

Learn more about the EEA EFTA countries and their auction volumes

Starting this year, EEX will conduct auctions on behalf of Norway, Liechtenstein and Iceland – the so-called EEA EFTA countries. The European Free Trade Association (EFTA) is the intergovernmental organisation of Iceland, Liechtenstein, Norway and Switzerland. EEA EFTA describes the EFTA states that are, at the same time, part of the European Economic Area (EEA).

It is foreseen that certificates of the EEA EFTA states are auctioned via the European emissions trading system EU ETS. Due to missing legal frameworks with the European Commission, there has been no auctioning of allowances by the EEA EFTA states so far. The auctioning of emission allowances on behalf of the EEA EFTA states will commence on Monday, 3 June 2019. The EEA EFTA states' allowances are included within the auctions, which EEX already conducts on behalf of the 25 EU Member States.

The auction details remain unchanged: The primary market auctions on behalf of the 25 EU Member States and the EEA EFTA states, take place on Mondays, Tuesdays and Thursdays, with the bidding window being open from 9.00 am to 11.00 am CET. The volumes will increase by part of the EEA EFTA states volumes which have been withheld since the start of phase 3 of the EU ETS in 2013. The general allowances foreseen for the years 2013 to 2019 will be partly allocated to the market in 2019, as displayed in the table below:

Country	General allowances <u>originally foreseen</u> for the years 2013 to 2018	General allowances <u>originally foreseen</u> for 2019	General allowances now <u>scheduled to be auctioned</u> in 2019*
Norway	39,932,169	7,419,641	19,630,000
Iceland	2,005,302	372,598	985,500
Liechtenstein	44,877	8,338	22,000
TOTAL	41,982,348	7,800,577	20,637,500

*The volumes from September to December 2019 are indicative as they are subject to adjustments in accordance with the Article 14 of the Auctioning Regulation in view of implementation of the Market Stability Reserve (MSR, pursuant to Article 14(1)(i) of Commission Regulation (EU) 1031/2010, Auctioning Regulation).

Norway and Iceland will also take part in the auctions of EU Aviation allowances (EUAA) on the common auction platform, starting on 17 July 2019. Further EUAA auctions will take place on 11 September and 6 November 2019. All auction details remain unchanged bar the volume: The total EUAA volume to be auctioned will increase as a result of the Norwegian and Icelandic volumes (in total by 755,000 aviation allowances in 2019).

“We’re delighted to welcome Norway, Iceland and Liechtenstein as new participants on the EEX platform”, says Peter Reitz, Chief Executive Officer of EEX. Currently, EEX conducts primary market auctions on behalf of 27 EU Member States. This includes the common CAP2 platform with

25 participating EU Member States as well as Germany and Poland. In 2018, EEX carried out a total of 211 primary market auctions for EU emission allowances (EUA) and EU aviation allowances (EUAA) with a volume of 819.4 million tonnes of CO₂.

EEX provides detailed information in the Auction Calendar at the following link:

<http://www.eex.com/en/trading/calendar>

Clearing and settlement of the emission allowances is conducted by European Commodity Clearing (ECC).