

Guideline on the rules on the Danish Emission Trading Registry

This guideline describes the rules for having an account in the Danish Kyoto Registry and in the Union Registry (collectively referred to as the Danish Emission Trading Registry).



Date: 1 May 2021

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1. Introduction

This guideline describes the legal aspects of opening, having, closing or transferring accounts in the Danish Emission Trading Registry. The guideline is primarily based on Executive Order no. 1637 of 18 November 2020 (also referred to as the Executive Order) and Commission Regulation (EU) No 389/2013 establishing a Union Registry, which applies to the Danish Kyoto Registry, and Commission Delegated Regulation (EU) No 2019/1122 on supplementary rules. In addition, the guideline also refers to other relevant legislation. Practical guidelines on the use of the Danish Emission Trading Registry are available [here](#).

1.1. About the Danish Emission Trading Registry

The Danish Emission Trading Registry consists of two registries: the Danish Kyoto Registry and the Union Registry. The Danish Kyoto Registry is regulated by Regulation No 389/2013, while the Union Registry is regulated by Regulation No 2019/1122.

The Danish Kyoto Registry has been established to keep an account of the Danish state's climate commitments in relation to the Kyoto Protocol. Both companies and private individuals can set up a person holding account with the Danish Kyoto Registry. Accounts in the Danish Kyoto Registry can only contain credits and not greenhouse gas emission allowances.

The Union Registry is a joint registry for all national allowance registries in the EU Emissions Trading System. Operators and aircraft operators covered by the EU's greenhouse gas emission allowance scheme must set up an account in the Union Registry. When a company is covered by the greenhouse gas emission allowance scheme, they are required to monitor and offset their emission of greenhouse gases by surrendering a corresponding number of greenhouse gas emission allowances every year. Accounts in the Union Registry may contain both greenhouse gas emission allowances and the types of CDM credits allowed in the EU. Trade with greenhouse gas emission allowances takes place in the Union Registry.

Companies and natural persons can also choose to open a trading account in the Danish Emission Trading Registry. There are different types of accounts that a company or natural person may have:

- Operator holding accounts and aircraft operator holding accounts. These account types are for the companies covered by the greenhouse gas emission allowance scheme.
- Trading accounts or person holding accounts can be set up by natural persons permanently resident in Denmark or legal persons registered in the Danish Central Business Register (CVR) who voluntarily wish to participate in the emission trading market.
- Verifier access is for accredited verifiers who can verify the emissions of ETS companies. No action can be taken from these accounts.

The Danish Business Authority administers the Danish part of the Union Registry and the Danish Kyoto Registry and is designated as the national administrator in the Regulation. The registries have the same interface and are collectively referred to as the Danish Emission Trading Registry.

1.2. The organisation of the guideline

The guideline is broken down according to the most common processes: opening an account, appointing account representatives, transferring an account, closing an account, transactions, and so on.

In addition, there is a chapter on common provisions, where rules on fees, personal data, common requirements for documentation, etc. are described. Here you can read about general issues concerning the provisions regulating the power to bind, procuration, verification and legalisation of documents.

Throughout, the guideline will refer to relevant legal provisions in the rules. The relevant legal references are listed in the titles of the sections, unless otherwise stated in the sections themselves.

Annex 1 provides an overview of relevant legal provisions and links to where they can be found.

1.3. Digital solutions

The Danish Business Authority continuously develops digital solutions to facilitate case handling and lighten the work load for companies. According to Section 3 of the Executive Order, the notifier must, as far as possible, use the self-service solution on the Danish website Virk.dk.

If the notifier is unable to use the Danish website Virk.dk, documentation can be submitted by email or regular mail; read more in Section 7.1.1. Forms in English can be ordered by sending a request to: co2register@erst.dk.

2. Opening accounts

This chapter is about when you can ask to open an account with the Danish Emission Trading Registry and identifies the existing requirements – including requirements for documentation.

If a company wants/needs to open an account, or if a natural person wants to open an account with the Danish Emission Trading Registry, an account representative who can act on behalf of the account holder must be appointed (see Section 2.6 on account representatives). There are different documentation requirements depending on the type of account to be set up. Where possible, the Danish Business Authority will retrieve information itself from the Danish Central Business Register (CVR), the Danish civil register (CPR) and the Tax Administration. The Danish Business Authority opens an account within 20 working days of receiving all necessary documentation.

2.1. Basic information that must be submitted for opening an account

(the Commission Regulations, Annex III)

The information that needs to be provided to open any type of account is specified in Annex III of the Commission Regulations. It includes basic information such as the account holder's name, any CVR number, address and contact information and any VAT number. On the Danish website Virk.dk there is a form for opening accounts which must be completed and submitted to the Danish Business Authority.

Forms in English and Danish can be ordered by sending a request to: co2register@erst.dk.

Additional documentation requirements apply depending on the type of account (see Sections 2.2, 2.3 and 2.4)

As mentioned above, account representatives must be appointed in connection with opening an account. Section 2.6. reviews the information that should be submitted for account representatives.

2.2. ETS companies

(Articles 14 and 15 of Commission Regulation No 2019/1122)

When a company is covered by the greenhouse gas emission allowance scheme, cf. Consolidation Act no. 62 of 19 January 2021 concerning the Act on Greenhouse Gas Emission Allowances, the Danish Energy Agency will ask the Danish Business Authority to set up an operator holding account or an aircraft operator holding account. The Danish Business Authority then contacts the company (account holder) to collect the necessary information about the account holder and about account representatives (see Section 2.6).

1. Beneficial owners: Name, date of birth and nationality (see Section 2.3.1)
2. Information on parent companies and subsidiaries
3. LEI no., if assigned
4. E-PRTR no., if assigned
5. Bank details
6. VAT registration in Denmark, if required by the VAT Act, or otherwise from the home Member State (aviation).

2.3. Trading accounts and person holding accounts

(Article 16 of Commission Regulation No 2019/1122, or Article 18 of Commission Regulation No 389/2013)

Trading accounts and person holding accounts are voluntary accounts that a company or private person may ask to have created. Trading accounts can be created in the Union Registry, while person holding accounts can be created in the Danish Kyoto Registry. The account holder requests the opening of an account by completing and submitting the form called "opening an account". Forms in English can be ordered by sending a request to: co2register@erst.dk.

In addition to basic information (see Section 2.1.), which must be completed on the form, the account holder must submit the following information:

1. Information about account representatives (see Section 2.6.).
2. Documentation that the account holder has an open bank account in Denmark or the EEA (European Economic Area). This is done by asking the bank for certification of this or by submitting a bank statement on which the company name, date and an account number are stated. Account numbers must be stated and the certification must be dated and signed.
3. For legal persons (companies) the following must be submitted:
 - a. CVR number. Registration in CVR is a requirement in order to set up an account, cf. the Executive Order, Section 17(2).
 - b. VAT registration number. It is a requirement that the company is registered for VAT in Denmark if this is a requirement in the VAT legislation.
 - c. Information about beneficial owners (see Section 2.3.1.). If the information is indicated in the Danish Business Register (CVR), the Danish Business Authority will retrieve it.
 - d. List of management and provisions regulating the power to bind. If the information is indicated in the Danish Business Register (CVR), the Danish Business Authority will retrieve it.
 - e. LEI number if assigned.
 - f. Criminal records for company management. For persons with permanent residence in Denmark, the Danish Business Authority will instruct the Danish National Police to issue criminal records. To this end, the Danish Business Authority must have information consisting of full names and civil registration numbers (CPR numbers). The Danish National Police will send a request for certification to the private e-Boks (electronic mailbox) of these individuals. The request must be accepted within 14 days. For citizens residing outside Denmark, a criminal record must be submitted from their country of permanent residence. See Section 7.1.3 on verification/legalisation of the criminal record and Section 7.1.4 on translation. NB: Criminal records from Sweden must be submitted in the unopened envelope from the Swedish police.
4. For natural persons:

- a. CPR number. The person's permanent residence must be in Denmark in order to set up an account, cf. the Executive Order, Section 17(2)
- b. Documentation of ID (passport or identification card) in the form of a verified copy.
- c. Criminal record. The Danish Business Authority instructs the Danish National Police to issue criminal records. Requests from the Danish National Police must be certified within 14 days.

2.3.1. Declaration of beneficial owners of a company

(Act No. 262 of 16 March 2016 on the introduction of a register of beneficial owners)

A beneficial owner is a natural person who ultimately directly or indirectly owns or controls a sufficient portion of the ownership or voting rights of a company or who exercises control through other means. A sufficient proportion of ownership or voting rights generally refers to ownership or control of more than 25% of the company. However, this is only an indication of beneficial ownership.

Companies must retrieve information about persons who own or control the company and about which rights they have. Based on this, the companies must make a specific assessment concerning the identification of the beneficial owners of the company.

If a company has indicated beneficial owners in the Danish Business Register (CVR), the company may refer to this Register. The Danish Business Authority must be given information about the name, date of birth and nationality of the beneficial owner, cf. Commission Regulation No 2019/1122, Annexes 5, 6 and 7.

If the information appears in the Danish Business Register (CVR), the company may refer to this Register.

2.4. Verifier access

(Article 18 of Commission Regulation No 2019/1122)

Verifiers have access to the Union Registry rather than accounts. However, as with the other account types, basic information is required. Access is registered via Virk.dk with information about the verifier (see Section 2.1) and about account representative(s) (see Section 2.6.). Forms in English can be ordered by sending a request to: co2register@erst.dk.

In addition, verifiers must submit the following information:

- A valid certificate proving that the company is accredited as a verifier, cf. Article 15 of Directive 2003/87/EC.

At least one account representative must be appointed in connection with opening a verifier account. This person must not be an account representative for any accounts in the Registry, cf. Article 20(3) of Commission Regulation No 2019/1122/EU.

2.5. Grounds for rejection

(Article 19 of Commission Regulation No 2019/1122/EU, or Article 22(2) of Commission Regulation No 389/2013/EU)

The Danish Business Authority may refuse to create an account or verifier access if:

- Documentation or information is deficient, inaccurate or false.
- The potential account holder or a person from the company's management is suspected of, or within the past five years has been convicted of, fraud involving greenhouse gas emission allowances or Kyoto units, money laundering, terrorist financing or other serious crimes for which an account could

be used. Crimes that may justify rejection include violation of tax legislation, the Anti-money Laundering Act and Section 114 of the Danish Criminal Code on terrorist financing and Chapter 28 on crimes against property.

- The Danish Business Authority has reasonable grounds for assuming that the account may be used for fraud, etc.
- Other requirements in the Executive Order.

If a request to set up an operator or aircraft operator account is rejected, the Danish Business Authority will set up the account and appoint itself as account representative.

A decision to refuse to set up an account may be appealed to the Energy Board of Appeal. Read more about how to appeal in Section 7.5.

2.6. Account representatives

(Article 20 of Commission Regulation No 2019/1122, Articles 23 and 24 and Section 20 of the Executive Order)

When opening an account, the account holder must appoint at least two account representatives who can act on behalf of the account holder. The account representatives must be natural persons over the age of 18.

Commission Regulations 2019/1122 and 389/2013 set out various roles and possible actions for account representatives. Please refer to the European Commission's [website](#) for information and guidance on this.

Account representatives for an account must be different natural persons with defined roles. A natural person may well have different roles and powers in different accounts.

One of the account holder's representatives is required to reside in Denmark. This account representative may not be limited to read-only access to the Danish Emission Trading Registry. This does not apply to verifier access. The Danish Business Authority may grant dispensation from this requirement if an aircraft operator does not have activities in Denmark.

2.6.1. Appointment of account representatives

To add an account representative, the account holder must complete and submit an Authorisation and Consent Declaration. Basic information about the account holder and account representatives must be completed on the Authorisation and Consent Declaration, and it must be signed by staff authorised to sign for the company (see the provisions relating to the power to bind the company in Section 7.1.2.). The Authorisation and Consent Declaration is available on Virk.dk.

Forms in English can be ordered by sending a request to: co2register@erst.dk.

In addition to the Authorisation and Consent Declaration, the following must be submitted:

- Proof of residence. For persons residing in Denmark, the Danish Business Authority will retrieve this information itself. For persons residing outside Denmark, see Section 7.1. It is a requirement that at least one account representative is resident in Denmark. However, this does not apply to aircraft holding accounts or verifier access.
- Identification of the designated account representatives consisting of a verified copy of a passport or an identity card issued by Danish local government or by a state which is a member of the EEA (European Economic Area) or the OECD (Organisation for Economic Cooperation and Development). Account representatives with permanent residence in Denmark can, for example, verify a copy of

their passport or identification card at a local government Citizens' Assistance Centre (read more in Section 7.1.3.).

- Criminal record. For persons with permanent residence in Denmark, the Danish Business Authority will ask the police to issue a criminal record. The account representative must grant authorisation by confirming the request that the Danish National Police sends to the account representative's private digital mailbox. For citizens residing outside Denmark, a criminal record must be submitted from their country of permanent residence. See Section 7.1.3 on verification/legalisation of the criminal record and Section 7.1.4 on translation. NB: Criminal records from Sweden must be submitted in the unopened envelope from the Swedish police.

2.6.2. Grounds for rejection

(Article 21(5) of Commission Regulation No 2019/1122, Article 24(5) of Commission Regulation No 389/2013)

Grounds for rejecting the addition of an account representative can be found in the Commission Regulations:

- Documentation or information is deficient, inaccurate or false.
- The potential account representative has been convicted within the past five years of fraud with greenhouse gas emission allowances or Kyoto units (Annual Emission Allocations or CDM credits in the Danish Kyoto Registry), money laundering, terrorist financing or other serious crimes for which an account could be used. Crimes that may justify rejection include violation of tax legislation, the Anti-money Laundering Act and Section 114 of the Danish Criminal Code on terrorist financing and Chapter 28 on crimes against property.

The decisions of the Danish Business Authority may be appealed to the Energy Board of Appeal. Read more about appeals in Section 7.5.

2.7. Deletion of account representatives

(Article 22(9) and Article 28(4) of Commission Regulation No 2019/1122, Article 23(1), Article 25(8) and Article 33(4) of Commission Regulation No 389/2013, Section 20 of the Executive Order)

An account holder can request that the Danish Business Authority remove an account representative. The Danish Business Authority must delete the account representative's access within 20 working days after approval of the documentation concerning the deletion. As soon as the Danish Business Authority receives a request for deletion of an account representative, the account representative's access to the account holder's account/accounts will be suspended unless the notifier requests otherwise.

An account representative may ask personally to be deleted from an account, cf. Section 20(3) of the Executive Order. If the removal of an account representative will mean that there are fewer than two account representatives in a person holding account with the Danish Kyoto Registry, or none with a permanent residence in Denmark, access to the account will be suspended.

The Danish Business Authority has the right to remove an account representative if it is deemed that the account representative should not have been approved.

The decisions of the Danish Business Authority may be appealed to the Energy Board of Appeal. Read more about appeals in Section 7.5.

3. Transactions

This chapter deals with the legal effects of completed transactions, options for asking the Danish Business Authority to stop, complete or recall a transaction, and rules that apply if fraud or hacker attacks are suspected. Practical guidance on transactions, including setting up options for undertaking direct transactions, trusted accounts and transaction delays, is available on European Commission [website](#).

3.1. Transaction help (transaction requests)

(Section 21 of the Executive Order)

If, for technical or other reasons, an account representative cannot access the Danish Emission Trading Registry, the person in question can request assistance from the Danish Business Authority in carrying out a transaction on behalf of the account representative. However, the following conditions must apply:

1. the account representative has previously had technical access to the relevant account in the Danish Emission Trading Registry,
2. the lack of access is temporary,
3. there are no outstanding matters in connection with the approval of the information or documentation about the account representative,
4. the account representative's access has not been suspended in accordance with the Registry Commission Regulations, and
5. the sending account permits initiation of the transaction.

If there are insufficient account representatives for an account, the Danish Emission Trading Registry can also help carry out a transaction or help with an addition to the trusted accounts list, providing that the above conditions apply. In this situation, the persons with the power to bind the company are required to request assistance with the transaction.

Forms to request transaction assistance can be submitted via virk.dk or by sending a request to: co2register@erst.dk.

If no verified emissions have been registered on an account for the previous year by 1 April, the Danish Business Authority will block the account, cf. Article 32 of Commission Regulation No 2019/1122.

Processes may not be initiated from blocked accounts, cf. Article 10 of the Commission Regulation, except:

- updating of information
- verification of emissions and
- surrendering.

If an account holder is prevented from surrendering allowances in the 10 working days prior to the surrender deadline of 30 April, cf. Article 12 (2a) and (3) of Directive 2003/87/EC, because of suspensions under this article, the account holder may ask the Danish Business Authority to surrender allowances on behalf of the account holder.

3.2. CDM credits

(Articles 58–61(1), Annex I of Commission Regulation No 389/2013, Commission Regulation No 1123/2013/EU)

CDM credits may remain in accounts in the Union Registry until July 2023. They may not be transferred to other accounts in the Union Registry. They can be transferred to an account in the Danish Kyoto Registry or cancelled.

Credits on accounts in the Danish Kyoto Registry can be transferred to other Kyoto accounts for as long as the Danish Kyoto Registry exists.

3.3. Specific information on deleting/cancelling units

Account holders can choose to delete or cancel allowances and credits on their account/accounts. This cancels the authorisation to emit one tonne of greenhouse gas, which is represented by one allowance/credit. When an account holder has deleted allowances or cancelled credits, they can contact the Danish Business Authority to obtain a certificate of deletion/cancellation.

3.4. Specific information about the possibility of reversing transactions/cancelling transactions

(Articles 36 and 58 of Commission Regulation No 2019/1122, Article 39 of Commission Regulation No 389/2013 and Section 21(3) of the Executive Order)

In principle, a transaction that has been completed is final and irreversible. The Danish Business Authority may assist in stopping a transaction before implementation, cf. Section 21(3).

For accounts in the Union Registry, the Danish Business Authority can stop a transaction when there is a transaction delay. There is only a transaction delay for direct transactions to accounts that are not on the account holder's trusted list, cf. Article 35 of Commission Regulation No 2019/1122/EU and Section 21(3) of Executive Order no. 1637/2020. Assistance in stopping a transaction must be requested no later than two hours before the transaction is completed. If the transaction is suspected to be fraudulent, the account holder must report this to the police and submit the report to the Danish Business Authority within seven working days.

For accounts in the Danish Kyoto Registry, the Danish Business Authority may stop a transaction of Kyoto units to another Kyoto account upon written request no later than two hours before the transaction delay ends, cf. Article 39(3) of Commission Regulation No 389/2013. If the transaction is suspected to be fraudulent, the account holder must report this to the police and submit the report to the Danish Business Authority within seven working days, cf. Article 39(4).

Information on transaction delays can be found on the Danish Business Authority's website.

If allowances have been surrendered or deleted incorrectly, the authorised signatory or account representatives may sign the account holder's request to reverse the transaction, cf. Article 58. This must be done within ten working days after the transaction has been completed in accordance with Article 58.

If the Danish Business Authority approves the request, it is sent to the central administrator (the European Commission) with a request to reverse the transaction in the Danish Emission Trading Registry.

The central administrator ensures that the Danish Emission Trading Registry can only carry out the request if all of the following conditions are met:

1. a transaction returning or deleting allowances to be reversed was completed less than 30 business days before the account administrator's proposal,

2. the reversal must not result in an operator or aircraft operator failing to meet the compliance requirements for a previous year;
3. the recipient account for the transaction that is to be reversed still contains the number of units of the kind involved in the respective transaction; and
4. the allocation of ordinary allowances to be reversed took place after the expiry date of the plant's authorisation.

4. Closure of accounts

This chapter is about account closure at the request of the account holder or the Danish Energy Agency (closure after suspension is described in more detail in Chapter 6). Closure of accounts is regulated in the Registry Commission Regulations.

A common requirement for all accounts that are to be closed is that the account must be emptied of units, such that the balance is zero before the account is closed. If, in connection with the closure of their account, the account holder does not transfer existing units to another account within 40 working days following a request from the Danish Business Authority, the Danish Business Authority may assign the status "closure pending" to the account, cf. Article 9(3) and articles 29 and 30(11) of Commission Regulation 2019/1122. The account may only be reopened by following the procedure for opening accounts. Kyoto accounts may be closed by the Danish Business Authority transferring the units to a national account in the Danish Emission Trading Registry, cf. Article 32 of Commission Regulation No 389/2013. The fee for having units in a national account is DKK 30,000.00 a year, which must be paid by the account holder.

4.2. Closure and exclusion of operator holding and aircraft operator holding accounts (Articles 9, 25 and 26 of Commission Regulation No 2019/1122/EU)

Operator holding accounts and aircraft operator holding accounts can only be closed after the Danish Energy Agency has notified the Danish Business Authority that the greenhouse gas emission permit or the monitoring permit has been withdrawn. The Danish Business Authority will only close an operator account after the account is in compliance the year after the revocation of the emission permit.

If a plant is excluded from the emission allowance scheme because the emission level is below 25,000 tonnes of greenhouse gas for three years in a row, cf. Article 27 of Directive 2003/87/EC, the status of the plant's account in the Danish Emission Trading Registry is changed to "excluded" for as long as the exclusion lasts, cf. Article 9 of the Commission Regulation.

The Danish Energy Agency requests that the Danish Business Authority close aircraft operator accounts if an airline has been transferred to another aircraft operator or the airline no longer exists, cf. Article 26. Airlines must notify the Danish Business Authority within ten days in the event of a merger/demerger of airlines, cf. Article 22(1) of Commission Regulation No 2019/1122.

If the Danish Energy Agency excludes an airline from the scheme (because their emissions or number of flights is below a threshold), the status of their holding account in the Danish Emission Trading Registry is changed to excluded for as long as the exclusion lasts. While the account is excluded, verification and surrender can only take place for the year when the airline was not excluded from the scheme.

4.2. Closure of trading and person holding accounts

(Articles 24 and 28(2) of Commission Regulation No 2019/1122, or Articles 27 and 33(2) of Commission Regulation No 389/2013)

If the account holder wants to close an account in the Danish Emission Trading Registry, an account representative can initiate the account closure process in the Danish Emission Trading Registry.

The Danish Business Authority will close the account ten days after the request from the account holder.

If a trading or person holding account is empty and has not had transactions for over a year, the Danish Business Authority may notify the account holder that the account will be closed within 40 working days unless the account holder indicates that the account must remain open.

4.3. Closure of verifier access

(Article 27 of Commission Regulation No 2019/1122/EU)

The verifier may request that the account be closed. If a verifier wants to close its access to the Danish Emission Trading Registry, the verifier can initiate the account closure process in the Danish Emission Trading Registry. There is no need to submit documentation in connection with the closure.

Closure of verifier access can also take place if the Danish Energy Agency instructs the Danish Business Authority to close a verifier account when the accreditation is no longer valid.

5. Transfer of accounts

Section 19 of the Executive Order

As a general rule, the account holder must not sell or transfer accounts in the Danish Emission Trading Registry. However, this does not apply to the operator holding account as the account follows the plant associated with the account. The Danish Energy Agency must approve the transfer of a greenhouse gas emission permit to someone else in connection with the transfer of a plant covered by the greenhouse gas emission permit, cf. [Executive Order no. 2134](#) on greenhouse gas emission allowances.

In case of a merger or demerger of a company, there are certain rules that must be observed. The extent to which an account and the allowances on the account can be transferred to another account in case of a merger or demerger of a company is determined by the rules of corporate law.

Accounts and allowances can only be transferred when there is compliance with the rules of corporate civil law¹. Compliance with the rules of the Danish Companies Act is required for mergers or demergers between Danish companies². In case of a merger, this means that the account and the allowances will be taken over by the new/continuing company as part of the universal succession that the merger represents. Similarly, the receiving company in a demerger assumes control of the account and allowances from the transferring company.

An account and/or allowances can thus be transferred in two ways. The existing account can be retained. In this case, the account holder's name is changed in the Danish Emission Trading Registry to the

¹ Directive 78/855/EEC of 9 October 1978 concerning mergers of public limited liability companies, Directive 2017/1132 of 14 June 2017 relating to certain aspects of company law, Directive 82/891/EEC of 17 December 1982 concerning the division of public limited liability companies and Consolidation Act no. 1089 of 14 September 2015 and later amendments.

² Consolidation Act no. 1089 of 14 September 2015 and later amendments.

new/continuing company or receiving company. This means that the allowances are not transferred to another account holder but remain in the account that is now owned by another company.

Alternatively, the account representatives associated with the account in the discontinued/transferring company may transfer the allowances to an account with the new/continuing company or receiving company, after which the account is closed.

The Danish Business Authority must be notified of changes in ownership within ten working days, unless the changes are shown in CVR.

6. Suspension of access to accounts

(Articles 9(3), 10(3), 19(3), 22(9), 30, 63(5), 65, 66 and 68 of Commission Regulation No 2019/1122, Articles 10, 22, 33(3), 34(5), 96 and 97 of Commission Regulation No 389/2013, Article 12(2)a, 3 of Directive 2003/87/EC)

The Danish Business Authority can suspend or block access to an account. The Danish Business Authority can do this, for example, if an account holder or account representative is not in compliance with the legal requirements or if a security breach has occurred.

The Danish Business Authority may suspend the access of account representatives to a specific account if an account holder has not paid a fee or has violated the account conditions, including failure to maintain the prescribed minimum number of account representatives for the account or to submit the documentation requested by the Danish Business Authority. If an account holder has not notified changes of account information or documentation required due to new account information requirements, the Danish Business Authority may also suspend access to the account.

The Danish Business Authority may also suspend the access of account representatives to a specific account and the possibility of initiating processes from that account for up to 4 weeks if the Danish Business Authority has reasonable grounds for believing that an account was or will be used for fraud, money laundering, terrorist financing, corruption, etc. If it is deemed that the opening of an account should have been denied or that the account holder no longer meets the requirements for opening the account, the Danish Business Authority may also suspend access to an account.

Other situations where, in accordance with the Commission Regulations, an administrator (the Danish Business Authority or the EU) may also suspend the access of an account representative to an account are if there are reasonable grounds for believing that an account representative has attempted to access accounts or processes for which they are not authorised or has repeatedly sought access to an account or process with the wrong combination of username and password. This also applies if there are reasonable grounds for believing that those concerned have, for example, tried to jeopardise the security of the Danish Emission Trading Registry.

When the matter that triggered the suspension has been resolved, the Danish Business Authority must cancel the suspension.

The account holder may, within 30 days, object to a suspension of access to an account (see more in Section 7.5.).

If the suspension is long-term, this may result in a decision by the Danish Business Authority to close or block the account or to remove the account representative. It is the Danish Energy Agency that decides whether to close an operator account or aircraft operator account.

7. Common provisions

This chapter describes general provisions regarding documentation related to having an account in the Danish Emission Trading Registry, including being an account representative, such as provisions regulating the power to bind, power of attorney, legalisation and certification of documents as well as requirements for checking information. There is also a section on fees associated with having an account and information on how the Danish Business Authority handles personal data.

7.1. Documentation

Chapter 2 of the Executive Order stipulates the general rules on documentation that must be submitted to the Danish Business Authority. The provisions supplement the requirements of the Commission Regulations concerning the types of documentation that must be submitted to open and hold an account in the Danish Emission Trading Registry.

A notifier, account holder or an account representative who carries out a registration in the Danish Emission Trading Registry or submits a notification in this regard to the Danish Business Authority, guarantees that the registration or notification was made lawfully. This also means that the documentation in connection with the registration or notification is complete, up-to-date, accurate and correct and that any power of attorney is in order.

Section 5 of the Executive Order stipulates that the account holder must provide any information that the Danish Business Authority deems necessary for the performance of the Danish Business Authority's tasks.

Section 6 of the Executive Order allows the Danish Business Authority to grant exemptions from documentation requirements in special cases. For instance, this may apply if certain information or a document cannot be obtained but can be proven by other means. The Danish Business Authority can also allow documentation submitted for one case to be reused in other cases. For example, this could apply to a verified copy of a passport/identification card submitted by an account representative in connection with their affiliation with another account in the Danish Emission Trading Registry.

Article 21(4) of Commission Regulation No 2019/1122 allows for a potential account holder or verifier to ask the Danish Business Authority to obtain assistance from a registry administrator within the EU in order to verify/confirm the information.

7.1.1. Virk.dk, email, regular mail

According to Section 3 of the Executive Order, the notifier must, as far as possible, use the self-service solution on the Danish website Virk.dk. If the notification cannot be made through the Virk.dk, documentation can be submitted via secure email to co2register@erst.dk or as regular mail. Regular mail must be sent to the Danish Business Authority, the Danish Emission Trading Registry, Langelinie Allé 17, 2100 Copenhagen Ø, Denmark.

The Danish Business Authority may, however, require that documentation be provided in physical form in cases where the document's authenticity cannot be proved otherwise.

7.1.2. Provisions regulating the power to bind

A company's provisions regulating the power to bind indicate who has the right to bind the company in agreements. The premise is that an agreement signed by a person with the right to bind the company is binding for said company. Upon notification of the opening of accounts in the Danish Emission Trading

Registry and the appointment of account representatives, the notification must be signed by the account holder's representatives who are authorised to bind the company. Alternatively, the appointment may be made by a person authorised by the account holder in writing. The same applies to a form for deleting an account representative.

For Danish public liability companies and private limited liability companies, the company's provisions regulating the power to bind are available in the Danish Business Register (CVR) on the Virk website. If the provisions regulating the power to bind are not registered in CVR, they can generally be found in the company's articles of association or business registers. For sole proprietorships, the fully liable partner(s) must bind the company.

[7.1.2.1. Power of attorney, including procuration](#)

An account holder can issue a power of attorney. A power of attorney describes the extent to which a person can act on behalf of another person. A power of attorney may be issued by anyone with the power to bind.

A special form of power of attorney is procuration which, depending on the company, may be issued by the company's participants or management. The clerk appointed by procuration is authorised to sign for the company in the circumstances specified in the procuration. For example, procuration can be documented by a printout from the board's minutes. It must be explicitly referred to as "procuration".

[7.1.3. Legalisation and certification of documents](#)

(Sections 7–9 of the Executive Order)

Copies of official documents to be submitted to set up a trading account or person holding account or to authorise an account representative must be certified or legalised as true copies.

[7.1.3.1. Documents issued in Denmark](#)

As described in Chapter 2, the Danish Business Authority retrieves relevant information available from publicly available company and personal registers inside and outside Denmark.

For natural persons with permanent residence in Denmark who are to be added as account representatives or who wish to open an account, it is therefore only necessary to submit a verification of a copy of a passport or identification card. Verification can be performed by a local government Citizens' Assistance Centre, a notary, a state-authorised public accountant or an independent lawyer. Verification must take place by means of a signature, stamp and date. In addition, the copy must state that the copy is equivalent to the original.

[7.1.3.2. Documents issued outside Denmark](#)

(Section 8 of the Executive Order, EU Regulation 2016/1191)

Copies of documents issued abroad that are submitted as documentation must be legalised or verified. Legalisation is certification of the signature on the document. Legalisation of a document requires an apostille. This is necessary for documents issued outside the EU; for more information, see below. Verification means that an authority certifies a copy as a true copy.

Requirements for legalisation between EU countries were abolished in February 2019. EU Regulation 2016/1191 on the simplification of requirements regarding the submission of certain documents applies to public documents such as birth, name, habitual residence and/or place of residence and nationality. It also applies to criminal records. Member States must accept certified (verified) copies of these documents.

In addition, optional multilingual standard forms have been introduced in 11 areas to avoid the need for translation. These forms may be attached to the public document for translation support in another Member State. Read more about the scheme here:

https://beta.e-justice.europa.eu/551/EN/public_documents?init=true

According to the Apostille Convention (The Hague Convention of 1961), the authenticity of a foreign document is certified when the following conditions are met:

- The document has an apostille.
- The apostille is issued by an authority in the country from which the document originates.
- The authority which issued the apostille is included on the list found at <https://www.hcch.net/en/instruments/conventions/authorities1/?cid=41>.

All EU Member States are included in the Apostille Convention, as are many third countries. The countries which have acceded to the Convention have designated one or more authorities that can issue apostille certificates to certify the authenticity of documents originating from the authorities of that country. An authority that can issue apostilles must keep a record of the apostilles issued by the authority. If a Danish authority deems it necessary, it can ask the apostille authority to certify the contents of an apostille certificate.

The form used for the apostille certificate is available at <https://assets.hcch.net/upload/apostille.pdf>.

However, Regulation 2016/1191 does not prevent Member States from issuing an apostille if a person chooses to request it. As a result, the Apostille Convention could still be used in the relationship between Member States when a person submits a request following the entry into force of Regulation 2016/1191.

7.1.4. Translation of documents (Section 10 of the Executive Order)

If a document to be submitted to the Danish Business Authority is in a language other than Danish, Norwegian, Swedish or English, it must be accompanied by a translation into Danish or English. This also applies to verifications and legalisations of documents, however, see Section 7.1.3.2.

There is no requirement for the translation to be done by a certified translator. However, the Danish Business Authority may require that translation of documents be done by a certified translator, especially if there are doubts about the quality of a translation submitted.

Several countries have a register of approved translators. The European e-Justice portal contains links to various countries' registers. The European e-Justice portal can be found at https://e-justice.europa.eu/content_find_a_legal_translator_or_an_interpreter-116-da.do.

7.2. Reporting requirements (for changes/annually/at least every three years)

(Article 22 of Commission Regulation No 2019/1122, Article 25 of Commission Regulation No 389/2013, Sections 11 and 27 of the Executive Order)

There is a general requirement in the Commission Regulations for information and documentation to be complete, up-to-date, accurate and correct. In addition, there are reporting requirements and requirements for certification of information with which the account holder must comply. Failure to comply shall result in suspension, injunction and, if applicable, a fine, cf. Section 27 of the Executive Order. For more information, see Section 6 and Section 7.4.

7.2.1. Changes

(Article 22 of Commission Regulation No 2019/1122, Article 24 of Commission Regulation No 389/2013, Section 11 of the Executive Order)

Account holders and account representatives must notify the Danish Business Authority within ten working days of any change in the information received by the Danish Business Authority in connection with the opening of an account or subsequent updating thereof. However, there is no obligation to report changes that an account holder has notified to the Danish Business Authority (the Danish Business Register (CVR)), the Tax Administration or the Danish civil register (CPR), as the Danish Business Authority receives this information directly. Other information, such as a new passport, must be reported by e-mail to CO2register@erst.dk or via Virksomheden.dk.

The Danish Business Authority has 15 working days to approve or reject the documentation. Rejection may occur if the information is incomplete, inaccurate or incorrect or if the criminal record indicates that fraud or serious financial crime has been committed within the past 5 years.

7.2.2. Annual certification

(Article 22(1) of Commission Regulation No 2019/1122 and Article 25(1) of Commission Regulation No 389/2013)

Annually, before the end of the year, account holders and account representatives must check that the registered information is correct.

To do so, the account representative must check that the information in the Danish Emission Trading Registry is still complete, up-to-date, accurate and correct. The deadline for certifying the information and reporting any changes is 31 December of the year in question. If changes are to be made, the Danish Business Authority must be informed accordingly.

The Danish Business Authority is not responsible for any circumstances or losses arising from the fact that the information is incorrect and the account holder or account representatives cannot be contacted based on the information entered in the Danish Emission Trading Registry, cf. Section 25 of the Executive Order.

7.2.3. Periodic check

(Article 22(4) of Commission Regulation No 2019/1122 and Article 25(4) of Commission Regulation No 389/2013)

At least once every three years, the Danish Business Authority must carry out checks on all documentation submitted in connection with account opening and with the association of account representatives for trading accounts and person holding accounts. For operator accounts, aircraft operator accounts and verifier access, the Danish Business Authority must perform a periodic check at least once every five years. The Danish Business Authority contacts the account holder and account representatives and indicates which documentation the account holder must submit. See Sections 6 and 7.4 on the consequences of failure to submit documentation.

7.3. Fees

(Sections 12 and 13 of the Executive Order)

The Danish Business Authority charges the annual fee for having an account in the Danish Emission Trading Registry. The size of the fee depends on the account type. The fee is listed on the Danish Business Authority's website.

The Danish Business Authority will charge the fees once annually. The fee will be charged for those accounts that are open and active on 1 July of that respective year and regardless of whether the account is open for the full calendar year, cf. Section 12(1) of the Executive Order. Payment must be made in accordance with the Danish Business Authority's instructions.

In case of late payment for the account, a reminder fee will be charged to cover the costs of the Danish Business Authority in connection with the reminder procedure. If the account fee or the costs plus the reminder fee are still not paid, the fee or the costs will be sent to debt collection and the Danish Business Authority may close or suspend access to the account.

7.3.1. Fee rates

(Section 12 of the Executive Order)

The fee rates are listed on the Danish Business Authority's website. The annual fee that ETS companies have to pay for having an account in the Danish Emission Trading Registry is DKK 5,250 plus DKK 0.20 per awarded free allowance.

The fee for a trading account and person holding account is DKK 5,250 per year, and the fee for verifier access is DKK 3,600 per year.

When opening a trading account, a person holding account or verifier access, the Danish Business Authority charges a fee corresponding to the annual fee for that particular account type. The payment of the fee is a requirement for setting up the account. The fee applies to the opening of the account as well as for the remaining part of that calendar year.

The fee for having allowances in a national account in the Danish Kyoto Registry is DKK 30,000 per year.

7.4. Penalties

(Section 27 of the Executive Order)

Violations punishable by fines are:

- Failure to comply with instructions to provide information or documentation, cf. Sections 5 and 6(1),
- if the account holder fails to comply with instructions to provide notification of changes to the submitted information on time, cf. Section 11,
- failure to comply with orders pursuant to the Regulation, or
- withholding or providing incorrect or misleading information.

Legal persons can also be penalised. There may be other provisions in other rules that impose a higher penalty than a fine, for example the rules on money laundering.

In addition to penalisation, accounts or representatives may be suspended due to non-compliance with the duty to notify that there are fewer than two account representatives and in the event of suspected criminal acts, see Section 6 for further details.

7.5. Appeals

(Section 26 of the Executive Order)

Decisions made by the Danish Business Authority in accordance with this Executive Order as well as the Commission Regulations can be brought before the Energy Board of Appeal within 30 days of notification of a decision. An electronic message is deemed to have arrived at the time of dispatch.

Decisions that can be appealed are:

1. Refusal to open an account
2. Refusal to approve an account representative
3. Suspension of access to the account
4. Closure of accounts

The appeal must be sent to: The Energy Board of Appeal, Nævnenes Hus, Toldboden 2, 8800 Viborg, Email: ekn@naevneneshus.dk or via their website: <https://naevneneshus.dk/>

A decision cannot be brought before the courts until the final administrative decision is available.

Decisions cannot be brought before the Minister for Industry, Business and Financial Affairs.

7.6. Processing of personal data

The Danish Business Authority collects, processes and stores personal data concerning the notifier, account holder, account representatives and account holder's management and beneficial owners (if the account holder is a legal person) in accordance with the Act on the procedure of notification etc. of certain information to the Danish Business Authority, Consolidated Act no. 1204 of 14 October 2013, Section 4 of the Data Protection Act, Act no. 502 of 23 May 2018, Articles 77–80 of Commission Regulation No 2019/1122/EU, or Articles 107–108 of Commission Regulation No 389/2013/EU, and Executive Order no. 1637 of 18 November 2020 on the Union Registry and the Danish Kyoto Registry.

The Danish Business Authority stores general personal information for ten years after an account is closed or an account representative is deleted from an account. This might involve the following categories of personal data:

- Ordinary personal data, including data such as name, date and place of birth, Danish civil registration number (CPR number), passport number/identification card number, including expiry date and issuing country, email address, place of residence and telephone number.

Criminal record will be deleted after the case processing is completed and will not be stored.

The European Commission has prepared a privacy statement for users of the Union Registry, where you can read more about the EU's processing of personal data. The privacy statement can be found here in Danish: http://ec.europa.eu/clima/sites/registry/privacy_da.htm

And in English here: http://ec.europa.eu/clima/sites/registry/privacy_en.htm

Annex 1 Relevant laws and regulations pertaining to the Danish Emission Trading Registry

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 (EU ETS).

Directive (EU) 2018/410 of the European Parliament and of the Council of 14 March 2018 amending Directive 2003/87/EC to enhance cost-effective emission reductions and low-carbon investments, and Decision (EU) 2015/1814.

Commission Regulation (EU) No 389/2013 of 2 May 2013 establishing a Union Registry pursuant to Directive 2003/87 / EC of the European Parliament and of the Council, Decisions No 280/2004/EC and No 406/2009/EC of the European Parliament and of the Council and repealing Commission Regulations (EU) No 920/2010 and No 1193/2011 Text with EEA relevance.

Regulation amended by:

- **Commission Delegated Regulation (EU) 2015/1844** of 13 July 2015 amending Regulation (EU) No 389/2013 as regards the technical implementation of the Kyoto Protocol after 2012.
- As last amended and supplemented by **Commission Delegated Regulation (EU) 2019/1122** supplementing Directive 2003/87/EC of the European Parliament and of the Council as regards the functioning of the Union Registry.

Executive Order no. 1637 of 18 November 2020 on the Executive Order on the Union Registry and the Danish Kyoto Registry.

Consolidation Act no. 62 of 19 January 2021 of the Act on Greenhouse Gas Emission Allowances.

Other legislation

Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Regulation (EU) No 648/2012 of the European Parliament and of the Council, and repealing Directive 2005/60/EC of the European Parliament and of the Council and Commission Directive 2006/70/EC.

Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU Text with EEA relevance.

Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012 Text with EEA relevance.

Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) (Text with EEA relevance).

Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC Text with EEA relevance.

Commission Regulation (EU) No 600/2012 of 21 June 2012 on the verification of greenhouse gas emission reports and tonne-kilometre reports and the accreditation of verifiers pursuant to Directive 2003/87/EC of the European Parliament and of the Council Text with EEA relevance.

Regulation (EU) 2016/1191 of the European Parliament and of the Council of 6 July 2016 on promoting the free movement of citizens by simplifying the requirements for presenting certain public documents in the European Union and amending Regulation (EU) NO 1024/2012.

Act no. 262 of 16 March 2016 on the introduction of a register of beneficial owners.

Act No. 606 of 12/06/2013 on publicity in the administration.