



**WORKING PAPER**

**ASSEMBLY — 41ST SESSION**

**EXECUTIVE COMMITTEE**

**Agenda Item 18: Environmental Protection – Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA)**

**CONTRIBUTIONS OF CENTRAL AMERICA IN THE IMPLEMENTATION OF THE CARBON OFFSETTING AND REDUCTION SCHEME FOR INTERNATIONAL AVIATION (CORSIA)**

(Presented by the States that make up the Central American Corporation for Air Navigation Services (COCESNA))<sup>2</sup>

**EXECUTIVE SUMMARY**

This working paper refers to the contribution that the Central American region makes to the implementation of the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA). Although there was a reduction in operations as a result of the COVID-19 health crisis and its consequent effects, that did not lead to a lower level of participation; on the contrary, two additional Central American States began participating in the voluntary phase of the aforementioned environmental mechanism. Consequently, the developing States Belize, Guatemala, El Salvador, Honduras and Costa Rica are contributing to the implementation of the strategic objectives of ICAO. Although they are small countries that do not represent large emissions, this contribution leads to more routes being covered, enhancing the universality and robustness of the aforementioned mechanism.

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

- a) request the ICAO Council to continue to encourage its relevant bodies to provide technical proposals on the definition of metrics for carbon emissions from the aviation sector, to be submitted for approval at the forthcoming 41st session, which will provide Member States with guidance in determining their own regulations; and
- b) request the Technical Cooperation Bureau (TCB) of ICAO to carry out the relevant procedures with the various global funds connected with the environment and climate change in order to obtain financing of technical assistance for the *Design of a Central American Strategy for Low-Emission Sustainable Development of Air Transport in the region*. This is consistent with the strategic objectives of ICAO and is in line with the United Nations Sustainable Development Goals (SDGs) and the COCESNA Strategic Plan.

<i>Strategic Objectives:</i>	This working paper relates to the Strategic Objective of Environmental Protection.
<i>Financial implications:</i>	Additional financial resources are required for the costs associated with the implementation of recommended methods and practices in CORSIA matters.

<sup>1</sup> Spanish version provided by COCESNA.

<sup>2</sup> Belize, Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua.

<i>References:</i>	A40-19: Consolidated statement of continuing ICAO policies and practices related to environmental protection – Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA)
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## 1. INTRODUCTION

1.1 At the 40th Session of the ICAO Assembly, the Member States of ICAO adopted Resolution A40-19 – Consolidated statement of continuing ICAO policies and practices related to environmental protection - Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA).

1.2 In paragraph 5 of the Resolution, it recalls its decision at the 39th Session to implement a global MBM scheme in the form of a Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) to address any annual increase in total CO<sub>2</sub> emissions from international civil aviation (that is, civil aviation flights that depart in one country and arrive in a different country) above the 2020 levels, taking into account special circumstances and respective capabilities.

1.3 Furthermore, in paragraph 8 of the resolution, it acknowledges special circumstances and respective capabilities of States, in particular developing States, in terms of vulnerability to the impacts of climate change, economic development levels, and contributions to international aviation emissions, among other things, while minimizing market distortion.

1.4 According to the State of the Nation Programme (2011) issued by the National Council of Rectors of Universities of Costa Rica, climate change poses a contradictory situation for Central America since the isthmus is responsible for less than 0.5 per cent of greenhouse gas (GHG) emissions, but at the same time it is recognized as the most prominent “hot spot” in the tropics; that is, it would be the area of the world potentially most vulnerable to their impacts. This demonstrates the seriousness of the climate crisis and the vulnerability of the Central American region due to its geographical location, to which must be added economic, social and environmental problems.

1.5 Based on the above, aware of the need to unite and strengthen environmental efforts in the international civil aviation sector and address climate change, the Central American States of Guatemala, Belize, El Salvador, Honduras, Nicaragua and Costa Rica, as members of the Central American Corporation for Air Navigation Services (COCESNA), developed the Central American Action Plan for Emissions Reduction from international civil aviation, called CAAPER, which applies the measures promulgated by ICAO for improving air traffic management, among other things.

1.6 In addition, committed to supporting any effort aimed at reducing and/or repairing environmental impacts related to global warming, five States of the Central American Region – Belize, Guatemala, El Salvador, Honduras and Costa Rica – have taken the initiative to participate starting from the voluntary phase of the Carbon Offsetting and Reduction Plan for International Civil Aviation (CORSIA).

## 2. ANALYSIS

2.1 The participation of States in the pilot phase (2021 to 2023) and the first phase (2024 to 2026) is voluntary; however, for the second phase, starting in 2027, all States whose individual share in international aviation activities in the year 2018 exceeds 0.5 per cent of total activity or whose cumulative participation reaches 90 per cent of total activity will be included.

2.2 Developing countries, small island developing States and landlocked developing countries are exempt unless they voluntarily offer to participate, as was the case with the Central American countries mentioned above.

2.3 The impact of COVID-19 **significantly decreased international aviation operations, traffic and CO<sub>2</sub> emissions in 2020**, leading to a reduction of the CORSIA baseline calculated using the average of 2019 and 2020 emissions. As a result, **ICAO determined that only the average measurements for 2019** will be used for the implementation of the pilot phase between 2021 and 2023.

2.4 Given the nature of the mechanism's design, the more States that join CORSIA and the sooner they join, the more emissions will be covered, thereby increasing the environmental integrity of the plan. The more emissions covered, the more units will be needed, creating more opportunities to invest in emissions reduction projects, particularly in developing States. Here it should be noted that, as of September, 107 States have expressed an interest in participating in CORSIA starting from the pilot phase.

2.5 In keeping with the collaborative spirit of the States members of COCESNA and their commitment to environmental issues, the NACC Office is respectfully requested to provide support for efforts that will enable technical assistance for the *Design of a Central American Strategy for Sustainable Development with low emissions from Air Transport in the region*.

### 3. CONCLUSIONS

3.1 CORSIA is a global market-based measure designed to offset CO<sub>2</sub> emissions from international aviation in order to stabilize CO<sub>2</sub> levels from 2020 (CNG2020). Offsetting CO<sub>2</sub> emissions will be achieved through the purchase and cancellation of global carbon market emission units by aircraft operators.

3.2 Note should be taken of the invaluable support provided to the Central American States of the Central American Corporation for Air Navigation Services (COCESNA) in the proper implementation of the CORSIA mechanism through the CORSIA Buddy Partnerships, especially technical support from the State of Spain. Also noteworthy is the importance of the COCESNA/ACSA-SENASA-EASA agreement within the framework of European Union-Latin America Cooperation on Civil Aviation (EU-LAC-APP) in the section related to environmental issues, consistent with the goal of carbon-neutral growth.

3.3 According to ICAO, States that voluntarily participate in the pilot phase of CORSIA will have priority in terms of capacity-building and assistance, and we hope that our States will be part of the specific assistance programmes being implemented in the area of technical cooperation through TCB/ICAO.

3.4 The Assembly of ICAO is invited to:

- a) request the ICAO Council to continue to encourage its relevant bodies to provide technical proposals on the definition of metrics for carbon emissions from the aviation sector, to be submitted for approval at the forthcoming 41st session, which will provide Member States with guidance in determining their own regulations; and
- b) request the Technical Cooperation Bureau (TCB) of ICAO to carry out the relevant procedures with the various global funds connected with the environment and climate change in order to obtain financing of technical assistance for the *Design of a Central American Strategy for Low-Emission Sustainable Development of Air Transport in the region*. This is consistent with the strategic objectives of ICAO and is in line with the United Nations Sustainable Development Goals (SDGs) and the COCESNA Strategic Plan.

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**APPENDIX  
EXECUTIVE SUMMARY TOR**

*“Technical Assistance for the elaboration of a Regional Strategy for the Development of Sustainable Air Transport in Central America”*

**I. BACKGROUND**

Air transport is considered a factor of utmost importance in promoting the development of States through economic growth, employment, trade and mobility, as it plays a fundamental role in the economies of different regions worldwide.

Different regions have therefore established agreements or developed strategies, policies or plans for development with low air transport emissions through joint and coordinated action with a common vision of future development. An example of this is the Strategic Plan for the Sustainability of Air Transport in the South American Region, the elaboration of which was led by the South American Regional Office (SAM) of the International Civil Aviation Organization (2017).

**II. JUSTIFICATION OF TECHNICAL ASSISTANCE**

According to studies conducted by Oxford Economics in partnership with the International Air Transport Association (IATA), air transport has a wide range of benefits for the Central American countries, Belize, Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua. According to these studies, international civil aviation generates direct and indirect jobs and makes a significant contribution to the gross domestic product (GDP) of the Central American States. It is estimated that air transport in the region contributes more than 26 billion dollars to the gross value added to the GDP.

However, different barriers have prevented the region from reaping the full benefits of air connectivity, and therefore IATA (2018) has recommended the following:

- Create a regulatory framework in line with global best practices.
- Ensure competitive costs and efficient airport management through open communication with industry.
- Ensure transparent management and industry participation in infrastructure planning and development projects throughout the region.

In this regard, it is necessary to establish a strategy to promote development with low air transport emissions, in order to improve the competitiveness of the civil aviation sector in Central America in an economically and environmentally sustainable way.

**III. TECHNICAL ASSISTANCE GOALS**

**General:**

Build a strategy and an implementation framework through consensus and with validation by the countries involved, to promote development with low air transport emissions in the Central American region.

**Specific:**

- Develop an assessment that encompasses the international environment and the current air transport situation in Central America.
- Develop a regional map of agencies, institutions and stakeholders linked to air transport in Central America.
- Build a Strategy for the low-emission development of air transport in COCESNA member countries.
- Propose a road map with projects, timelines and cost estimates for the implementation of the proposed Strategy.