEP/11 and CAEP/12 cycles, with the objective of recommending enhanced sustainability criteria to the ICAO Council as soon as possible and, in any case, before the end of the 2023.
- A clear signal should be sent to markets so that only truly sustainable alternative fuels will be developed. When the ICAO CORSIA sustainability criteria are complemented and updated, compliance of all sustainable aviation fuels with the additional criteria should be required and certified from no later than the 1st January 2024.
- In view of this and given sustainability criteria already applied by various programmes, that match the criteria removed by the ICAO 212th Council decision, there is a risk involved in relying only on criteria 1 and 2 in the development of sustainable fuels, if these fuels are to be certified before the 1st of January 2024.
- This uncertainty can be removed by defining the sustainability criteria now and develop them in the current and next CAEP cycles or, given the very small percentage of biokerosene currently applied (1%), remove sustainable alternative fuels from the CORSIA package altogether and reintroduce them once the sustainability criteria are defined and agreed.

Proposed text:

Annex 16 Vol. IV	Current text	Proposed text
Part I. Chapter 1. Definitions	Sustainable aviation fuel. An aviation alternative fuel that meets the CORSIA Sustainability criteria under this Volume.	Sustainable aviation fuel. An aviation alternative fuel that meets the CORSIA Sustainability Criteria as defined within the ICAO

		document entitled, "CORSIA Sustainability Criteria for Sustainable Aviation Fuels" that is available on the ICAO CORSIA website.
Part II. Chapter 2. Monitoring, reporting and verification (MRV) of aeroplane operator annual CO ₂ emissions, 2.2 Monitoring of CO ₂ emissions, 2.2.4 Monitoring of sustainable aviation fuels claims, paragraph 2.2.4.1	The aeroplane operator that intends to claim for emissions reductions from the use of sustainable aviation fuels shall use a sustainable aviation fuel that meets the CORSIA Sustainability Criteria as defined within the ICAO document entitled, "CORSIA Sustainability Criteria for Sustainable Aviation Fuels" that is available on the ICAO CORSIA website.	The aeroplane operator that intends to claim for emissions reductions from the use of sustainable aviation fuels shall use a sustainable aviation fuel that meets the CORSIA Sustainability Criteria as defined within the ICAO document entitled, "CORSIA Sustainability Criteria for Sustainable Aviation Fuels" that is available on the ICAO CORSIA website. <i>Note. – Additional CORSIA sustainability criteria, as well as enhanced monitoring, verification and reporting requirements for the calculation of emission reductions that can be claimed from the use of sustainable aviation fuels during the period 1 January 2024 to 31 December 2035 will be determined by ICAO Council, with the technical contribution of CAEP.</i>

4. Third-party verification

Argumentation

- Third Party verification in accordance with an internationally recognised standard is key to the effectiveness of CORSIA.
- Third Party verification alleviates the administrative burden on States and ensures a level-playing field.
- Third Party verification of emission reports ensures that offsetting obligations are determined on an accurate basis and Third Party verification of reports on cancellation of emissions units ensures that offsetting obligations are effectively met.

I. VOLUNTARY RESPONSE FORM FOR STATES WISHING TO COMMENT ON THE DRAFT ICAO CORSIA IMPLEMENTATION ELEMENTS

Comments on the draft ICAO CORSIA Implementation Elements

Argumentation

- Application of ICAO CORSIA Implementation Elements directly referenced in Volume IV of Annex 16 and required in the implementation of the SARPs must be mandatory in order to guarantee CORSIA's uniform application and effectiveness in terms of meeting its environmental objectives.
- As a matter of legal certainty, this reference must be clear and unequivocal also in ICAO CORSIA Implementation Elements.

Proposed text:

	Current text	Proposed text
First paragraphs of section 2.1, section 2.2, section 2.3, section 2.4, section 2.5	"reflected"	replace by the word " <u>included</u> "

1. CORSIA Eligible Emission units

Argumentation

- Quality of the emissions units used for compliance with offsetting requirements under CORSIA is determined by the Emissions Unit Eligibility Criteria which define the key principles for the eligibility of units.
- Emission unit eligibility criteria are a core element of the CORSIA and their specific wording, as originally developed and recommended to the ICAO Council by the ICAO CAEP, must remain unchanged, notwithstanding the comments from ICAO States.

2. Use of Sustainable Aviation Fuels under the CORSIA

Argumentation

- Sustainability criteria are essential to the environmental integrity when accounting for the use of Sustainable Aviation Fuels under the CORSIA.
- Only alternative fuels with emission reductions compared to conventional jet fuels and which do not create other negative environmental, social and economic impacts, must be eligible for claiming emissions reductions under the CORSIA.
- Europe made many concessions in relation to this aspect of the CORSIA package to reach a compromise and enhance a timely implementation.
- Sustainability criteria related to themes 1 and 2 are critical to ensure that alternative fuels used by aeroplane operators do not have negative climate change impacts and compliance must be certified by independent sustainability certification schemes meeting strict eligibility requirements.

- However, criteria related to themes 1 and 2 are not sufficient to ensure CORSIA environmental integrity and sustainability of aviation alternative fuels.
- The sustainability criteria must be enhanced as soon as possible and in any case by the end of the pilot phase to ensure that the production and use of alternative aviation fuels is sustainable on a large scale.
- A precautionary approach should apply ensuring that GHG benefits can only be claimed for alternative fuels which we can be confident deliver significant emission reductions compared to conventional jet fuels.
- In line with the United Nations development Goals, Sustainable Aviation Fuels should meet Sustainability criteria that take into account all aspects of sustainability, this includes environmental, social and economic criteria. With respect to the environmental criteria a range of aspects must be covered, including water use, soil quality and biodiversity.
- The addition of CORSIA Default life cycle Emissions values for Sustainable Aviation Fuels with material land use impacts requires careful consideration on the basis of robust data and must properly account for uncertainties.
- Emissions associated with induced land use change (ILUC) are subject to very high levels of uncertainty and it will be important to reflect this uncertainty in CORSIA.
- The completion of a robust LCA methodology is critical to CORSIA environmental integrity. The methodology must be reviewed on a regular basis to ensure it reflects the best available scientific evidence.

3. CORSIA Central Registry

- Public access to information on CORSIA functioning is central to its credibility, its environmental integrity and level-playing-field between operators.
- The CORSIA Central Registry must provide information accessible to the public for each Aeroplane Operator on the offsetting obligations and the extent to which these obligations have been met.

ICAO CORSIA Implementation Elements	Current text	Proposed text
2.5.2 CORSIA Central Registry (CCR): Information and Data for Transparency	<p>The information will include: [...]</p> <p>For each Aeroplane Operator:</p> <ul style="list-style-type: none"> o Aeroplane Operator name, o State in which Aeroplane Operator is attributed, o Reporting year, o Total annual CO₂ emissions, o Total annual CO₂ emissions for State pairs subject to offsetting requirements i.e. Annex 16 Volume IV Chapter 3, 3.1, o Total annual CO₂ emissions for State pairs that are not subject to offsetting requirements. <p>[...]</p>	<p>The information will include: [...]</p> <p>For each Aeroplane Operator:</p> <ul style="list-style-type: none"> o Aeroplane Operator name, o State in which Aeroplane Operator is attributed, o Reporting year, o Total annual CO₂ emissions, o Total annual CO₂ emissions for State pairs subject to offsetting requirements i.e. Annex 16 Volume IV Chapter 3, 3.1, o Total annual CO₂ emissions for State pairs that are not subject to offsetting requirements. <p><u>o Total final offsetting requirements over the compliance period;</u></p>

		<ul style="list-style-type: none">o <u>Total quantity of emissions units cancelled over the compliance period to reconcile the total final offsetting requirements;</u>o <u>Consolidated identifying information for cancelled emissions units included in Field 5 of Table A5-7.</u> [...]
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ATTACHMENT 3

to State letter Response of the Netherlands ref no IENW/BSK-2018/46053 concerning attachment B of AN 1/17.14 - 17/129

Agreement with comments

TECHNICAL ELEMENTS

The comments in this attachment aim at improvement of the text of the SARP enhancing a better understanding and thus application of the scheme and are expected to be taken into account as they are not subject to the fundamental issues of the core elements.

Comments:

Annex 16 Vol. IV	Current text/comment	Proposed text/ recommendation
Part I Definitions Verification of report	Unclear reference. Does the "which" in this sentence refer to "evaluation process" or to the "report"?	Verification of report. An independent, and systematic <u>and sufficiently documented</u> evaluation process of an emissions report and, when required, a cancellation of eligible emissions units report; which has been sufficiently documented.
Part II Chapter 2 2.2.1.2.4	The recommendation states that operators <u>should</u> use the same monitoring method for 2019/2020 as for 2012-2023. <u>Should</u> implies an option allowing operators to change their monitoring method. Operators could therefore use method A/B for 2019/2020 setting the benchmark and then change to block-off to block-on for 2013-2023. As for the latter APU consumption is not included, operators can realize reduction of fuel and emissions due to a change in monitoring method. This could create perverse incentives	Operators should not be allowed to change monitoring methods between periods after the benchmark years because the different methods do by default not result in the same outcome (except method A/B which should give the same actual numbers). It could be added that a change of monitoring method shall be approved by the state, provided that the new method does not result in lower emissions for the same flights.
Part II, Appendix 1, 2 Appendix 6, 3.10.1	In the timetables is it stated that on 30 May both the operator and verification body independently shall submit the verified emissions report and	We recommend to ensure consistency in the requirements. It is uncommon that verifiers sent their reports directly to the states, but not

	associated verification report to the state. This is not consistent with appendix 6 (3.10.1) where it is stated that the verification body shall forward a copy of the verification report and emissions report to the state only upon authorization of the operator.	per se unacceptable.
Part II, Appendix 1, 2.1	Activity on 31 August 2020 refers to 2.3.2.1.	Revise to refer to 2.3.2.2, and change for same activities later in the timeline.
Part II, Appendix 1, 2.2	Activity on 31 October 2022 refers to ICAO "CORSIA Central Registry (CCR): Information and Data for the Implementation of CORSIA".	Revise to refer to ICAO "CORSIA Annual Sector's Growth Factor (SGF)", and change for same activities later in the timeline.
Appendix 1, para. 2.3	Activity on 7 February 2025 refers to 4.2.2 c).	Revise to refer to 4.2.2 b), and change for same activities later in the timeline.

1. **Emission unit eligibility criteria**

- Welcome the clarification of the role of CAEP in providing technical support to the Council on the Emissions Units Eligibility Criteria within the second sentence to the Note to paragraph 4.2.1. Disagree with Air Navigation Commission's proposal to remove the phrase "with the technical contribution of CAEP". In line with Assembly Resolution 39-3 paragraph 20(c), the CORSIA Emissions Unit Eligibility Criteria are approved and may only be amended by the Council, with the technical contribution of CAEP.

2. **Third-party verification**

- Verification Bodies will require basic knowledge of greenhouse gas (GHG)-markets and the functions of program registries associated with the CORSIA to be able to verify Emissions Units Cancellation Reports. Currently the SARPs provisions do not detail any such technical expertise.

Annex 16 Vol. IV	Current text/comment	Proposed text/ recommendation
Part II Appendix 5 2.6.2	Contains limiting pre-requisite requirement, not only people with "direct professional experience in a technical capacity within the aviation sector," can perform good verifications.	2.6.2 Evidence of the above competencies shall include previous, direct professional experience in a technical capacity within the aviation sector, complemented by appropriate training and education credentials.
Part II Appendix 5 3.3.2	"boundary" concept is used in Energy Management certification differently. May	3.3.2 The <u>extent of the verification boundary</u> associated with the review of

	cause confusion.	the sustainable aviation fuel claim(s) in
Part II Appendix 5 3.4	Delete Numbering is incorrect. Second subparagraph is incorrect: Misstatements don't "balance out".	3.3.2 When conducting the verification of an Emissions Report, the over and understatement in 3.3.1 shall be allowed to balance out in both cases.
Part II Appendix 5 3.9.2	Clarification to ensure that it is not "the scope of the review" which is the only thing to be recorded.	3.9.2 The scope of the independent review includes the complete verification process and <u>the review</u> shall be recorded in the internal verification documentation.
Part II, Appendix 6 2.6 validation or verification team technical expertise		Add a new requirement " <u>(j): Basic knowledge of greenhouse gas markets and programme registries associated with this Volume.</u> "
Part II Appendix 6 3.3.2	The first sentence describes a review of the sustainable of the sustainable aviation fuel. Review is a term associated with limited assurance in the International Standards for Auditing and Assurance by the IAASB for data.	We recommend to change the term "review" to "verification"
Part II, Appendix 6 3.4 Materiality	3.3.1 and 3.3.2 is incorrect numbering.	Revise numbering to 3.4.1 and 3.4.2.
Part II Appendix 6 3.4	In this paragraph, only quantitative materiality is described. There is no definition of materiality included in the document. The materiality principle in data verification is based on quantitative materiality threshold, but also on qualitative factors. This means that misstatements that individual and in aggregate are lower than the materiality thresholds could be deemed material by the verification body on qualitative considerations (e.g. systematic lowering the emissions just below materiality or due to fraud).	We recommend to include the concept of qualitative materiality in a comparable manner as in other data verification schemes where this applies.
Part II Appendix 6 3.7.2	This article describes that sampling is not applicable for verification of the Emissions	We recommend to clarify the alternative testing method if sampling is not allowed.

	Unit Cancellation Report. What is the alternative? Is this information to be tested integrally? What if many different transactions and types of units are involved? Does the scheme require integral testing on this?	
Part II Appendix 6 3.9.1	In this article the term "Internal verification documentation" is first mentioned. There is no definition nor description provided.	We recommend to describe what is meant by this term and what the requirements are for verification bodies.
Part II Appendix 6 3.10.1	To require the information under 3.10, d, g, i and j in the verification report is highly uncommon. In accordance with ISO14065, the verification body shall document this information in the internal verification documentation / verification records, because this forms the basis for his opinion. To disclose this information in the verification report is not acceptable as this could result in the fact that states and operators draw conclusions on parts of the verification documentation and not on the overall opinion, which is the purpose of independent verification. Also care should be taken in terms of the level of detail of the information required in the verification report	We recommend to require the verifier to record the information under d, g, i and j, as well as the justification for the verification opinion (q) and de results of the independent review (f) and document it in the internal verification documentation, but not in the verification report itself that shall be sent to the operator and state. As for time allocation (b) and verification activities (h) care should be taken not to require a too high level of detail in the verification report Verification will also become more expensive if this information has to be disclosed in the external report as this increases the risk for the verification bodies, especially in terms of precise wording for an external reader who does not know the exact way of working of the verification body and internal terminology used.

3. Threshold for flights subject to offsetting obligations

- Attachment B indicates that operators with CO2 emissions greater than or equal to 500 000 tonnes have to use one of the five MRV methods, while those with lower emissions can use CERT. This refers to flights with offsetting obligations. This is a mistake, as it is contradiction with section 2.2.1.3 of the SARPs.
- A 50 000 tonnes threshold applies as regards emissions from flights subject to offsetting obligations. Page A-83 should read 50,000 tonnes to be consistent with section 2.2.1.3 of the SARP.

Annex 16 Vol. IV	Current text/comment	Proposed text/ recommendation
Attachment B figure B-3 (top section)	CO ₂ emissions greater than or equal to 500000 tonnes?	CO ₂ emissions greater than or equal to 500000 tonnes?

I. VOLUNTARY RESPONSE FORM FOR STATES WISHING TO COMMENT ON THE DRAFT ICAO CORSIA IMPLEMENTATION ELEMENTS

- The Environmental Technical Manual (ETM) Volume IV must be released to the public as soon as possible. Airline operators, as well as regulators, want to start their preparations for implementing CORSIA. In order to do so they will need the important guidance provided in the ETM Volume IV, as well as the templates for MRV contained therein.

1. CORSIA Eligible Emission units

- Current text contained in the Implementation Elements on eligibility criteria for emissions units corresponds with the text proposed by CAEP and discussed in the last ICAO Council, except for one sentence that has been deleted before listing and defining the criteria. This sentence read: "*In some cases it may be possible to exclude some units by applying eligibility criteria at the methodology level although EUC has not made a recommendation on this issue*".
- The possibility to make assessments at methodology (or project type) level is fundamental, as otherwise programs may become not eligible just because some of their project types do not meet the criteria. In particular, when applying criteria such as additionality this can be done more easily (and fairly) at methodology level, rather than at program level.
- Thrust of the deleted sentence should be reinserted as proposed below:

ICAO CORSIA Implementation Elements	Current text/comment	Proposed text/ recommendation
2.4.2 CORSIA Emissions Unit Eligibility Criteria. Carbon Offset Credit Integrity Assessment Criteria	Eligibility criteria should apply at the program level, as expertise and resources needed to develop and implement ICAO emissions criteria at a methodology and project level is likely to be considerable.	Eligibility criteria should apply at the program level, as expertise and resources needed to develop and implement ICAO emissions criteria at a methodology and project level is likely to be considerable. <u>although, subject to ICAO guidance, it may be possible to exclude some units by applying eligibility criteria at the methodology level.</u>

2. Use of Sustainable Aviation Fuels under the CORSIA

ICAO CORSIA Implementation Elements	Current text/comment	Proposed text/ recommendation
2.3.2.4 CORSIA Methodology	The feedstocks in these three	The feedstocks in these three

for Calculating Actual Life cycle Emissions Values para. 9	categories shall all receive an ILUC value of zero in the fourth column of the table in 2.3.2.2.	categories shall all receive an ILUC value of zero in the fourth column of the table in 2.3.2.23.
	Paras. 2.3.2.5, 2.3.2.6, 2.3.2.7, 2.3.2.8 and 2.3.2.9 are incorrectly numbered.	Delete "LCA Methodology" from titles and change to become subsections of 2.3.2.4.