



HLM-ENV/09-IP/2
21/8/09
English only

HIGH-LEVEL MEETING ON INTERNATIONAL AVIATION AND CLIMATE CHANGE

Montréal, 7 to 9 October 2009

Agenda Item 1: Aspirational goals and implementation options

MINUTES OF THE 13TH AND 14TH MEETINGS OF THE 187TH SESSION OF THE ICAO COUNCIL

(Presented by the Secretariat)

SUMMARY

Attached are extracts from the Minutes of the 13th and 14th Meetings of the 187th Session of the ICAO Council, regarding the progress report on the Group on International Aviation and Climate Change.

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APPENDIX A

EXTRACT OF THE 13TH MEETING OF THE 187TH SESSION OF THE ICAO COUNCIL

(...)

Subject No. 50.3: Aircraft engine emissions

Progress report on the Group on International Aviation and Climate Change (GIACC)

1. The Council commenced consideration of C-WP/13385 presented by the Secretary General, which summarized the results of the Fourth Meeting of the GIACC (GIACC/4) (Montréal, 25 to 27 May 2009) and set forth, in Appendix A, the Programme of Action on International Aviation and Climate Change adopted by the GIACC by consensus which had been called for in Assembly Resolution A36-22 (*Consolidated statement of continuing ICAO policies and practices related to environmental protection*), Appendix K (*ICAO Programme of Action on International Aviation and Climate Change*), Operative Clause 2 a). Appendix B to the paper contained a set of recommendations for the implementation of the Programme of Action prepared under the responsibility of the Chairman and Vice-Chairman of GIACC/4. Appendix C set forth the composition of GIACC/4. It was recalled that a proposed text of the Council's decision on this subject prepared by the fifteen Council Representatives from States represented on the GIACC and reviewed by a large majority of Council Representatives had been circulated electronically prior to the meeting. The proposed Council decision replaced the action indicated in the executive summary of C-WP/13385.

2. The Representative of the United States noted that the fifteen Council States that were represented on the GIACC had invested substantial resources in providing policy-level and technical-level experts to the process of defining a global approach for addressing aviation and climate change. The Programme of Action that resulted from the GIACC's extensive work, and the considerable good will evinced, were a demonstration of the important work that could be accomplished by States coming together at ICAO. The Representative of the United States expressed gratitude for the personal efforts of the President of the Council, which had helped the GIACC to overcome some thorny issues, and thanked the Secretariat for its excellent work.

3. Noting that the Representatives of the fifteen Council States represented on the GIACC had met and consulted with other Council Members from the various regions, the Representative of the United States indicated that they considered that it was appropriate that the Council support the proposed Council decision which had been circulated in advance as a replacement for the action proposed in paragraphs a), b) and c) of the executive summary of C-WP/13385. They favoured a full endorsement of the GIACC's agreed Programme of Action, which included: recommendations on short-, medium- and long-term aspirational fuel efficiency goals for international aviation; a basket of measures for States' use in contributing to the global goals; mandatory reporting requirements for all States; additional work on market-based measures; work on a CO₂ standard for new aircraft types; and the need for technical assistance for developing countries. The proposed Council decision concluded with thanking the GIACC for completing its assigned task and gave direction to the Committee on Aviation Environmental Protection (CAEP) to adjust its work as necessary to deliver the Programme of Action.

4. The Representative of the United States underscored that the Programme of Action represented a truly significant first in terms of global agreement to reduce global greenhouse gas (GHG) emissions for a particular sector and exhibited progress at ICAO in a tangible fashion. She noted that, in

an effort to not prejudice the outcome of the negotiations taking place within the United Nations Framework Convention on Climate Change (UNFCCC), some GIACC Members had held strongly to the view that the principle of common but differentiated responsibilities (CBDR), while several others had worked very hard to try to bridge gaps in order to find a way forward and to reach the consensus expressed in the Programme of Action. The Representative of the United States emphasized that the Programme of Action would require from everyone substantial continued effort and good will to ensure that the momentum was maintained on working to reduce GHG emissions. Observing that the aviation industry and global publics, especially young people, awaited action from all sectors on mitigating climate change, she underscored that the Council should make clear the decision it was now taking on ICAO's efforts to mitigate climate change.

5. The Representative of Malaysia thanked, and congratulated, the Secretariat and the GIACC for the very useful and enlightening paper. In then drawing attention to the declaration made by the Director General of the International Air Transport Association (IATA) during the recent Annual General Meeting (Kuala Lumpur, 7-9 June 2009) setting the year 2020 as the target date for achieving carbon neutral growth, he indicated that IATA had also called upon ICAO to set binding carbon emissions standards for new aircraft and to come up with a legal and fiscal framework to support the availability of sustainable biofuels. The Representative of Malaysia enquired whether, following the Programme of Action achieved by the GIACC, ICAO was going to respond to IATA's call, and, if in the affirmative, when, where and how. He stressed that that was a very important issue that related to the perception that ICAO was not doing enough to address aviation emissions.

6. Noting that the Marine Environmental Protection Committee (MEPC) of the International Maritime Organization (IMO) had, during a recent meeting, reached consensus on some very important issues relating to technical and operational GHG reduction measures, the Representative of Malaysia affirmed that the fact that more than 100 Contracting States participating in the meeting had reached consensus deserved applause. Taking cognizance of the differences between air and maritime transport, he expressed concern that the Contracting States that had accepted the IMO approach would also support ICAO's initiatives and reach consensus at its forthcoming High-level Meeting on International Aviation and Climate Change (Montréal, 7-9 October 2009).

7. The Representative of Canada recalled that, in September 2007, the 36th Session of the ICAO Assembly had acknowledged the need for immediate action on aviation and climate change when it had requested the Council to establish the GIACC and tasked that group with developing "an aggressive Programme of Action" to address the issue [*cf.* Assembly Resolution A36-22, Appendix K, Operative Clause 2 a)]. In doing so, the Assembly had built on the excellent technical work that CAEP had done over the years. Observing that his State had been an active participant in the work of the GIACC and its various working groups, the Representative of Canada indicated that it supported the outcome of that work, which included two equally important parts, in its view: a Programme of Action and the Chairman's summary. Canada believed that both elements were important and should move forward to be considered by the said High-level Meeting in October 2009.

8. Noting that the Programme of Action acknowledged the UNFCCC principle of common but differentiated responsibilities (CBDR) and the Chicago Convention principle of non-discrimination, the Representative of Canada emphasized that, while States would continue to debate the appropriate balance between those two principles, as they should, that debate could not be an excuse for inaction. The point was being reached where States would need to take ownership of the challenge that they had been given. The said High-level Meeting would be an important opportunity for ICAO Member States to comment on the way forward.

9. Observing that the Programme of Action set a goal of a 2 per cent annual fuel efficiency improvement of the international civil aviation in-service fleet to 2050, the Representative of Canada emphasized that achieving that goal would be challenging. Maintaining a continuous improvement over such a lengthy period would require significant investments in new technologies and development of alternative fuels, improved operations and air traffic management. The Programme of Action also described a basket of measures from which States could choose as they developed their own action plans to address aviation emissions. The measures reflected the deliberations of GIACC Members, as well as industry input, and complemented the ongoing work of the CAEP as it updated Circular 303 (*Operational Opportunities to Minimize Fuel Use and Reduce Emissions*). There had been agreement at GIACC/4 that the action plans adopted by Member States should be reported annually and captured by ICAO in a triennial report to the Assembly. The GIACC had been able to reach consensus on many difficult issues, not simply on a global fuel efficiency goal, but also on transparent reporting by all Member States, a matrix for fuel efficiency, the alignment of timelines between the UNFCCC and ICAO, and a recommendation to develop a CO₂ standard for new aircraft types. Those were important milestones in ICAO's work to control aviation GHG emissions. The Programme of Action recognized that work remained to be done: it recommended that the Council establish a process to develop a framework to guide States as they considered market-based measures for international aviation. In Canada's view, that was an important feature of the consensus Programme of Action. Canada saw that work as building on the efforts of the Market-based Measures Working Group of the CAEP and being informed of the outcome of the ICAO High-level Meeting, as well as of the Fifteenth Meeting of the Conference of the Parties (COP15) of the UNFCCC.

10. With regard to the Chairman's summary, the Representative of Canada underscored that the Programme of Action had been approved by the GIACC as a consensus product consistent with its terms of reference, which focussed on fuel efficiency. The terms of reference had, however, also requested the GIACC to go further and the discussions in the GIACC and in its working groups had explored a broad range of other matters, including forecasts for emissions, more ambitious targets and various sectoral approaches to market-based measures. While those discussions had not achieved consensus, Canada was of the view that the Chairman's summary was a valuable reflection of the GIACC's discussions and should go forward to the High-level Meeting for consideration since it faithfully reflected the context in which the Programme of Action had been adopted. There were enough caveats in the Chairman's summary to precisely indicate the tenor, tenets and parameters of the discussions. Furthermore, the Chairman's summary provided more detail regarding assistance for developing countries under the themes of economic measures, technology transfer and appropriate financial assistance, as well as education and training.

11. In concluding, the Representative of Canada indicated that his State supported the 21-point Programme of Action and the Chairman's summary and wished to see both documents advanced to the High-level Meeting in October 2009 for the reasons given. The investment that ICAO Member States had made in addressing international aviation emissions had borne fruit in the Programme of Action. It provided a strong policy framework from which to work and the Council now had the opportunity to move forward. He underscored that the GIACC Members had been chosen as experts in their field, not as Representatives of States or State positions. The experts had spoken and it was now incumbent upon the Council to heed their advice and move forward.

12. In voicing support for the draft Council decision, the Representative of Australia also recognized the work of the GIACC and the significant progress made in achieving consensus on the proposed Programme of Action. The GIACC Member nominated by Australia had been very active in the process and supported the consensus outcome. The Representative of Australia indicated that his State's position was as follows: the GIACC Programme of Action should not be seen as a final product as it identified areas for further work, particularly around the contentious issue of economic measures. The

GIACC Programme of Action would help to slow the growth of emissions from international aviation but would not hold or reverse that growth. If international aviation operations continued to grow at anything like historical levels, around 5 per cent per year, then the growth would outweigh the efficiency gains. The GIACC recommended an aspirational goal of 2 per cent annual improvement in fuel efficiency of the international civil aviation in-service fleet. ICAO and its Member States would need to continue to work on strengthening and improving the strategy. An effective global response was needed with a commitment from all aviation countries to take credible action. It was necessary to act in a concerted and equitable manner to avoid trade distortions and impacts on sectors such as tourism. For international aviation as a sector to make its fair contribution in meeting the global challenge of climate change, it was necessary to work towards a situation where its net carbon footprint did not continue to grow and in fact reduced in the longer term. Work in ICAO on emissions needed to be co-ordinated with broader developments in the strategy for addressing climate change, the development of carbon markets and access to a full range of flexibility mechanisms, including those currently available to other industries under the Kyoto Protocol. The discussions in COP15 in Copenhagen in December 2009 provided an opportunity to work towards a clear target for the international aviation sector and an agreed framework for action. That should set a better context for work in ICAO on implementation, hopefully resolving some of the issues which had been major points of contention in the GIACC, the 36th Session of the ICAO Assembly in 2007 and other work in ICAO over the last ten years. An outcome should be sought which gave international aviation access to global carbon markets and flexibility mechanisms in the post-2012 régime. The High-level Meeting in October 2009 represented an ideal opportunity to discuss the response of individual States to the GIACC Programme of Action and what might be put in train in ICAO following COP15, particularly in the lead up to the 2010 ICAO Assembly. The discussion at the High-level Meeting would be important as States considered the positions they would take at COP15.

13. In acknowledging the concerted efforts made by the GIACC Members to achieve the consensus result, the Representative of Saudi Arabia also expressed support for the statement made by the Representative of the United States and the draft Council decision. Noting that the European Union (EU) would impose its emissions trading scheme (ETS) on all aircraft overflying European airspace as of 2012, he requested that the Secretariat develop a safe, secure and economical route for aircraft from Asia and the Arab world over-flying European airspace so that they would be able to avoid the EU's unilateral action.

14. The Representative of Japan congratulated the GIACC, to whose work his State had contributed. Referring to the action proposed in the executive summary of C-WP/13385, he indicated that as the Programme of Action had been adopted by consensus by the GIACC, he could support paragraph a) ["accept the Programme of Action (Appendix A) as a positive development to limit or reduce aviation's climate impact"]. Furthermore, as the GIACC had fulfilled its mandate, the Representative of Japan could support paragraph c) ("acknowledge that the GIACC has fulfilled its mandate and disband the Group"). However, as the Chairman's summary was not a consensus document, he had a reservation regarding the endorsement of Appendix B to the paper as part of the Council decision [paragraph b)]. While the Representative of Japan could accept the Chairman's recommendations in general, he had a reservation regarding paragraph 9 ("Establish a process to develop a framework for market-based measures in international aviation, taking into account the conclusions of the High-level Meeting and the outcome of the UNFCCC COP15 Meeting with a view to completing this process expeditiously,"), which was also included in paragraph p) of the draft Council decision, as there were still divergent views among Member States regarding the controversial issue of market-based measures. In opposing paragraph 10 of the Chairman's recommendations, which also touched upon market-based measures, he emphasized that it should not be included in the Council decision. The Representative of Japan also expressed a reservation regarding paragraph 14 ("Establish arrangements for further work, as required, building upon the GIACC Report in the lead-up to the 2010 ICAO Assembly.") as he considered that it was premature to commence work for the next Assembly. With the exception of the said three points, he supported the paper.

15. In joining previous speakers in thanking the GIACC, the Representative of the Russian Federation endorsed C-WP/13385 and the draft Council decision. He also shared the concerns expressed by the Representatives of Saudi Arabia and Japan regarding market-based measures. Noting, from paragraph 16 of the Programme of Action, that the GIACC acknowledged that there remained disagreement on the application of market-based measures across national borders, the Representative of the Russian Federation underscored that the three scenarios to implement market-based measures set forth in the Report of GIACC's Market-based Measures Working Group (GIACC/4-WP/3) required more in-depth analysis. He nonetheless considered that the common efforts to reduce aviation CO₂ emissions would not only improve the climate but also serve to accelerate the development of civil aviation in all countries.

16. The Representative of Singapore congratulated the President of the Council and the Secretariat for the successful conclusion of the GIACC process, for reaching consensus on the Programme of Action elements and for achieving it within a very tight timeline of less than two years. He also commended the GIACC for reaching consensus on global aspirational goals that were more ambitious and twice as aggressive as the industry's fuel efficiency targets. The Representative of Singapore then highlighted that ICAO may have to face significant pressure for not having set a cap on aviation emissions. Underscoring that it might still run the potential risk that the UNFCCC might take over its role for international aviation emissions, he emphasized that it was therefore important that ICAO continue to engage the UNFCCC and States to obtain a buy-in for the new Programme of Action, demonstrate ICAO's commitment to addressing aviation emissions, and showcase all of its planned efforts. It was also important that ICAO continue co-ordination work with relevant agencies in preparation for discussions at the UNFCCC COP15 in Copenhagen in December 2009. The President of the Council's tripartite meeting with the IMO Secretary-General and the Executive Secretary of the UNFCCC in London in April 2009 to discuss international transport emission issues was a very good example of such co-ordination.

17. The Representative of Singapore stressed that, in developing the framework for market-based measures, consideration must be given to ensuring that it did not distort the economic playing field or unfairly disadvantage some countries more than others, while recognizing the difference in consensus of countries such as island States and accounting for CBDR. He could agree to the action proposed in the executive summary of C-WP/13385.

18. The Representative of France also expressed appreciation to all who had contributed to the success of the GIACC process: the successive Chairmen, the GIACC Member States, the President of the Council and the Secretariat. Observing that the deadline before ICAO was that of the COP15 in Copenhagen in December 2009, he indicated that it was within that timeframe that the Organization had to focus its work. The Representative of France recalled, in this regard, that paragraph c) of the draft Council decision underscored, *inter alia*, that "this decision of the Council shall not prejudice the outcome of the negotiations under the UNFCCC and Kyoto Protocol". Noting that the point of interest to ICAO in the said negotiations was the mandate given to the Organization at the time of the drafting of the Kyoto Protocol, he underscored that if ICAO wished to maintain its mandate under Article 2.2, it had to prove it was active and dynamic and propose concrete action that would have tangible results in terms of limiting or reducing aviation emissions. The Representative of France affirmed that that was what the proposed Council decision would enable, as it would give political weight to the GIACC's recommendations and also provide a consistent basis for the work of the High-level Meeting in October 2009. He emphasized that it was thus very important that, on the basis of the work carried out by the GIACC Member States, the Council adopt the draft decision. Averring that the draft decision should reassure those Representatives who had highlighted problems associated with the application of market-based measures, the Representative of France pointed out that paragraph p) thereof "acknowledges that there remains disagreement on the application of market-based measures across national borders". It was thus not the

intention to go beyond what the GIACC itself had acknowledged in paragraph 16 of its Programme of Action. The Representative of France considered that the draft Council decision drew on the best parts of the GIACC's work and that it would enable preparations for the next steps, namely, the High-level Meeting and COP15. He therefore supported it wholeheartedly.

19. In congratulating the President of the Council, the Chairmen of the four GIACC meetings and all those who had participated therein, the Representative of Brazil underscored that ICAO would be quite ahead of IATA in contributing to an aggressive plan of action to address aviation emissions. He fully supported the draft Council decision, on the understanding that it replaced the action proposed in the executive summary of C-WP/13385. The Representative of Brazil also fully supported the GIACC's Programme of Action reflected in the proposed Council decision, which elevated to a political level the decisions that were taken by that group of experts. He noted that unfortunately he was not in a position to support the adoption of the Chairman's summary contained in Appendix B to the paper or its submission to the High-level Meeting as it had not been examined by the GIACC as a whole and there were some elements of that document that his State could not accept.

20. Recalling that the Council had established the GIACC pursuant to Assembly Resolution A36-22, Appendix K, Operative Clause 2 a), the Representative of South Africa emphasized that at issue was the report of that group and not the report of the Chairman, an individual. In endorsing the comments made by the Representative of Canada, he indicated that he could support the Chairman's summary if the word "Chairman" were deleted. In then referring to the action proposed in the executive summary of C-WP/13385, the Representative of South Africa averred that paragraph b) should be deleted as the Council could not consider an individual's report. With regard to paragraph c), he suggested that the Council not disband the GIACC and that it only acknowledge that the Group had fulfilled its mandate.

21. To a point raised by the Representative of Brazil, the Representative of the United States clarified that the draft Council decision which had been circulated substituted action paragraphs a), b) and c) of the executive summary of C-WP/13385 with a much longer document which effectively incorporated paragraph a) and which concluded with paragraph c), an acknowledgement to the GIACC for their work. It furthermore directed that the CAEP adjust its activities and undertake the tasks necessary to deliver the agreed Programme of Action. As other Representatives had noted, the purpose for the longer document was to give the political *imprimatur* of Council Members to the GIACC's proposed Programme of Action. The Representative of the United States underscored that there had been extensive consultation with a large majority of Council members on the draft Council decision and that they were well agreed on the proposed course of action.

22. The Representative of China agreed to the draft Council decision. While he did not wish to re-open the debate that had already taken place within the GIACC, and was not opposed to the expression of opinions by various countries, he did not agree to the submission of the Chairman's summary to the High-level Meeting in October 2009 since it was not the result of a consensus as it had not been adopted through a GIACC plenary. The Chairman's summary likewise did not constitute a basis for discussion in the Council. Most importantly, the document only referred to the principle of non-discrimination; the principle of CBDR had been conveniently forgotten. Noting that he had difficulties with other parts of the Chairman's summary, the Representative of China suggested that the issue not be re-opened and that the Council work on the basis of the draft Council decision.

23. In thanking the GIACC and the Secretariat for their excellent work, the Representative of Egypt endorsed the draft Council decision and the Programme of Action contained in Appendix A to C-WP/13385. He also supported the comments made by the Representatives of Singapore, Saudi Arabia and Japan with respect to market-based measures.

24. In also supporting the draft Council decision, the Representative of Spain affirmed that ICAO was going in the right direction. Noting that progress had been made in the GIACC — something which had not been clear for several months — he indicated that the Council should thank the Group for its work. Much work remained to be done, however. The global aspirational goal of 2 per cent per year over the next forty years was ambitious. In enquiring whether that goal was feasible and how it would be achieved, the Representative of Spain emphasized that it was even more ambitious than IATA's proposal of carbon neutrality by 2020. He averred that it was easier to attain carbon neutrality by 2020 than to have a 2 per cent per year reduction in emissions by 2050. The Representative of Spain noted, in this regard, that the difference between the two goals, fuel efficiency and carbon emissions efficiency, was related to the use of alternative fuels, as well as to the capacity and size of the in-service aircraft.

25. Observing that there were a number of outstanding issues that had been identified in the Chairman's summary, the Representative of Spain queried how they would be dealt with and how progress would be made between now and the COP15 in December 2009. In also noting that the draft Council decision set out a number of consensus issues, he questioned why, if agreement were already reached thereon, a High-level Meeting was being convened and enquired as to what action the latter would take.

26. The Representative of Switzerland thanked the President of the Council and the Secretary of the GIACC for the outcome of the GIACC process. Noting the extensive work that had been done by the Group, he indicated that he had been disappointed by the shortness of the action paragraph of C-WP/13385. The Representative of Switzerland was thus very happy with the draft decision, which gave the Council the possibility to engage itself in the GIACC's Programme of Action. He noted that, although Switzerland had not been directly involved in the GIACC's work after the resignation of the Member whom it had nominated, he himself had been engaged in the group which had drafted the proposed Council decision. The latter had been discussed within the group of European Representatives and, as indicated by the Representatives of France and Spain, had its full support.

27. The Representative of Nigeria joined previous speakers in recognizing the efforts of the President of the Council, the GIACC Members and the Secretariat in reaching this very important step forward. In underscoring the need to encourage consensus-building as much as possible and whenever the opportunity existed — and the opportunity now existed — he expressed appreciation for the efforts made by the fifteen Council Representatives from States represented on the GIACC in preparing the draft Council decision, which replaced the action paragraph in C-WP/13385. Those Representatives had charged themselves with negotiating the draft decision within the various groups and had done so, in the expectation that it would lead to efficiency and a quick decision by the Council. Underscoring that any attempt to reopen the debate would defeat that effort, the Representative of Nigeria urged Representatives to accept the draft decision as presented. With respect to the Chairman's summary, he emphasized that that was all that the document was. It was not one that he could support to move forward, especially as he had a lot of difficulty with the list of recommendations contained therein. The Representative of Nigeria emphasized that Representatives would be doing themselves a disservice if they did not seize upon the initiative to have a consensus Council decision and to move forward.

28. In also fully supporting the draft Council decision, the Representative of Mexico underscored that it took on board the action proposed in the executive summary of C-WP/13385 in all its aspects. Agreeing with those previous speakers who had underscored that the Chairman's summary contained some controversial elements, he observed that there was a consensus to leave that document aside for the moment. The Representative of Mexico noted, in this regard, that many of the recommendations set forth in the Chairman's summary were technical in nature and that it was necessary to await the outcome of the work of the relevant technical groups, such as the CAEP. He emphasized that the draft Council decision reflected how things had been done in the Organization for over 60 years,

namely, through co-operation among States. The Representative of Mexico averred that that was also the spirit in which the Chairman's summary had been prepared, leaving aside the legitimate reservations that some States might have. He indicated that the draft Council decision offered a way forward to follow up on the GIACC's Programme of Action and that the Council could bring the various issues to the attention of the High-level Meeting. In concluding, the Representative of Mexico urged that States submit papers for the High-level Meeting ahead of time so that the other States and regional groups would have the opportunity to consider them beforehand, especially as the papers often dealt with issues of substance and controversial issues.

29. The Representative of El Salvador shared the views expressed by the Representatives of Singapore, Switzerland, and Nigeria. In commending the effort made by the fifteen Council Representatives from States represented on the GIACC in negotiating the draft decision, he emphasized that the latter should be adopted by the Council.

30. The Representative of the Dominican Republic welcomed the GIACC's Programme of Action and supported the draft Council decision. In noting that much work remained to be done, he expressed satisfaction that within ICAO there was a large group of Representatives that was promoting the cleaning-up of the planet. It was a weighty responsibility and it was hoped that there would be a positive outcome. The draft Council decision was a good starting point for the Organization's future work to address aviation emissions.

31. The Council agreed to resume consideration of this subject at its next (187/14) meeting.

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APPENDIX B

EXTRACT OF THE 14TH MEETING OF THE 187TH SESSION OF THE ICAO COUNCIL

(...)

Subject No. 50.3: Aircraft engine emissions

Progress report on the Group on International Aviation and Climate Change (GIACC)

1. The Council resumed (187/13) and completed its consideration of the above subject, documented in a paper presented by the Secretary General (C-WP/13347), together with a proposed text of the Council's decision on this subject which had been prepared by the fifteen Council Representatives from States represented on the GIACC and reviewed by a large majority of Council Representatives. The proposed Council decision replaced the action indicated in the executive summary of C-WP/13385.

2. The Representative of Tunisia expressed his Delegation's thanks to the GIACC for its work. The Council was experiencing an historic moment, and the outcome of the discussions, although only a small percentage of what would be achieved over the long term, was a first step towards a very important project for the future of civil aviation and for climate change. The Representative of Tunisia supported the text proposed by fifteen Council Representatives from States represented on the GIACC, and observed that there was a consensus forming laying the ground for the high-level meeting of October. If, however, no consensus was reached on the basis of the proposal now under consideration, he would suggest changing the action in the Executive Summary, leaving only sub-paragraphs a) and c).

3. The Representative of Namibia indicated that while he liked the proposal now under consideration, because it had been presented very recently it had not been possible for him to consult with the appropriate authorities. He could therefore not lend his support to it for the time being. The Representative of Namibia sought clarification as to where the percentages listed in paragraph 3.3 of C-WP/13385 and paragraph 8 of its Appendix A had been obtained, and also wished to know, in connection with paragraph 5.8 of the paper, why consensus had not been achieved on the application of market-based measures to reduce the climate impact of international aviation. Clarification would also be needed on paragraph 5 of Appendix A, which indicated that while there had been no consensus, some GIACC Members were of the view that the Programme of Action did not address the commitments under article 2.2 of the Kyoto Protocol. It would be necessary to know what could be done to bring the Programme of Action in compliance with the Kyoto Protocol, because the reports seemed to indicate that ICAO had not done enough in this area.

4. Some clarifications in response to the points raised by the Representative of Namibia were then provided by C/CRC, who explained that the calculations upon which paragraph 3.3 was based had been made by the working group and referred back to the technical work of CAEP. The percentage indicated in paragraph 8 of Appendix A had been calculated using models which had been reported to the Council earlier, and took into account improvements in technology, operational improvements, and efficiencies that were expected to be gained as a result of air transport improvements. As regards paragraph 5.8 and the fact that no consensus had been achieved, there had been a number of issues around which States could not come to agreement. Discussions on the role of market-based measures had touched on various types of economic instruments that would reduce the emissions of CO₂ directly or that would buy emissions credits from other sources to offset emissions from aviation. In that range of discussions which had been debated at length in the working groups and also in the GIACC, it had simply

not been possible to get all fifteen States to agree to a particular approach or mechanism to apply to a particular market-based measure.

5. With respect to paragraph 5 of Appendix A, the proposals were bringing forward an ever-improving average in service fleet fuel efficiency; the amount of fuel to be burned in moving one passenger a distance of one kilometre would continually reduce under this programme. There would, however, not be a reduction in the total amount of CO₂ that would be contributed to the environment from aviation, because as fuel efficiency improved at a rate of about 2 percent per year, traffic was growing at a greater rate, i.e. at approximately 5 percent per year according to the most recent estimates. Although this increase in traffic would be influenced by the recent economic downturn, many economists believed that the downturn was a temporary event and would recover. Improvements in fuel efficiency even to the extent that was being proposed would not fully offset the increase in the aggregate amount of fuel burned and in the aggregate amount of CO₂ emitted over the long term, and would therefore not accomplish the commitment in the Kyoto Protocol which took an approach of measuring reductions in absolute terms from a baseline.

6. The Representative of the United Kingdom indicated that, as had been observed by the Representative of Nigeria at the previous meeting, the proposal now under consideration was a compromise, and had been seen by all the Members of the Council and coordinated within the various groups. Recognizing that it was a compromise, the United Kingdom was ready and willing to support this consensus, which should replace in its entirety the previous action points a) b) and c) in C-WP/13385. It was worth mentioning that this was a step along the way of an extensive process; it was a very important part of the process that Council adopt it, and the next stage would be the high-level meeting.

7. The Representative of Italy indicated that the decision proposed by fifteen States represented on the GIACC was fully supported by Italy as the only action of the Council.

8. The Representative of Uruguay wished to be associated with the comments which had been offered at the previous meeting in support of the draft decision now under review. Many had said that ICAO should send out a public message about its advances in environmental activities; there was no doubt that the proposed decision achieved that.

9. The Representative of Argentina observed that the GIACC's work had been completed in a short period of time, although it had been very difficult to reach a consensus. The Council would have liked a more thorough and rapid response, but understood the difficulties involved. Argentina was in favour of a balanced solution, and believed that the proposal under consideration was a good compromise. ICAO should take an active role in advancing this work, and should be represented in issues of the environment.

10. The Representative of Uganda also thanked the GIACC, which, given the complex nature of this issue, had done good work. In a spirit of compromise, appreciating that there were still a number of things to refine, he could support the proposal under consideration. The Representative of Japan added his support to the proposal.

11. The Representative of the Russian Federation agreed that the Council should take the action proposed, but shared the concerns which had been expressed by the Representatives of Spain and Namibia at the previous meeting regarding the achievability of the targets and had some misgiving about the effectiveness of the market based measures which could not be guaranteed to stop emissions of CO₂ into the atmosphere. They could only affect the choice of the aircraft, and often airlines could not turn to new technology.

12. In taking the action proposed by the fifteen Council Representatives from States represented on the GIACC, the Council:

- a) accepted fully the Programme of Action (Attachment A to C-WP/13385) as a positive development to limit or reduce aviation's climate impact;
- b) reaffirmed the critical importance of addressing climate change, and thus recognized the need to strive to find ways and means to limit or reduce the impact of greenhouse gas (GHG) emissions from international civil aviation on the global climate;
- c) underscored that the outcome of the GIACC and this decision of the Council would not prejudice the outcome of the negotiations under the UNFCCC and Kyoto Protocol;
- d) acknowledged the principles and provisions on common but differentiated responsibilities and respective capabilities, and with developed countries taking the lead under the UNFCCC and the Kyoto Protocol;
- e) also acknowledged the principles of non-discrimination and equal and fair opportunities to develop international aviation set forth in the Chicago Convention;
- f) noted that while there was no consensus, some GIACC Members were of the view that the Programme of Action did not address the commitments under Article 2.2 of the Kyoto Protocol;
- g) noted that notwithstanding the substantial fuel efficiency improvements achieved by the aviation sector and the impact of the current economic downturn, the Council recognized that the projected growth of international air traffic would outweigh the gains made by currently projected fuel efficiency improvements resulting in an average year over year increase in total fuel burned;
- h) recommended a strategy for efforts to achieve global aspirational goals. The short term goal to 2012 agreed by the GIACC was for improvements in the in-service fleet average fuel efficiency of international aviation operations at the rate of 2% per annum, calculated on the basis of volume of fuel used per revenue tonne kilometre performed;
- i) supported the GIACC Agreement on goals in the form of fuel efficiency for the medium and longer terms. Specifically, the Council endorsed an annual improvement of 2% over the medium term until 2020. For the long term, the Council endorsed an aspirational global fuel efficiency improvement rate of 2% per annum from 2021 to 2050;
- j) recognized that these goals were established on the basis of forecasts and the Council directed that they be reviewed on a periodic basis in light of scientific and technological advances. To achieve these goals would require a significant investment in technological development;

- k) affirmed that in addition to fuel efficiency goals, the focus was on goals that could indicate stronger ambition. For the medium term, the discussions focused on a goal of carbon neutral growth by 2020. For the long term, there could be discussion of carbon emissions reductions. No consensus existed in either case, but further work was recommended on both medium and long term goals;
- l) recognized that while there was no consensus, some GIACC members were of the view that it would be necessary and feasible to achieve carbon neutral growth in the medium term, relative to a baseline of 2005, and to achieve substantial CO₂ emissions reduction for the long term for global international aviation;
- m) recognized that under the recommended strategy, goals would not attribute specific obligations to individual States. The different circumstances, respective capabilities and contribution of developing and developed States to the concentration of aviation GHG emissions in the atmosphere would determine how each State may contribute to achieving the global aspirational goals;
- n) agreed to adopt the basket of measures developed by GIACC, from which States may choose (<http://www.icao.int/>), covering aircraft-related technology development, improved air traffic management and infrastructure use, more efficient operations, economic/market-based measures, and regulatory measures. The basket includes measures to facilitate access to assistance, particularly for developing countries;
- o) directed that the ICAO Secretariat further develop the initial table showing the basket of measures, and directed that the Secretariat continue to develop, and update as necessary, guidance to States on the adoption of those measures, including measures to assist developing countries, as well as access to financial resources, technology transfer and capacity building;
- p) acknowledged that there remains disagreement on the application of market-based measures across national borders. The Council undertook to establish a process to develop a framework for market-based measures in international aviation, taking into account the conclusions of the High-Level Meeting and the outcome of the UNFCCC COP-15 with a view to complete this process expeditiously;
- q) encouraged States to develop action plans which articulate the proposed approach in that State, and file those plans with ICAO;
- r) directed the Secretariat to develop and implement a mechanism under Article 67 of the Convention to collect annually from States data on traffic and fuel consumption;
- s) would explore approaches for providing technical and financial assistance in the reporting process to developing countries;
- t) directed the Secretariat, working through CAEP, to develop a CO₂ standard for new aircraft types;

- u) directed that the Secretariat report every three years through the Council to the Assembly; and
- v) acknowledged, with thanks, the GIACC for the timely completion of its work, thereby fulfilling its assigned mandate (A36-22 Appendix K).

13. Furthermore, the Council directed that CAEP adjust its activities accordingly and undertake the tasks necessary to deliver the agreed Programme of Action.

14. The President of the Council thanked the fifteen Council Representatives from States represented on the GIACC for having facilitated the work of the Council by providing the text for Council action; the GIACC process had started at the beginning of 2008 and had not been an easy process, but had provided a good product which was today's Council decision. The President invited all Representatives to encourage their authorities to participate in the High-Level Climate Change Meeting which would take place from 7 to 9 October 2009 at ICAO Headquarters, and to provide any papers they wished to submit for that meeting on time for their translation. The minutes recording the Council's discussions on this item (187/13 & 14) would be included in the material to be distributed to the High-Level Meeting. The President trusted that the High-Level Meeting would bring positive results and clear guidance for ICAO in preparation for the COP-15 United Nations Climate Change Conference (Copenhagen, 7 – 18 December 2009) and for its future work related to the environment. The President wished to thank, especially, the Members of the GIACC and the Secretariat who had done excellent work during the GIACC meetings.

[...]

— END —