



## ASSEMBLY — 42ND SESSION

### EXECUTIVE COMMITTEE

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

#### IATA'S VIEW ON CRITICAL ACTIONS TO ENSURE ROBUST IMPLEMENTATION OF CARBON OFFSETTING AND REDUCTION SCHEME FOR INTERNATIONAL AVIATION (CORSIA)

(Presented by the International Air Transport Association (IATA))

#### EXECUTIVE SUMMARY

Aeroplane operators' offsetting requirements under the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) began from 2024. For its first phase, from 2024 to 2026, CORSIA is estimated to mitigate around 140 million metric tonnes of CO<sub>2</sub>. Joint action from States is integral to ensuring the successful implementation of CORSIA.

**Action:** The Assembly is invited to:

- encourage more States to join CORSIA in its voluntary phase to enhance its coverage of international aviation emissions;
- recommend that States take prompt action to issue the necessary Letters of Authorization to upscale CORSIA Eligible Emissions Units supply and facilitate aeroplane operators' compliance;
- reiterate to the States; 1) the exclusivity of CORSIA as the only global market-based-measure (MBM) for international aviation emissions, and 2) Doc 8632, *ICAO's Policies on Taxation in the Field of International Air Transport*, calling for States and other UN agencies to refrain from introducing national/regional/international patchwork, and to avoid imposing discriminatory taxes on international air transport; and;
- urge States to implement CORSIA in a unified way as per CORSIA SARPs (Annex 16 to the Convention on International Civil Aviation, Volume IV).

<i>Strategic Goals:</i>	This working paper relates to Strategic Goal of <i>Aviation is Environmentally Sustainable</i> .
<i>Financial implications:</i>	N/A
<i>References:</i>	ICAO Assembly Resolution A41-21 ICAO Assembly Resolution A41-22 ICAO Assembly Resolution A41-27 Doc 8632, <i>ICAO's Policies on Taxation in the Field of International Air Transport</i> , 3 <sup>rd</sup> Edition, 2000

<sup>1</sup> English, Arabic, Chinese, French, Russian and Spanish versions provided by IATA.

## 1. INTRODUCTION

1.1 The Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) is an essential element within the basket of measures for international aviation to achieve the long-term global aspirational goal for international aviation (LTAG) of net-zero carbon emissions by 2050.<sup>2</sup> To date, the scheme is underpinned by the strong support from governments across the world and the international airline industry.

1.2 The offsetting requirements under CORSIA began from 2024. To comply with CORSIA, aeroplane operators must procure and cancel CORSIA Eligible Emissions Units (EEUs) against their offsetting requirements accumulated across every 3-year compliance period. While the factors affecting the demand for CORSIA EEUs have been well defined<sup>3</sup>, aeroplane operators continue to face a shortage of the supply of CORSIA EEUs, primarily due to host countries' delay in issuing the Letters of Authorization (LoAs)/Attestation Statements. LoAs remain an important requirement of CORSIA's Emissions Unit Criteria (EUC), to avoid the risk of double-claiming emissions reductions.

1.3 To ensure the success of CORSIA, it is necessary to protect its exclusivity to avoid a potential patchwork of duplicative State or regional market-based measures (MBMs) and ensure that international aviation CO<sub>2</sub> emissions and their associated financial regulatory obligations are accounted for and levied only once and increasing CORSIA's decarbonization potential.

1.4 As CORSIA is a route-based mechanism, more States participating in CORSIA implies greater coverage of the international aviation emissions under the scheme. Figure 1 illustrates the number of historical (solid bar) and the number of minimum projected (dashed bar) participation of States in CORSIA from 2021, along with their implications on the proportion of international aviation emissions covered under the scheme (line).

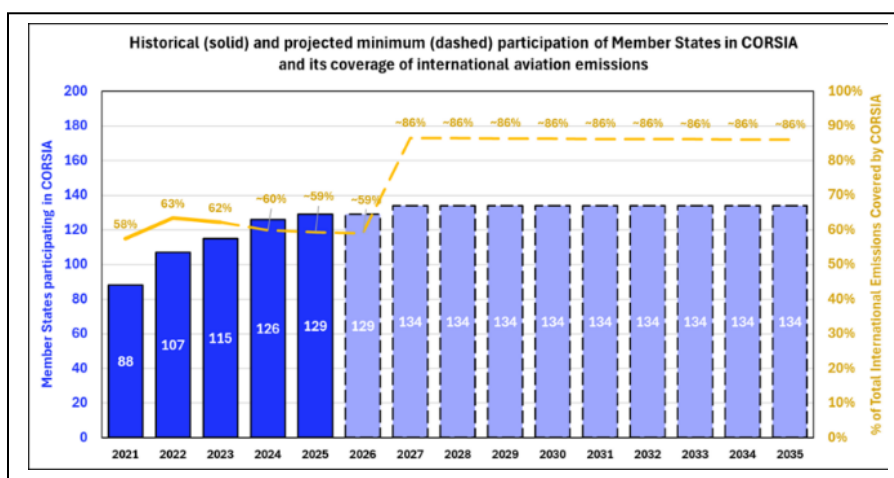


Figure 1:

Historical and projected minimum participation of ICAO Member States in CORSIA and its corresponding coverage of international aviation emissions (Sources: Versions of the [ICAO document – CORSIA States for Chapter 3 State Pairs](#), [CORSIA Central Registry](#), and [IATA Sustainability & Economics](#))

1.5 The growing commitment of States to CORSIA is evident, with the number of volunteering States increasing from 81 in 2021 to 129 in 2025. Between 2021 and 2023, about 60% of international

<sup>2</sup> ICAO Assembly [Resolution A41-21](#); and ICAO Assembly [Resolution A41-22](#)

<sup>3</sup> Please see the Technical Assessments in Support of the 2025 CORSIA Periodic Review

aviation emissions occurred on routes between two States participating in CORSIA.<sup>4</sup> CORSIA is projected to cover, at least, over 85% of international aviation emissions from 2027 onwards.<sup>5</sup>

1.6 This further underlines CORSIA's growing potential to contribute to the international aviation sector's decarbonization, which would be augmented through increased participation of Member States in the scheme's voluntary phase and beyond, along with its strong implementation in accordance with the CORSIA SARPs (Annex 16 to the Convention on International Civil Aviation, Volume IV).

## 2. **ENSURING SUFFICIENT SUPPLY OF CORSIA EEUs WHILE ALIGNING WITH THE REQUIREMENTS OF THE PARIS AGREEMENT**

2.1 The CORSIA Emissions Unit Eligibility Criteria define the elements and measures that must be in place to ensure the units have social and environmental integrity, guarantee that CORSIA EEUs deliver the desired CO<sub>2</sub> emissions reductions, and that no double-counting of their associated emissions reductions occurs. Mitigating the risk of double claiming requires prompt action from the host countries to implement the institutional arrangements that ensure the timely issuance of Letters of Authorization (LoAs)/Attestation Statements.

2.2 Important decisions regarding the operationalization of Article 6 of the Paris Agreement were achieved at the 29th Conference of the Parties (COP) to the United Nations Framework Convention on Climate Change (UNFCCC) facilitating the implementation of CORSIA.<sup>6</sup> This development is a breakthrough in implementing Article 6 and CORSIA as it clarifies to host countries the steps needed to issue LoAs and apply corresponding adjustments toward CORSIA EEUs.

2.3 Despite increased clarity about these requirements, CORSIA EEUs with attestations or those that have already undergone corresponding adjustments are extremely limited in supply and are currently insufficient to meet the demand during the first phase (potentially about 18 MtCO<sub>2</sub> against the demand for about 135 MtCO<sub>2</sub>)<sup>7</sup>: In 2016, the CORSIA standards were adopted as an Annex to the Chicago Convention and became applicable to all 193 ICAO member States from 1 January 2019. To date, Guyana is the only ICAO Member State to have issued a Letter of Authorization and thereby made EEUs available to airlines.

2.4 It is essential that host countries take prompt action to issue LoAs to upscale the supply of CORSIA EEUs to such quantities that compliance is made possible for aeroplane operators. States must enable compliance for aeroplane operators whose purchases of EEUs might otherwise fall short of their obligations due to a lack of supply. It is also essential that supply is provided in a timely manner, as the opposite is likely to provoke exaggerated price volatility. This would also ensure that the flexibility regarding the range of procurement strategies that they may employ is conserved, hence minimizing any unnecessary burden on operators' finances.

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<sup>4</sup> According to data from the CORSIA Central Registry

<sup>5</sup> This projection takes into account that States whose individual share of international aviation activities in Revenue Tonne Kilometres (RTKs) in the year 2018 is higher than 0.5 per cent of total RTKs are required to join CORSIA from 2027, as established in Assembly Resolution A41-22

<sup>6</sup> Particularly, finalization of the rules in Article 6.2 that provides essential guidance on the process and timing of authorization, its content, voluntary format, changes to authorization, transparency, including the requirement to state the conditions under which authorizations can be revoked, applications of first transfer, sequencing and timing of reporting, correcting inconsistencies, and interoperability of registries, among other elements.

<sup>7</sup> Please see the Technical Assessments in Support of the 2025 CORSIA Periodic Review (A42-WP/28).

### 3. **STRENGTHENING CORSIA'S EXCLUSIVITY AND PROMOTING ITS UNIFIED IMPLEMENTATION**

3.1 The ICAO Assembly established CORSIA as the “only global market-based measure applying to CO<sub>2</sub> emissions from international aviation so as to avoid a possible patchwork of duplicative State or regional MBMs, thus ensuring that international aviation CO<sub>2</sub> emissions should be accounted for only once.”<sup>8</sup> The ICAO Assembly also urged Member States to “follow ICAO’s Policies on Taxation in the Field of International Air Transport as contained in Doc 8632, and to avoid imposing discriminatory taxes on international aviation.”<sup>9</sup>

3.2 The unified implementation of CORSIA by all Member States, without regional or national derogations, is crucial to uphold its exclusivity as the only global MBM. The regional derogation in CORSIA’s implementation is particularly worrisome. For example, international flights between the European Economic Area (EEA)<sup>10</sup> countries are subject to a regional Emissions Trading System. In other words, CORSIA has not been implemented in its entirety. The intra-EEA flights are international flights and should be treated consistently, as with all other international flights with regard to CORSIA. Non-EEA airlines operating these routes may comply with both CORSIA and the ETS. Furthermore, it is concerning that a number of States have already implemented levies and carbon taxes on international air transport, which presents a fragmented approach and remains at odds with CORSIA’s exclusivity, as well as contradicts ICAO’s Policies on Taxation (Doc 8632).

3.3 Such a fragmented approach severely undermines multilateral efforts to address emissions from international aviation, especially considering that countries implementing such levies are also Member States of ICAO and were instrumental in developing and establishing CORSIA. For aeroplane operators, this leads to additional administrative and financial burdens which divert crucial funds away from proven decarbonization solutions such as Sustainable Aviation Fuels (SAF) and carbon offsetting, as well as in some cases double charging the same tonnes of CO<sub>2</sub> emissions under more than one MBM.

3.4 The patchwork of MBMs is observed not only at the regional and national levels but also internationally. An alliance called the Global Solidarity Levies Task Force (GSLTF) was established at UNFCCC COP28 in 2023, to examine innovative sources of climate finance. In its recent public consultation in February 2025, the GSLTF proposed various options for these innovative sources of climate finance. Aviation was identified as one of the sectors targeted for climate finance.

3.5 In line with the authority vested in ICAO by its Member States as the sole legitimate forum for developing and globally harmonizing policies that support international civil aviation, it is important for the GSLTF, the UN agencies and the Member States’ relevant finance authorities to respect the deliberations and decisions of the States under the auspices of ICAO. The ICAO Member States decided that CORSIA presents the fairest, non-distortive, cost-effective way to achieve effective CO<sub>2</sub> reductions through its unified implementation as per the SARPs (Annex 16 to the Convention on International Civil Aviation, Volume IV). Therefore, it is of paramount importance to foster the collaborative efforts to promote the implementation of CORSIA, as opposed to any attempt to undermine CORSIA’s integrity.

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<sup>8</sup> ICAO Assembly [Resolution A41-22](#)

<sup>9</sup> ICAO Assembly [Resolution A41-27](#)

<sup>10</sup> 27 EU member states, Iceland, Liechtenstein, and Norway