
Data sheet N° 7:

ANNUAL COMPLIANCE – SURRENDER TRANSACTION FOR THE YEAR 2016
(by 30th of April 2017 at the latest)

1. What are the principles of surrender under the annual compliance obligation?

Accordance with EU regulations transposed into the French environmental code:

- “Every operator [stationary installation or aircraft] must surrender to the State **no later than April 30 of each year**, a quantity of allowances equal to the emissions reported and validated in accordance with an order under Article [L229-6](#). This operation is done electronically with the national administrator of the European registry. ”([Article R229-21 of the Environmental Code](#))
- “At the end of each calendar year of the allocation period, the operator surrenders to the State, subject to the penalties provided in Article [L229-18](#), a number of allowances equal to the total of greenhouse gas emissions resulting from installations or aviation activities, these quotas have been issued or have been acquired under the provisions of Article L229-15 or IV of Article L229-12”. Under this requirement, the operator of a stationary installation cannot surrender quotas issued to an aircraft operator in accordance with the provisions of Article L229-12. ([Article L229-7 of the Environment Code](#))

2. Interesting points about surrendering transaction for stationary installations operators.

- Operators are allowed to use “General allowances” and CERs for their compliance. CERs must be exchanged for General allowances before the surrendering transaction (see chapter 4 of this document for more details). Operators are not allowed to use “Aviation allowances” for their compliance.
- Surrendering and exchange transactions can be performed only from an Operator Holding Account in the EU registry. If you hold CERs in an account of FR registry, those CERs have to be transferred into an EU OHA before the exchange transaction.
- Please see chapter 4 of this document for more details about the exchange transaction
- It is not necessary to add the surrender account to your trusted account list.
- According to EC Regulation 389/2013 (article 36), on 1st April of each year, operators’ accounts without verified emissions recorded in the system are automatically blocked. No transaction can be performed from a blocked account, except for surrendering transactions.
- For more information, please visit the website of the Ministry of Environment/ General Directorate for Energy and Climate (GDEC):
<http://www.developpement-durable.gouv.fr/-Effet-de-serre-et-changement-.html>

3. How to perform the surrendering transaction?

Surrendering allowances must be completed on **30th April 2017** at the latest (before 1st May, 2017)

PROCEDURE

Stage 1 : initiate a surrender transaction of "General Allowances".

1. Login as an Account Representative (AR) in the Union Registry.
2. On the homepage choose "English" language on the top right side of the screen, click on "Accounts" menu item (on the left side of the screen)
3. Click on the search button to see all the accounts you manage, then click on account number (first column) for which you would like to surrender general allowances:

Account Search Criteria

Identifier: _____ Name: _____ Status: -- Any --
Type: -- Select a type -- Account Holder Name: _____ Period: -- Select a period --
Over-Allocation: --Any-- Installation / Aircraft Operator Identifier: _____ Group: -- Any --

Search Search & Export

Account Search Results

| Number | Name | Type | Period | Group | Balance | Status | Account Holder Name | Installation / Aircraft Operator Identifier |
|-----------|---------|--------------------------|--------|-------|---------|--------|---------------------|---|
| EU-100-72 | RAPERIE | Operator holding account | 0 | FR | 569 | Open | Operator | 201 |

4. On the details page, select the "Holdings" tab and click on "Propose a transaction" button.

Return To Search

Account Main **Holdings** Authorised Representatives Additional Authorised Representatives Installation Contact Person Information Administration Compliance Verifier

Trusted Accounts Account Statements

Total: _____

| Unit Type | Commitment Period | Project Number | Limit / Remaining | Balance | Reserved for transaction |
|-------------------|-------------------|----------------|-------------------|---------|--------------------------|
| General allowance | 1 | | | | 0 |
| CER | 1 | | | | 0 |

Propose a transaction

5. On the next screen, select the "Surrender of allowances" transaction:

Transaction selection

Choose the type of transaction:

Regular Transfers:
Transfer of allowances
Transfer of AAU, RMU, ERU, CER, ICER and ICER

Compliance:
Surrender of allowances

Cancel

6. On the surrender of allowances screen, you must enter the quantity to surrender, and then click "Submit."

European Commission
Climate Action
Energy for a Changing World

Open another registry

Surrender of allowances

Phase 3 (2013-2017) | Phase 2 (2008-2012)

Compliance

The table below is a summary of the compliance information for the current commitment period. You should surrender a quantity equivalent to that indicated by Compliance. Surrendered/Pending is the quantity being surrendered for which the transactions are not completed yet.

Cumulative Verified Emissions : 403003 Dynamic Compliance Status : B ⓘ
 Cumulative Surrendered Units : 338,325 Compliance Status published at previous 15 May :
 Carry over from previous period : 0
 Compliance Figure : -64,678
 Pending Surrendered : 0

Units

| Units | Available quantity | Quantity to surrender |
|-------------------|--------------------|-----------------------|
| General Allowance | 96,412 | <input type="text"/> |

7. The surrender transaction.

8. Once confirmed, the system will display the transfer approval request. Please enter the required information on the screen which follows. (Password and mobile phone), then click on " ".

To sign the transaction, please enter your ECAS password

Reason

Password *

Mobile phone *

International format including country code, e.g. for Belgium: +32 123 45 67 89

* Required fields

When you receive the SMS code on your GSM, enter the code into the appropriate field and click on " " button.

- Note:** surrender transactions need the validation/approval of another Representative:
- an Additional Authorized Representative (AAR), if there is one assigned to the Operator Holding Account (OHA), or
 - Another Authorized Representative (AR), if there is no AAR assigned to the OHA.

Stage 2 : Validation/approval of a surrendering transaction

On the European Registry home page

1. Login as an Additional Authorized Representative (AAR), if there is an AAR assigned to the account, or login as another Authorized Representative (AR), if there is no AAR assigned to the account.
2. Click on " [Task list](#) ' menu item on the left side of the screen.
3. Tick the checkbox and click on " [Claim task](#) " to assign the task to you, solely.

| Filter results | | | | | | | | | |
|-------------------------------------|---|----------|---|-----------|------------|---------------------|----------|----------------|-----------|
| Page 1 of 1 (1 rows found) | | | | | | | | | |
| <input type="checkbox"/> | Name | Claimant | Description | Initiator | Request ID | Start date | Due date | Transaction Id | Status |
| <input checked="" type="checkbox"/> | Approve Transaction Request | | The following Transaction needs approval prior to launching the Transaction workflow. | | 5926 | 23/03/2016 16:46:00 | | EU326 | unclaimed |

Page 1 of 1 (1 rows found)

[Claim task](#) [Unclaim task](#) [Assign](#)



4. Your name should appear in the column "Claimant". Then click on the task to select it
Note: The line will be highlighted in orange colour.
5. Then, click the task number, on the bottom of the screen

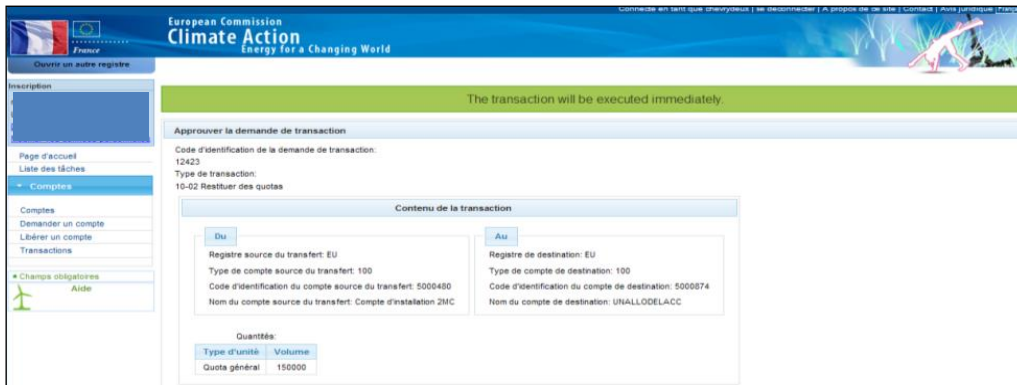
Du: FR881492400590
Code d'identification de la demande: 60559
Date de début: 23/07/2012 17:07:58
Date d'échéance:
État: Non demandée
Priorité: moyenne
Attributaire: Administrateur national
Demande: 60559

6. The system displays the details of the transaction, take your time to check carefully the information, at the bottom of the page, you can either " [Approve](#) " or " [Reject](#) " the task.
7. The system will display a confirmation of your choice.

Confirm the information and click on " [Confirm](#) " or " [Cancel](#) "

If you cancel at this stage, then you must re-start the process from the beginning.

8. Once confirmed, the system will display the transaction approval request.
Please fill in the requested fields. (Password and mobile phone), then click on "  "
9. A code will be sent to your mobile phone by text message. Enter the code received and click on "  "
10. A screen will then be displayed confirming the transaction.

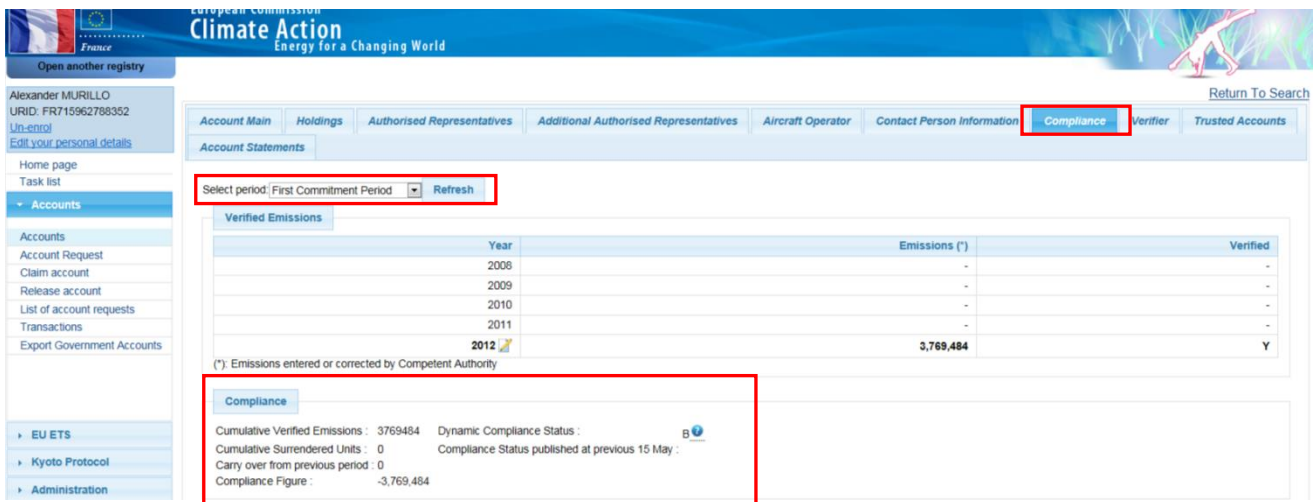


At this stage your surrender transaction is completed

Note: the "compliance" tab shows the Emission per year and the compliance status

Verify your compliance status in the "COMPLIANCE" tab

Select "second commitment period" in the dropdown menu, then click "refresh"



Your company is compliant, if the "dynamic compliance" status of your account is "A"

4. How to use international credits for your compliance?

Operators willing to use international credit (period 2 CERs) for their compliance have to exchange their CERs against "General allowances", within the limits defined in the regulation EC 1123/2013 published on 8th October 2013.

The quantity of eligible period 2 CERs that can be used for the period 2013-2020 is limited. The following rules have been applied in the Union Registry:

Case 1: The operator received an allocation and was authorized to use international credits for the period 2008-2012.
For operators located in France, the authorized quantity is equal to 13,5% of the allocation for this period.

Case 2: The operator did not receive any allocation therefore was not authorized to use international credits for the period 2008-2012.
The operator can use up to 4,5 % of the total of its emission during the period 2013-2020.

Case 3: operator with a significant capacity extension, pursuant to article 20 of Decision 2011/278/EU.
The operator can use up to 13.5% of the total of its allocation for the period 2008-2012 or up to 4.5 % of the total of its emission for 2013-2020, the highest amount of the two options.

Stage ❶ : Initiate an exchange transaction of international credit against general allowances.

1. Login as an Account Representative (AR) in the Union Registry.
2. On the homepage choose "English" language on the top right side of the screen, click on "Accounts" menu item (on the left side of the screen)
3. Click on the search button to see all the accounts you manage, then click on "View Details" of the operator holding account for which you would like to exchange international credits.
4. On the details page, select the "Holdings" tab and click on "Propose a transaction" button.

- On the next screen, select the "Exchange CER, ERU units for Phase 3 allowances" transaction:

Transaction selection

Choose the type of transaction:

Regular Transfers:
[Transfer of allowances](#)
[Transfer of AAU, RMU, ERU, CER, ICER and tCER](#)

Compliance:
[Surrender of allowances](#)

Destruction of Units:
[Deletion of allowances](#)
[Voluntary cancellation of AAU, RMU, CER, ERU, ICER and tCER](#)

Clearing:
[Cancellation of Kyoto units against deletions of general allowances](#)

Exchange
[Exchange CER, ERU units for Phase 3 allowances](#)

- On the exchange transaction screen, enter the quantity you want to exchange and select the project Id, then click on "Next" button

You cannot:

- use ineligible units (highlighted in red below),
- enter more than the available quantity
- enter more than the remaining entitlement

| Name | Value |
|---|--------|
| Entitlement: | 15,882 |
| Surrendered International Credits in Phase 2: | 0 |
| Exchanged International Credits in Phase 3: | 10,887 |
| Pending exchanges: | 0 |
| Remaining Entitlement: | 4,995 |

| Unit Type | Original CP | Applicable CP | Available quantity | Quantity to transfer | Eligibility | Project |
|-----------|-------------|---------------|--------------------|----------------------|-------------|-----------|
| CER | 1 | 1 | 10,887 | <input type="text"/> | Ineligible | -- Any -- |
| CER | 2 | 2 | 4,995 | <input type="text"/> | Eligible | -- Any -- |

GREEN: eligible to be held and used on an EU ETS account

RED: ineligible to be held and used on an EU ETS account

and "Confirm" button on the confirmation pop-up

Exchange Confirmation

| Unit Type | Quantity to transfer | Eligibility | Original Commitment Period | Applicable Commitment Period |
|-----------|----------------------|-------------|----------------------------|------------------------------|
| CER | | Ineligible | 1 | 1 |
| CER | 1 | Eligible | 2 | 2 |

- Once confirmed, the system will display the transfer approval request. Please enter the required information on the screen which follows. (Password and mobile phone), then click on " ".

To sign the transaction, please enter your ECAS password

Reason: Signez la transaction avec votre mot de


Password *

Mobile phone *

International format including country code, e.g. for Belgium: +32 123 45 67 89

* Required fields

Data sheets are available on our website communication:
<http://www.seringas.caissedesdepots.fr/>

When you receive the SMS code on your GSM, enter the code into the correct field and click on "  " button.

- Note:** Exchange transactions need to be approved/validated by another Representative:
- an Additional Authorized Representative (AAR), if there is one assigned to the Operator Holding Account (OHA), or
 - another Authorized Representative (AR), if there is no AAR assigned to the OHA.

Stage ② : Validation/approval of an exchange transaction

The validation of an exchange transaction is the same operation as the validation of a surrendering transaction. Please, refer to the chapter 3 (How to perform the surrendering transaction?), Stage ② of this document

You can contact the National administrator team on + 33 1 58 50 87 00 between the hours of 9:30 am to 1 pm and 2 pm to 5:30 pm, Paris time, or send an email to registrefrancais-ges@caissedesdepots.fr

ANNEX 1:
ADDITIONAL INFORMATION ABOUT THE EUROPEAN UNION EMISSION TRADING SCHEME

The **European Union Emission Trading Scheme** for greenhouse gas emissions (EU-ETS) requires companies emitting more greenhouse gas emissions (GHG) to return each year the GHG quota emissions recorded during the previous calendar year.

The EU ETS, as a cornerstone of the European policy against climate change, began on 1 January 2005 by an initial period of three years (2005-2007), followed by a period of five years (2008-2012).

For the third trading period (2013-2020), a new device has been developed by a directive of 23 April 2009 to extend the scope of the EU-ETS system and change the allocation procedure. The order proposed allows the compliance between French laws and this directive.

In particular for the period 2013-2020:

- Extending the scope of the EU-ETS to new sectors (including chemical and aluminium) and new greenhouse gases (nitrous oxide and perfluorocarbons);
- Moving to a dominant mode of allocation of quotas: the auction rather than free allocation, a large proportion of operators will have to buy allowances to cover their emissions of greenhouse gases;
- Conservation of funding principle of the free allocation for certain industrial sectors exposed to a significant risk of international competition, the allowance being made at Community level in a harmonized way corresponding the 10% of installations emitting less in the European Union.

European Directive 2008/101/EC including aviation activities in the system of trading emission of greenhouse gases came into force on 2 February 2009. It was transposed into the French Environmental Code (Articles L. 229-5 to L. 229-24-2).

How to comply with the EU ETS?

- **Reduce CO2 emissions.** The purpose of the EU ETS is to encourage the operators of stationary installations and the aircraft operators to reduce their GHG emission and improve their energy efficiency through the use of more efficient methods.
- **Buy quotas.** When the volume of emission of some operators or some aircraft operators may exceed the quantity of free allowances allocated, the operator may at any time acquire in the carbon market or with others operators the quotas and others compatible carbon credits (Kyoto credits CERs and ERUs)
- **The long-term management** of quotas led to integrate the GHG emissions limit as an objective in the policy of the company, as many operators have already done. Management of quota surplus allows the company to finance its investments to reduce GHG emissions.