International Civil Aviation Organization | Organisation de l'aviation civile internationale | Organización de Aviación Civil Internacional | Международная организация гражданской авиации | منظمة الطيران المدني الدولي | 国际民用航空组织

Ref.: ENV 1/1, EC 2/10 3 November 2026

United Nations (UN) Committee of Experts on International Cooperation in Tax Matters
Subcommittee on Environmental Taxation
E-mail: taxcommittee@un.org

Submission by the International Civil Aviation Organization (ICAO) to the Subcommittee on Environmental Taxation of the UN Committee of Experts on International Cooperation in Tax Matters

Dear Chairs and Distinguished Committee Members,

In the context of the 33rd Session of the UN Committee of Experts on International Cooperation in Tax Matters, held from 20 to 23 October 2026, and in response to the call for written inputs during the meeting, the International Civil Aviation Organization (ICAO) is pleased to submit the following comments to the Subcommittee on Environmental Taxation. These comments relate to Workstream 2, "Taxation of Emissions in Aviation", of the Subcommittee (reference: E/C.18/2026/CRP.20).

ICAO is a specialized UN agency that works with its 193 Member States to support the safe, secure, economically viable, sustainable and efficient operation of international civil aviation. ICAO exercises continuous leadership on environmental issues relating to international civil aviation, including greenhouse emissions (ICAO Assembly Resolution A42-21, paragraph 2a) refers). Furthermore, the international taxation framework for aviation has long been guided by *ICAO's Policies on Taxation in the Field of International Air Transport* (Doc 8632), which Member States have widely implemented over decades to avoid double or multiple taxation, prevent discriminatory tax practices and promote the fair and equitable treatment of international air transport.

ICAO and its Member States have been actively working to address emissions from international aviation and advance environmental protection, including through the adopted Resolutions at the 42nd Session of the ICAO Assembly in October 2025, toward the sector's long-term global aspirational goal (LTAG) of achieving net-zero carbon emissions by 2050.

ICAO previously conveyed its views to the UN Department of Economic and Social Affairs (UN DESA) in a letter dated 23 March 2026 (reference ENV 1/1, EC 2/10) in the context of the 32nd Session of the UN Committee of Experts on International Cooperation in Tax Matters. In that communication, ICAO

999 Robert-Bourassa Boulevard
Montréal, Quebec
Canada H3C 5H7
Tel.: 514-954-8219
Fax: 514-954-6077
E-mail: icaohq@icao.int
www.icao.int

highlighted the decisions of its Member States, as contained in ICAO Assembly Resolution A42-21, paragraph 19, and Assembly Resolution A42-22, paragraph 18, expressing concern over initiatives to collect taxes from international aviation for the mobilization of revenue for climate finance and other purposes, as follows:

> " *While recognizing that no effort should be spared to obtain means to support the reduction and stabilization of CO_2 emissions from all sources and emphasizing the need for significant financial resources to achieve aviation's clean energy transition and the LTAG, [Assembly] urges that* ***ICAO and its Member States express a clear concern, through the UNFCCC and other relevant processes, on the use of international aviation as a potential source for the mobilization of revenue for climate finance to the other sectors****, in order to ensure that international aviation would not be targeted as a source of such revenue in a disproportionate manner;* "

> " *[Assembly] determines that the* ***CORSIA is the only global market-based measure applying to CO_2 emissions from international aviation so as to avoid a possible patchwork of duplicative State or regional MBMs,*** *thus ensuring that international aviation CO_2 emissions should be accounted for only once*; "

ICAO emphasized that proposals for aviation emissions taxation could represent duplicative market-based measures (MBMs), resulting in double-charging for international aviation CO_2 emissions, undermining the implementation of the ICAO Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA), and adversely affecting the achievement of LTAG.

ICAO further expressed concern that Workstream 2, "Taxation of Emissions in Aviation", of the Subcommittee on Environmental Protection could lead to consideration of measures that **duplicate the role of CORSIA, which ICAO Member States have adopted as the only global MBM applying to CO_2 emissions from international aviation**. The letter recalled that aviation environmental taxation and other MBM options have been extensively examined within ICAO, culminating in the adoption of CORSIA in 2016, and emphasized the continued relevance of ICAO's policies on taxation set out in Doc 8632, reaffirmed through Assembly Resolution A42-26. ICAO therefore encouraged the Committee to consider existing ICAO policies, frameworks and decisions when considering issues related to the taxation of emissions from international aviation and welcomed the Committee to engage with ICAO.

ICAO notes that, notwithstanding its previous communication to the UN DESA and its expressed willingness to engage on this matter, the Subcommittee on Environmental Taxation continues to advance Workstream 2 at the 33rd Session of the Committee without engagement with ICAO. Given ICAO's mandate, as well as the extensive work undertaken by ICAO and its Member States on aviation environmental protection, including comprehensive deliberations on proposals for aviation emissions taxation, **ICAO considers that its engagement would be essential to ensuring that the Committee's work is informed by existing international aviation frameworks, policies and decisions. Such engagement would also help avoid duplication of effort and promote the efficient use of limited resources across the UN system, consistent with the objectives of the UN80 initiative to strengthen efficiency, effectiveness and system-wide coherence.**

ICAO further notes that, during the discussion on the work of the Subcommittee on Environmental Taxation on 21 October 2026, several interventions by Committee members underscored the **importance of engaging with relevant international organizations and drawing upon existing international frameworks to avoid duplication of efforts**. In this context, reference was also made to ICAO's ongoing work and progress in addressing international aviation emissions. Furthermore, several interventions highlighted issues that have long been central to ICAO's environmental work, including the need to consider impacts on connectivity, particularly for small island developing States and landlocked developing States; the interaction between environmental taxation and broader economic and development objectives; and the

risk of overlapping measures. ICAO welcomes these observations and believes they further underscore the value of direct engagement with ICAO in discussions under Workstream 2, as the specialized UN organization for international civil aviation.

ICAO remains concerned that the establishment of Workstream 2 does not appear to consider the extensive work already undertaken by ICAO and its Member States on CORSIA and to address international aviation emissions. Proposals for aviation emissions taxation is not new. ICAO Member States have extensively considered this option, supported by detailed technical assessments, expert group deliberations, high-level policy discussions and multiple rounds of global consultations. These efforts ultimately culminated in the adoption of the CORSIA in 2016 as the first and only global MBM adopted by any industry sector.

At the same time, ICAO Member States concluded that levy-based approaches were not the preferred means of addressing international aviation emissions. **Aviation environmental taxes, levies and other revenue-raising mechanisms may not deliver direct environmental benefits and may give rise to market distortions, increased administrative burdens, and insufficient reflection of the special circumstances and respective capabilities of States.** Following the adoption of CORSIA and the LTAG, proposals for aviation emissions taxation may also risk **creating overlapping measures and undermining the effective implementation of the aviation decarbonization measures already agreed by States under ICAO**. Details on this topic can be found on ICAO's website.

ICAO also notes that **several interventions during the 33rd Session highlighted the importance of considering the regional impacts of environmental taxation.** In this regard, concerns regarding aviation taxation are already shared by several regional bodies. Notably, the African Leaders Addis Ababa Declaration on Climate Change and Call to Action, adopted in September 2025, called for the prevention of "the imposition of unilateral measures, including carbon taxes, that undermine continental agendas for regional integration, connectivity, including in aviation and shipping, development, and climate action."

ICAO respectfully encourages the UN Committee of Experts on International Cooperation in Tax Matters Committee and its Subcommittee on Environmental Taxation to engage directly with ICAO in the deliberation of Workstream 2, "Taxation of Emissions in Aviation". Such engagement would enable the Committee to benefit from the extensive technical analyses, policy deliberations and decisions already undertaken by ICAO Member States, while helping to avoid duplication of effort and ensuring consistency with existing international aviation frameworks. ICAO remains ready to contribute constructively to the Committee's work and to share relevant information.

Yours sincerely,

Sonia Hifdi
Acting Director
Air Transport Bureau

cc: Director, Financing Sustainable Development Office, DESA