



ASSEMBLY — 42ND SESSION

EXECUTIVE COMMITTEE

Agenda Item 17: Environmental Protection – Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA)

THE VIEWS OF THE AUTHORS ON THE CARBON OFFSETTING AND REDUCTION SCHEME FOR INTERNATIONAL AVIATION (CORSIA) CURRENT AND FUTURE IMPLEMENTATION

(Presented by the Arab Civil Aviation Organization on behalf of 21 Arab States¹)

EXECUTIVE SUMMARY

This working paper presents the views of Arab Civil Aviation Organization (ACAO) Member States on the current and future implementation of the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA), reaffirming its role as the sole global market-based measure (MBM) to address CO₂ emissions from international aviation. It highlights the region's active participation in CORSIA's pilot and first phases, contributions to the International Civil Aviation Organization (ICAO)'s environmental bodies, and efforts to build national regulatory frameworks and technical capacity.

The working paper raises concerns over emerging unilateral or regional MBMs and taxation proposals for international aviation outside ICAO's framework, which risk regulatory fragmentation, double counting of Eligible Emission Units, and increased burdens on air operators. It emphasizes the need for a stable supply of high-quality CORSIA Eligible Emission Units and calls for accelerated issuance of Letters of Authorization and corresponding adjustments.

In addition, the authors of this working paper express a great concern of any obligations beyond the established scope of CORSIA, particularly proposals to impose taxes on the aviation sector to finance mitigation and adaptation projects under the UNFCCC. They also express concern over the proliferating calls and emerging coalitions advocating for a global aviation carbon charge or taxation scheme for climate financing initiatives and funding mechanisms. Such measures fall outside the ICAO-agreed framework and its convention, risk regulatory fragmentation, increase economic burdens on industry, especially in this critical CORSIA implementation phase, and undermine the global consensus essential for effective reductions in aviation emissions.

To ensure effective implementation, the paper advocates for enhanced capacity building, regular reviews of CORSIA, and strengthened international cooperation. It proposes actions to reaffirm CORSIA's central role, address supply challenges, and promotes alignment with ICAO's goals. A new course of action is recommended to monitor evolving regulations and actively engage States in supporting harmonized implementation under ICAO's framework, thereby ensuring CORSIA remains the unified and effective mechanism for addressing international aviation emissions.

¹ Algeria, Bahrain, Comoros, Djibouti, Egypt, Iraq, Jordan, Kuwait, Lebanon, Libya, Mauritania, Morocco, Oman, Qatar, Saudi Arabia, Somalia, Sudan, Syrian Arab Republic, Tunisia, United Arab Emirates, Yemen.

Action: The Assembly is invited to: a) take note of the content of this working paper; b) reaffirm that CORSIA is and shall remain the sole global market-based measure established to address CO₂ emissions from international aviation – not only by providing a unified offsetting mechanism, but also by ensuring a globally standardized Monitoring, Reporting and Verification (MRV) system. This unified approach is essential to prevent the emergence of unilateral or regional MBMs and to guarantee that international aviation emissions are measured and accounted for only once; c) acknowledge the serious concerns expressed regarding any obligations beyond the scope of CORSIA, particularly those related to the proposal to impose taxes on the international aviation sector to fund mitigation and adaptation projects under the UNFCCC, as well as the calls advocating a global aviation carbon charge or taxation scheme for climate financing initiatives and/or funding mechanisms; d) urge Member States to expedite the issue of Letters of Authorization (LoAs) by the concerned National Authorities, as well as the application of corresponding adjustments of the approved CORSIA eligible emissions units, to ensure an adequate supply of emissions credits and; e) urge ICAO to continue providing Capacity Building and Technical Assistance based on different regions and ICAO States needs and readiness requirements to ensure effective implementation and avoid regulatory fatigue; capacity-building program shall be extended, particularly for developing States. This may include technical assistance for Monitoring, Reporting and Verification (MRV), emissions accounting, and regulatory development under the Assistance, Capacity Building and Training for CORSIA (ACT-CORSIA) programme.	
<i>Strategic Goals:</i>	This working paper relates to the Strategic Goal of <i>Aviation is Environmentally Sustainable</i>
<i>Financial implications:</i>	The activities referred to in this paper will be undertaken the resources available in the ICAO 2026 – 2028 Regular Budget and/or extra budgetary contributions.
<i>References:</i>	• Doc 10184, <i>Assembly Resolutions in Force</i> (as of 7 October 2022); ICAO Assembly Resolution A41-22

1. INTRODUCTION: ACAO MEMBER STATES CONTRIBUTION IN ICAO ENVIRONMENTAL PROTECTION WORK

1.1 The Authors of this working paper welcome the leadership and commitment demonstrated by the aviation sector to address CO₂ emissions and climate change. Since the 39th Assembly adopted the historic agreement for the first-ever global market-based measure in 2016, the participation of the International Civil Aviation Organization (ICAO) Member States, the international air operators and relevant stakeholders has been extraordinary.

1.2 In line with the ICAO Member States' commitment, the Arab Civil Aviation Organization (ACAO) Member States have outlined a pathway for robust cooperation to address the environmental impacts from the international aviation. The ACAO Member States had an active role collaborating internationally to reach consensus for the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) as the sole global market-based measure.

1.3 The ACAO region has showed an effective engagement on ICAO's Environmental Committees, including the leadership position, five ACAO Member States (Egypt, Oman, Qatar, Saudi Arabia and the United Arab Emirates) have also been contributing to the ICAO's Committee on Aviation Environmental Protection (CAEP) as members, while Egypt and the United Arab Emirates served as the Vice Chair of CAEP for previous and current cycle consecutively, together with ACAO as CAEP observer, in order to formulate analysis in supporting the CAEP recommendations processes. In addition, Qatar, Saudi Arabia and the United Arab Emirates have also been contributing towards the ICAO goals as part of the ICAO's Technical Advisory Body (TAB), where Qatar serves as the Vice Chair of TAB for the current cycle, and Saudi Arabia Co-Chaired the CAEP Long-Term Aspirational Goal Task Group (LTAG-TG). Moreover, Qatar is a donor State under the ICAO Assistance, Capacity-building and Training for CORSIA (ACT CORSIA) programme and the Council Representative of the United Arab Emirates has been elected as the Vice Chair of the ICAO Council's Climate Change and Environment Committee (CEC).

1.4 Seven ACAO member States (Comoros, Iraq, Mauritania, Oman, Qatar, Saudi Arabia and the United Arab Emirates) participated voluntarily in CORSIA's pilot phase (2021- 2023) and/or first phase (2024-2026).

1.5 Sixteen ACAO Member States have submitted their list of airplane operators attributed to their respective States for the CORSIA implementation in 2025, according to the ICAO document "CORSIA Aeroplane Operator to State Attributions". Moreover, the major aeroplane operators have successfully completed the Monitoring, Reporting and Verification (MRV) requirements.

1.6 Most of ACAO Member States have undertaken significant measures to support the effective implementation of CORSIA, including the development of national regulatory frameworks, conducted MRV activities, and organized technical workshops. Also, ACAO has further facilitated harmonized regional implementation, and knowledge exchange, in line with ICAO guidance.

2. ONE GLOBAL MARKET- BASED MEASURE FOR INTERNATIONAL AVIATION

2.1 It is important to underscore that CORSIA stands as the only globally agreed market-based measure specifically designed to address CO₂ emissions from international civil aviation.

2.2 Any regional or unilateral market-based measure MBMs, may undermine global efforts by creating fragmentation, risking double counting of Eligible Emissions Units, and weakening the consistent and effective implementation of CORSIA standardized Monitoring, Reporting and Verification (MRV) and offsetting framework.

2.3 Since the 39th Assembly, significant progress has been made in implementing CORSIA, including SARPs adoption, MRV and offsetting processes, emissions reporting, and technical assistance. However,

fragmented market-based measures threaten CORSIA's integrity, adding financial, administrative and operational burdens on operators, jeopardizing the agreed global framework, and obstructing progress toward the Long-Term Aspirational Goal of net-zero aviation emissions.

2.4 The authors express great concern of any obligations beyond the established scope of CORSIA, particularly proposals to impose taxes on the aviation sector to finance mitigation and adaptation projects under the United Nations Framework Convention on Climate Change (UNFCCC). They also express concern over the proliferating calls and emerging coalitions advocating for a global aviation carbon charge or taxation scheme for climate financing initiatives and funding mechanisms. Such measures fall outside the ICAO-agreed framework and its convention, risk regulatory fragmentation, increase economic burdens on industry, especially in this critical CORSIA implementation phase, and undermine the global consensus essential for effective reductions in aviation emissions.

3. ENSURING SUPPLY OF CORSIA ELIGIBLE EMISSION UNITS FOR CORSIA COMPLIANCE

3.1 High-quality and verifiable CORSIA Eligible Emission Units are essential for achieving CORSIA's CO₂ reduction targets by providing airlines with credible offsets that ensure real and measurable environmental benefits.

3.2 The current market experiences a significant shortage of CORSIA Eligible Emission Units, creating a supply-demand gap that threatens operators' ability to meet offsetting obligations and risks causing price volatility and increased financial burdens. Addressing this challenge requires accelerating the issuance and approval of Letters of Authorization (LoAs) and the application of corresponding adjustments, as well as incorporating these concerns into the upcoming periodic review of CORSIA. A coordinated approach is vital to stabilize the market, manage price volatility, maintain procurement flexibility for air operators, and support the effective and sustainable implementation of CORSIA.

4. ENHANCING EFFECTIVE CORSIA IMPLEMENTATION

4.1 Capacity building plays an essential role in ensuring the successful implementation of CORSIA and other climate goals, particularly for developing States, through dedicated training on MRV, emissions tracking, and regulatory development under the ACT-CORSIA programme.

4.2 In line with Assembly Resolution A41-22, CORSIA should undergo regular, transparent, and inclusive reviews to adapt to evolving circumstances, improve implementation, and maintain its relevance. These reviews should consider the impact of external regulatory developments and propose adjustments to safeguard the scheme's integrity.

4.3 Fostering global dialogue and cooperation among States, industry stakeholders, and international organizations should be facilitated through platforms such as ACT-CORSIA and other venues to build consensus on the future direction of aviation climate policy. This includes convening expert groups, workshops, and forums to share best practices and align efforts.