



ASSEMBLY — 37TH SESSION

EXECUTIVE COMMITTEE

Agenda Item 17: Environmental protection

STRENGTHENING ICAO'S LEADERSHIP IN EMISSIONS TRADING

(Presented by Cuba and the 21² Member States of the Latin American Civil Aviation Commission (LACAC))

REVISION NO. 1

EXECUTIVE SUMMARY

This working paper recognizes and promotes the regulatory work of ICAO and the ICAO Committee on Aviation Environmental Protection (CAEP) in analyzing the impact of aviation on the environment and how to mitigate this, as well as the responsibility of the States in this respect. It outlines how unilateral measures in this area that affect third world or developing countries create new forms of additional dependence and increase economic inequality.

Action: The Assembly is invited to:

- a) acknowledge the information provided in this Working Paper;
- b) take the necessary action to guarantee that ICAO coordinates international action to combat climate change, drawing up and improving the regulations and recommended methods, as well as guidance documents on technological measures, and the adequate organization of air transport, and the application of options based on market criteria; and
- c) promote cooperation between the States so that the measures which are adopted with regard to environmental issues concerning aircraft engine emissions are implemented in a gradual and consensual process with no unilateralism.

<i>Strategic Objectives:</i>	This working paper relates to Strategic Objective C, <i>Environmental Protection - Minimizing the adverse effect of global civil aviation on the environment.</i>
<i>Financial implications:</i>	No additional resources required.
<i>References:</i>	Doc 7300, <i>Convention On International Civil Aviation</i> Annex 16 to the <i>Convention On International Civil Aviation</i> Doc. 9885, <i>Guidance on the Use of Emissions Trading for Aviation</i> Kyoto Protocol

¹ Spanish translation was provided by Cuba.

² Argentina, Aruba, Belize, Bolivia, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Uruguay and Venezuela.

1. INTRODUCTION

1.1 Climate change is one of the main problems facing the human race today. The international community recognizes the urgency of reducing greenhouse gases and the need to use renewable energy to reduce the deterioration of the planet. According to the UN Intergovernmental Panel on Climate Change (IPCC), aviation emissions make up 2% of world CO₂ emissions from fossil fuels.

1.2 ICAO has placed the issue of environmental protection among its priorities and responsibilities to consider; although in recent years, many of the contaminants generated by aircraft engines which affect local and regional air quality have been considerably reduced. The Committee on Aviation Environmental Protection – CAEP, has drawn up valuable technical documentation on noise and emissions from aircraft, contributing in a decisive manner to the efficient consumption of fuels in all phases of aircraft flights.

1.3 The Kyoto Protocol, as part of its negotiation process, proposed three flexibility mechanisms which allow the countries in Annex I (developing countries) to reduce their emissions at a much lower cost. The three mechanisms are joint implementation, emission trading permits, and the clean development mechanism.

1.4 The emissions trading permit is a mechanism which establishes the sale of carbon credits obtained via different routes, between countries belonging to Annex I. The most obvious route to obtain credits, and the most desirable route from an environmental point of view, is when a country from Annex I achieves greenhouse gas emission reduction levels which are above their reduction commitments set out in the protocol.

1.5 In this respect ICAO, through Doc 9885, *Guidance on the Use of Emissions Trading for Aviation*, has offered States a clear and intelligible text on the scope of emissions trading in international civil aviation. It has set out the guidelines and basis for this flexibility mechanism in the field of aeronavigation, providing advice and practical information, and stating that the principal interest is still the trading of emissions rights.

2. DISCUSSION

2.1 The aviation industry has been associated with three basic areas of environmental impact: engine emissions, noise, and waste processing on account of the operation of aircraft flying to airport facilities. However, the rest of the aeronautical system also has an impact on the environment due to the consumption of fossil fuels, the facility bases (use of land and deforestation), and the abovementioned emissions, as well as the construction of airports to support economic and social development.

2.2 We recognize that studies and validations by ICAO experts have helped support the States; they have helped guide their internal policies on the operation of aircraft and airports; the handling and use of fossil fuels and halogenated substances; as well as the mitigation of the noise of aircraft engines and other equipment, the application of regulations for gas emissions, and the processing of solid and liquid waste.

2.3 The States are obliged to protect the environment through their conservation and through the rational use of natural resources, to systematically fight against the causes of the deterioration of the international and local environment, to work to prevent negative environmental impact, to reduce this impact and, wherever possible, to eliminate it.

2.4 However, the European Union has taken unilateral action on emissions trading, which affects third world or developing countries without these countries being able to avoid the creation of new forms of dependency in addition to those which already exist, thus further increasing economic inequality.

2.5 In order for the States to carry out and apply the new actions involving aircraft engine emissions, large-scale investments are required which are a burden for third world and/or developing countries.

2.6 Article 15 of the *Convention on International Civil Aviation* contains provisions on airport rights and other similar rights, including the principle of non-discrimination. ICAO has drawn up criteria to help guide the States regarding rights (Doc 9082, *Policies on Charges for Airports and Air Navigation Services*), including specific guidance on rights relating to noise and emission rights for local air quality. These encumbrances should take the form of rights, not taxes. The funds collected should be used to mitigate the repercussions of aircraft engine emissions on the environment.

3. CONCLUSIONS

3.1 Cuba requests that the environmental issue of aircraft engine emissions be developed through a gradual and consensual process, led by ICAO, with no unilateralism, and where priorities are recognized and cooperation between all parties is promoted.

3.2 Cuba believes that these efforts should include an increase in international support and the allocation of resources to the application of sustainable strategies for the development of new and renewable energy sources, which, combined with a more efficient use of traditional sources, will allow us to reduce our dependence on fossil fuels and mitigate the effects of climate change.

3.3 Cuba supports the greater participation of developing countries to mitigate climate change and believes that any agreement should maintain the commitments achieved so far in the Kyoto Protocol, as regards the principle of common but differentiated responsibilities, without compromising the economic and social development of developing and third world countries.

3.4 For Cuba, the adaptation to climate change is a crucial issue to be examined in future international climate policy, bearing in mind the high level of vulnerability of developing countries, particularly small island states and the least developed countries. In this context, developed countries should provide the financial resources needed so that the Adaptation Fund approved at the 13th COP ("Conference of the United Nations on Climate Change" (COP13/MOP13)) in Bali, Indonesia, held from 3 to 14 December 2007, can become operational.