



CAN Europe response to: Consultation on market-based measures to reduce the climate change impact from international aviation

Submissions due: 30 May 2016

Each question: 1000 character(s) maximum

http://ec.europa.eu/clima/consultations/articles/0029_en.htm and

<https://ec.europa.eu/eusurvey/runner/ClimateChangeAviation>

Questions for consultation

Following the Paris Agreement and considering the agreed long-term goal, what kind of effort should come from international aviation and how should this develop over time?

The aviation sector is responsible for 3-5% of global greenhouse gas emissions. These are expected to triple by 2050 unless action is taken. Therefore:

- The proposed 2020 carbon neutrality goal under ICAO must be increased in line with the long-term goals agreed in Paris;
- ICAO policies must not in any way limit more ambitious policies by states and regions;
- Reductions should be achieved in the sector itself: Emissions from flights that start or end in the EU must not be compensated with carbon offsets from other sectors;
- Aviation must raise revenue to contribute to climate finance;
- The CO₂ emissions from aviation must be subject to a multiplier of at least two as the total climate impact of aviation is 2-5 times higher than its CO₂ emissions alone;
- Since no global cap on aviation emissions is currently in place, the ETS must start operating again in its full scope in 2017.

Which elements should emerge from the 2016 ICAO Assembly to provide for the implementation of a robust GMBM by 2020?

A legally binding agreement that comes into force in 2021 that includes:

- All air travel from one country to another. To ensure equity, routes between developed countries should be subject to more ambitious climate policies.
- A substantial increase of the proposed 2020 carbon neutrality goal in line with the long-term goals agreed in Paris.
- A provision encouraging states to take additional measures and greater ambition.
- Ambitious in-sector reduction targets: No compensation through carbon offsets from other sectors.
- A multiplier of at least two on CO₂ emissions from aviation, as the total climate impact of aviation is 2-5 times higher than its CO₂ emissions alone.
- Proper accounting of all warming effects including for alternative fuels.

In what ways could action being taken by countries and groups of countries to achieve their respective climate goals, notably by addressing emissions from domestic aviation, complement and interact with a GMBM addressing emissions from international aviation?

An ICAO agreement should be seen as a floor for ambition, not a ceiling. Nothing in the Assembly Resolution should prohibit states to implement more ambitious measures. States must be able and encouraged to establish their own more ambitious emissions caps for the aviation sector.

Since an ICAO agreement will only cover international travel (departing in one state, arriving in another), countries must establish caps for domestic aviation emissions in line with the long-term goals agreed in Paris.

Which should be the main principles and criteria guiding a review of the EU ETS following the 2016 ICAO Assembly?

Combined ICAO and EU action must ensure emissions reductions in line with the long-term goals agreed in Paris. The EU must set aviation sector targets in line with Paris if ICAO establishes a GMBM:

- that is not legally binding;
- without a higher target than 2020 carbon neutrality;
- weak accounting rules;
- based on offsetting and not on in-sector reductions.

The ETS must start operating again in its full scope in 2017. From 2021 the ETS must cover all inner-EU flights and 50% of all international flights:

- Aviation must be subject to the same 2030 target as all other ETS sectors;
- Emissions from flights that start or end in the EU must not be offset with carbon credits from other sectors;
- No free ETS allowances to the aviation sector from 2017 onwards. Auctioning revenues must be earmarked for the Green Climate Fund;
- The ETS target must be brought in line with the Paris Agreement. Therefore the 2030 ETS target must be raised significantly.

Which options should be considered for the EU ETS for the period 2017-2020?

The Stop the Clock provision was implemented in order to grant ICAO more time to negotiate a GMBM. Since no GMBM is currently in place, the ETS must start operating again in its full scope in 2017 (as stipulated by Reg 421/2014) as part of pre-2020 ambition required by the Paris outcome.

Which options should be considered beyond 2020?

From 2021 onwards, the ETS must cover all inner-EU flights and 50% of all outgoing and 50% of all incoming international flights:

- Aviation must be subject to the same 2030 target as the other ETS sectors;
- No free ETS allowances must be given to the aviation sector from 2017 onwards and its auctioning revenues must be earmarked for the Green Climate Fund;
- Emissions from flights that start and/or end in the EU must not be compensated with international carbon offsets;
- The ETS target must be brought in line with the Paris Agreement. Therefore the currently proposed 2030 ETS target of minus 43% below 2005 levels must be raised significantly.

According to Regulation 421/2014, the Commission proposal following the 2016 ICAO Assembly should "swiftly propose measures in order to ensure that the international developments can be taken into account", and "give particular consideration to the environmental effectiveness of the EU ETS (...), including better alignment of the rules applicable to aviation and stationary installations respectively". Which elements of EU ETS could be considered in order to take into account international developments as well as to improve its environmental effectiveness (e.g. review of auctioning shares, use of international offsets – including from the new mechanism established by the Paris Agreement, etc.)?

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Should small non-commercial aircraft operators (emitting less than 1000 tonnes of CO2 per year) continue to be exempted from the EU legislation from 2021 onwards? If so, what alternative measures, if any, should be considered?

Fuel taxation and/or VAT is a more effective measure for small operators since there are fewer or no legal barriers to such policies for small non-commercial aircraft.

Submit any other comments you may have.

ICAO significantly lacks transparency and therefore breaches the Aarhus convention. Transparency has to be increased substantially to ensure any agreement reached by ICAO reflects the needs and voices of civil society.

The recently agreed ICAO CO2 standard fails to reduce emissions from the sector. The EU must provide complementary measures - fuel taxation, VAT, improved efficiency standards etc.

Currently the EU does not speak with a unified voice at ICAO meetings. This significantly weakens the EU's impact and undermines a push for strong climate action in the aviation sector. The EU should negotiate at ICAO in a unified single voice that advocates for strong climate action in line with the Paris Agreement.

Handing out 85% free ETS allowances, perpetuating the fuel tax exemption and VAT exemption for aviation while charging busses and trains disproportionately favors a more climate damaging mode of transportation.