

DELEGATION OF THE RUSSIAN
FEDERATION TO ICAO

Ref. No.: 533/16

Montréal, 2 November 2016

ICAO Secretary General
Dr. Fang Liu

Dear Madam Secretary General,

I have the honour to forward to you, as the Secretary General of the 39th Session of the ICAO Assembly, the Statement on the Reservations of the Russian Federation concerning Resolution A39-3: *Consolidated statement of continuing ICAO policies and practices related to environmental protection — Global Market-Based Measure (MBM) Scheme*, as well as to reaffirm the reservation of the Russian Federation with respect to the "global aspirational goal of keeping the global net carbon emissions from international aviation from 2020 at the same level" (CNG2020), mentioned in Paragraph 10 of the Preamble and in Operative Paragraph 6 of Resolution A39-2: *Consolidated statement of continuing ICAO policies and practices related to environmental protection — Climate Change*.

At the same time, I would like to inform you that, with deep disappointment, the Russian Federation Delegation hereby states the fact that the proposals to clarify paragraphs 22.2.34 (A39-WP/529) and 22.3.36 (A39-WP/530) of the Executive Committee's Report on Agenda Item 22, which were offered to reflect the Russian Federation's positions officially presented during the meeting of the Executive Committee, were not taken into consideration. We view this as a sign of disrespect for the position officially expressed during the Assembly by a sovereign nation's delegation and we are hereby hopeful that the speeches of the Russian Federation Delegation will find an objective reflection in the minutes of the 39th Session of the Assembly (Executive Committee meetings and Plenary meetings).

Accept, Madam Secretary General, the assurances of my highest consideration.

[sgd]
A. A. Novgorodov

Representative of the Russian Federation
on the Council of ICAO

Enclosures: Statement on the Reservations of the Russian Federation concerning Resolution A39-3: *Consolidated statement of continuing ICAO policies and practices related to environmental protection — Global Market-Based Measure (MBM) Scheme*, 3 pages.

**Statement on the Reservations of the Russian Federation concerning
Resolution A39-3: Consolidated statement of continuing ICAO policies and practices related to environmental
protection — Global Market-Based Measure (MBM) Scheme**

Dear Madam Secretary General,

The Russian Federation Delegation would like to take this opportunity to assure you and all participants of the 39th Session of the ICAO Assembly that the Delegation of the Russian Federation has been paying steadfast attention to issues of climate change. Under our Kyoto Protocol obligations, the Russian Federation has exceeded our plans to decrease CO₂ emissions at the national level. At the same time, we are determined that the international civil aviation community, in response to the global challenge of climate change, must focus its efforts on actions that are targeted at actually decreasing CO₂ emissions by advancing the industry technologically, while maintaining as the utmost priority the goal of improving flight safety at the global level.

To our sincere and profound regret, we must state that, despite consultations and expected changes to the draft text of the Resolution, our concerns remain with respect to the consequences of implementing the GMBM based on CORSIA. Specifically, we think that the proposed way of implementing the GMBM based on CORSIA will increase the absolute rates of CO₂ emission globally. Meanwhile, the adoption of CORSIA would contribute to less flight safety, in particular, in developing countries, because money flowing out of the industry will slow technological development.

We would also like to once again emphasize our concern regarding the global aspirational goal of carbon-neutral growth from 2020 because of its unrealistic nature, given the lack of any scientific justification for the need to reach that aspirational goal, which was indirectly acknowledged in Operative Paragraph 3 of the Resolution.

In this connection, the Russian Federation Delegation would like to inform the Assembly that we are not in agreement with the wording of Paragraph 14 of the Preamble, as well as with the wording of Operative Paragraphs 5, 9 g), 11, 18, 20 and 21 of the Resolution. As a consequence, the Russian Federation does not see a way to announce its participation in the proposed version of GMBM implementation. In particular, we provide our reservations with regard to the following provisions:

1. Preamble (Paragraph 14)

Recognizing that the Resolution welcomes “the adoption of the Paris Agreement under the UNFCCC”, we think that the text of Paragraph 14 should read as follows:

~~“Whereas~~ *Recognizing* that the UNFCCC and the Paris Agreement provide for mechanisms, such as the Clean Development Mechanism (CDM) and a ~~new market mechanism under~~ mechanism to contribute to the mitigation of GHG emissions to achieve intended nationally determined contributions (NDCs) ~~of the Paris Agreement, to contribute to the mitigation of GHG emissions to support~~ while simultaneously stimulating sustainable development, which benefit developing States in particular, as in Article 6 of the Paris Agreement;”.

2. Operative Paragraph 5

Since CORSIA implementation isn't having the predicted results, both in terms of achieving environmental goals, as well as the level of its negative impact on ensuring sustainable development of the industry and on the level of flight safety, particularly in developing countries, we think that the pilot and first phases of CORSIA implementation should allow for the possibility of a conceptual reconsideration of the approach to GMBM implementation at any stage of its implementation. In this connection, as we believe, Operative Paragraph 5 should be written as follows:

“5. *Decides* to ~~begin a pilot and first phase of implementing~~ a GMBM scheme in the form of the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) ~~as one of the possible options~~ to address any annual increase in total CO₂ emissions from international civil aviation (i.e. civil aviation flights that depart in one country and arrive in a different country) above the 2020 levels, taking into account special circumstances and respective capabilities;”.

Based on the above, we think it appropriate to add the following paragraph to the text of the Resolution:

“5bis. *Requests* that the Council continue studying other options for implementing the GMBM that would to the maximum possible degree match the *Guiding principles for the design and implementation of market-based measures (MBMs) for international aviation* set forth in the Annex to Resolution 22/1, and conduct a comparative analysis of their advantages and disadvantages for CORSIA and bring to the 40th Session of the ICAO Assembly a report on the results of the comparative analysis to take possible corrective actions for the GMBM implementation scenario.”.

3. Operative Paragraph 9 g)

It is clear that a periodic analysis of CORSIA implementation should, inter alia, include as assessment of the compliance with the *Guiding principles for the design and implementation of market-based measures (MBMs) for international aviation*, set forth in the Annex to Resolution 22/1. In this connection, Operative Paragraph 9 g) should read as follows:

“g) Starting in 2022, the Council will conduct a review of the implementation of the CORSIA every three years to check for its compliance with the *Guiding principles for the design and implementation of market-based measures (MBMs) for international aviation*, including its impact on the growth of international aviation, which should serve as an important basis for the Council to consider whether it is necessary to make adjustments to the next phase or compliance cycle and, as appropriate, to recommend such adjustments to the Assembly for its decision;”.

4. Operative Paragraph 11

In accordance with the Paris Agreement Chapter 6 provisions, the offset obligations of States are based on nationally determined contributions. In this connection, in our opinion, Operative Paragraph 11 should read as follows:

11. *Decides* that the amount of CO₂ emissions ~~required~~ expected to be offset by an aircraft operator ~~voluntarily~~ in a given year from 2021 during the pilot and first phases of implementing CORSIA is calculated every year on the basis of each participating State’s individual nationally determined contribution, or is calculated as follows:”.

5. Operative Paragraph 18

As was mentioned earlier, the analysis of CORSIA “to avoid an inappropriate economic burden on international aviation” should, inter alia, include an assessment of the compliance with the *Guiding principles for the design and implementation of market-based measures (MBMs) for international aviation*, set forth in the Annex to Resolution 22/1. In this connection, in our opinion, Operative Paragraph 18 should read as follows:

“18. *Decides* that a periodic review of the CORSIA is undertaken by the Council, for consideration by the Assembly, every three years from 2022 for the purpose referred to in paragraph 9 g) above and to ~~contribute~~ ~~prevent unjustified risks of causing significant harm~~ to the sustainable development of the international aviation sector and the ~~environmental~~ effectiveness of the scheme, including aspects of flight safety and aviation security and unscrupulous competition, as well as an assessment of CORSIA’s environmental effectiveness so that the ICAO Assembly can subsequently consider the issue of the feasibility of its applicability. This will involve, inter alia:”.

6. Operative Paragraph 20

According to Article 37 of Chapter VI of the *Convention on International Civil Aviation*, issues of MRV, emissions units and emissions registries do not relate to “aircraft, personnel, airways and auxiliary services” and therefore are not captured by international Standards and Recommended Practices. Therefore, the Convention does not confer on ICAO the authority to develop SARPS with respect to MRV, emissions units and emissions registries. In this connection, the action to the Council to “develop SARPS” for the implementation of the MRV system under CORSIA, including simplified MRV procedures, is not correct and any mention of SARPS in Operative Paragraph 20 should be deleted.

7. Operative Paragraph 21

We must note that the ICAO Council has never discussed or taken any decisions with regard to “eligible vintage and timeframe” with respect to emissions units formed within the mechanisms created under the UNFCCC and Paris Agreement. Moreover, the term “vintage” is not mentioned and not considered directly or indirectly in a single one of those UN documents. For this reason, the words “eligible vintage and timeframe” must be deleted from Operative Paragraph 21 of the Resolution.

Among other matters, the Russian Federation Delegation hereby reiterates and confirms our reservation with respect to the “global aspirational goal of keeping the global net carbon emissions from international aviation from 2020 at the same level” (CNG2020), mentioned in Paragraph 10 of the Preamble and in Operative Paragraph 6 of Resolution 22/1: *Consolidated statement of continuing ICAO policies and practices related to environmental protection — Climate change.*”.

We are sending you this information so that said reservations may be reflected, with an explanation, in Appendix A to the document *Assembly Resolutions in Force* [as of 7 (6) October 2016], and the text of the Statement is mentioned in the reports and minutes of the 39th Session of the Assembly (Executive Committee meetings and Plenary meetings).

Accept, Madam Secretary General, the assurances of our highest consideration.

Signed, the Russian Federation Delegation at the 39th Session of the ICAO Assembly.

Representative of the Russian Federation
on the Council of ICAO

A. A. Novgorodov