



HIGH-LEVEL MEETING ON INTERNATIONAL AVIATION AND CLIMATE CHANGE

Montréal, 7 to 9 October 2009

Agenda Item 1: Aspirational goals and implementation options

Agenda Item 2: Proposals for strategies and measures to achieve emissions reductions

SYNCHRONIZATION OF TOURISM AND AIR TRANSPORT POLICY ON CLIMATE CHANGE MITIGATION

(Presented by the World Tourism Organization)

SUMMARY

International aviation is critical to tourism around the globe, and vice-versa. At the same time, air transport is the dominant contributor to greenhouse gas emissions from travel and tourism. States are engaged in negotiations to address these emissions as part of a new global deal on mitigation of climate change. The UNFCCC Conference of the Parties meeting in Copenhagen in December (COP/15) will inter alia decide on the framework for further negotiation and action on aviation emissions. The tourism community needs to be fully engaged in the ongoing process, with the tourism perspective taken into account in the development of measures relating to international air transport, particularly where market-based instruments are concerned.

Action by the HLM-ENV is in paragraph 4.

1. CLIMATE CHANGE AND TOURISM

1.1 Tourism – which includes both business and leisure travel¹ – is a significant global industry making positive contributions to growth, trade and development, with particular potential for developing and least developed countries.

¹ Tourism is defined by the United Nations as “the activities of persons travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes not related to the exercise of an activity remunerated from within the place visited”. Its economic contribution is assessed *inter alia* through application of a *Tourism Satellite Account* in national accounting.

1.2 Tourism is both affected fundamentally by climate change and a significant contributor to the global emissions of greenhouse gases (GHGs). Domestic and international tourism contribute about 5 per cent of global anthropogenic carbon dioxide (CO₂) emissions².

1.3 Air transport is the primary contributor to travel and tourism GHG emissions:

- a) air transport accounts for an estimated 40 per cent of the travel and tourism contribution of CO₂;
- b) air transport accounts for an estimated 60 per cent of the *international* travel and tourism contribution of CO₂, and is overwhelmingly dominant for medium- and long-haul trips.

1.4 A “business as usual” forecast for travel and tourism for 2035 is for an increase over 2005 of 160 per cent in CO₂, with the share of air transport emissions rising from 40 to just over 50 per cent.

1.5 The *Davos Declaration*, adopted by the global *Conference on Climate Change and Tourism* in October 2007³, specifies that “the tourism sector must rapidly respond to climate change, within the evolving UN framework, and progressively reduce its GHG contribution if it is to grow in a sustainable manner; this will require action to:

- mitigate its GHG emissions, derived especially from transport and accommodation activities
- adapt tourism businesses and destinations to changing climate conditions
- apply existing and new technology to improve energy efficiency
- secure financial resources to help poor regions and countries”.

1.6 The Davos Declaration calls for a range of actions, including for governments and international organizations to “collaborate in international strategies in the transport (in cooperation with the International Civil Aviation Organization and other aviation organizations), accommodation and related tourism activities”.

1.7 Implementation of the Davos Declaration is being vigorously pursued, consistent with the *Bali Road Map* and *Bali Action Plan* from COP/13 in 2007. Given the critical importance of air transport to tourism and its related contribution to GHG emissions, this has included specific attention to and analysis of air transport aspects. Documentation which will serve as background for the present paper includes a Discussion Paper on *Tourism, Air Transport and Climate Change* issued in September 2007, which was available to the Davos Conference, and a second Discussion Paper on *Climate Change Mitigation Measures for International Air Transport* which was issued in May 2009 and updated in

² Source: UNWTO-UNEP-WMO, *Climate Change and Tourism: Responding to Global Challenges*, June 2008. This figure, along with those quoted from the same source in the following two paragraphs, has been reconciled with the Intergovernmental Panel on Climate Change (IPCC) Special Report on *Aviation and the Global Atmosphere* in 1999 and *Fourth Assessment Report* in 2007. The contributions to GHG emissions quoted are based on transport plus accommodation and activities at destination, whether for business or for leisure travel.

³ Convened by UNWTO jointly with the United Nations Environment Programme and the World Meteorological Organization, with the support of the World Economic Forum and the Swiss Government.

August. These Discussion Papers, along with other material supporting the Davos process, may be accessed under “Background Papers” at <http://www.unwto.org/climate/support/en/support.php>.

2. THE ROLE OF ICAO

2.1 Under the Kyoto Protocol, Annex I Parties (industrialized countries) are committed to pursue limitation or reduction of GHGs from international aviation, “working through ICAO”. UNWTO recognizes the key role of ICAO on aviation and climate change, and salutes the extensive and impressive work by its Committee on Aviation Environmental Protection (CAEP) leading to tighter standards on aircraft emissions and related operating procedures.

2.2 But technological, operational and infrastructure enhancements, even when the promising development of second generation biofuels are taken into account, are unlikely to be enough on their own to counter the anticipated growth of air traffic. Thus concrete economic instruments, preferably globally-agreed, will also be necessary. Such instruments as taxes, emissions trading and carbon offset have scope implications well beyond air transport and well beyond individual countries or groups of countries. This has severely restricted the ability of ICAO to develop economic measures on a sectoral basis, despite intensive examination over a number of years. ICAO has also found significant barriers to applying a Kyoto Annex I/non-Annex I industrialized/other country type concept (that is reflection of the United Nations Framework Convention on Climate Change (UNFCCC) principle of Common But Differentiated Responsibilities) in relation to the equality of treatment provisions in the Chicago Convention or ICAO’s current Kyoto remit.

3. MOVING FORWARD ON MITIGATION OF AIR TRANSPORT IMPACTS

3.1 Consistent with its commitment to the Millennium Development Goals, and to poverty alleviation in particular, UNWTO believes that differing treatment, including some exemptions, transitional arrangements and incentives for one or more groups of developing countries, will be fundamental to any post-Kyoto agreement and that there are ways to reconcile UNFCCC and Chicago Convention provisions. Some such options have already been actively explored by industry groups such as the International Air Transport Association (IATA), the Association of European Airlines (AEA) and the Aviation Global Deal Group⁴. While there are differences in approach amongst these groups, there is commonality regarding the concept of a sectoral agreement for aviation to be mandated by COP/15.

3.2 Within the UNFCCC framework the group of Least Developed Countries is proposing an International Air Passenger Adaptation Levy, whose revenues would be directed to the UNFCCC adaptation fund.

3.3 UNWTO is not concerned with the precise mechanism for moving forward on reducing aviation emissions that will be determined by COP/15 but believes that the process should be based on some key principles, as defined in paragraph 4.1 b) below. UNWTO also sees a need for a more collegial approach to climate change in travel and tourism under the UNFCCC umbrella, firstly amongst the UN family (notably ICAO, IMO, UNEP, UNWTO and WMO) and secondly with the private sector and NGOs. *A collective approach is fundamental regarding economic instruments for mitigation, which can*

⁴ AGD Group: Air France-KLM, BAA, British Airways, Cathay Pacific, Finnair, Qatar Airways, Virgin Atlantic, Virgin Blue and The Climate Group.

have needs and consequences reaching well beyond air transport. In the first instance, UNWTO and ICAO should immediately strengthen collaboration in addressing climate change, notably as regards mitigation, new technologies and financing for development, with particular focus on market-based mitigation options such as emissions trading, carbon offsets, incentives and taxes.

4. ACTION BY THE HIGH-LEVEL MEETING

4.1 The HLM-ENV is invited to recommend:

- a) immediate strengthening of the engagement between ICAO and UNWTO on climate change activities, on a mutually open and non-exclusive basis; and
- b) incorporation of the following tourism and air transport policy principles into a position for presentation to COP/15 and for future work on climate change mitigation:
 - 1) application of the UNFCCC principle of Common But Differentiated Responsibilities (CBDR) amongst countries (and reconciliation of the divergence between CBDR and principles in the Chicago Convention of non-discrimination amongst operators);
 - 2) open access for air transport to global carbon markets such as the Kyoto Protocol's Clean Development Mechanism and Emissions Trading, to be counted as compliance against any target for the sector;
 - 3) non-duplication of levies on transport and tourism;
 - 4) earmarking of all revenues from levies and trading of emissions permits to greenhouse gas (GHG) mitigation activities yielding measurable, reportable and verifiable mitigation results, including specified allotments to related aviation and tourism projects, and financial and other incentives for the earliest possible global introduction of sustainable aviation biofuels;
 - 5) avoidance of air transport and tourism market distortion, and minimization of "carbon leakage" through rerouting of air services;
 - 6) treatment of air transport operations analogously with alternative transport modes where available, in order to minimize price, tax, "polluter pays" or other discrimination in favour or against any particular mode, and notably from the perspective of consumer in assessing travel options;
 - 7) effective performance monitoring, appropriate indicators, targets, reporting methods and auditing processes;
 - 8) continued recognition of a key role for ICAO, with full support for its extensive activities in the fields of airframe and engine technology, air traffic management and operational approaches leading to tighter standards on aircraft emissions, improved operating procedures, plus early certification and acceleration into usage of sustainable biofuels; and

- 9) an open, collegial forum for the development of any sectoral or other follow-up agreement to COP/15 specific to aviation, including *address of economic instruments in partnership by all intergovernmental parties representing directly affected sectors, in close consultation with NGOs and both public and private enterprise.*

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