



Aviation Emissions: European views on the way forward

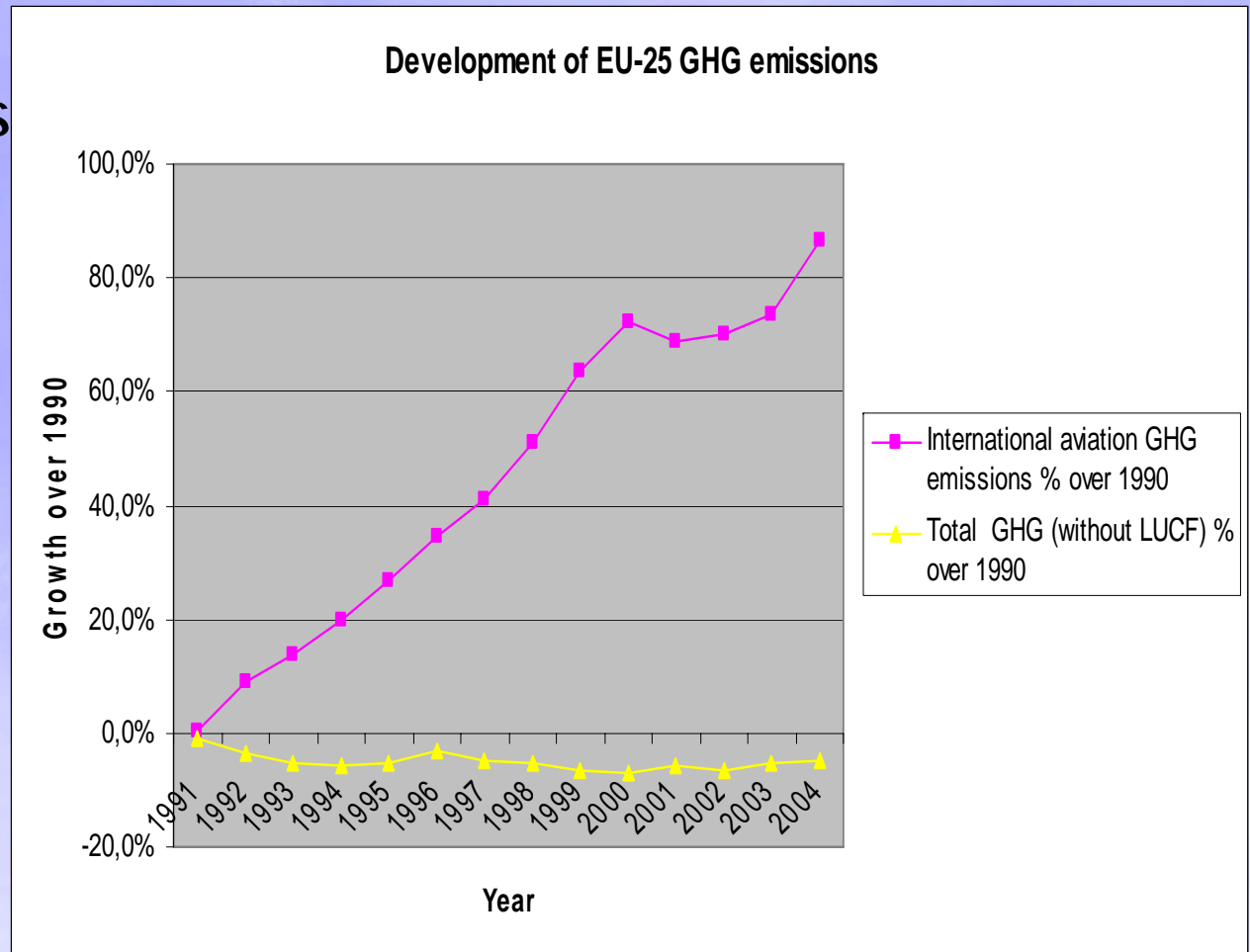
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EU context



- Rapid growth in aviation emissions
- Strong public pressure to act
- Repeated calls for Commission to make proposals
- Individual States considering unilateral actions





Europe's preferred actions



A comprehensive approach, including

- R&D for 'greener' technology
- modernised Air Traffic Management (ATM)
- market-based measures
- support to ICAO's work in improving technical standards



Research & Development



- Latest EU Framework programme (FP7) gives high priority to projects on 'greening' aviation. 160 million euros available in 2007
- In addition, Clean Sky, a joint EC-industry initiative to accelerate introduction of technologies with reduced environmental impact
- Environmental benefits: significant reductions in CO₂, NO_x, UHC, CO & noise emissions



ATM



- **Single European Sky (SES)**
 - Remove national border constraints
 - Build functional airspace blocks & use airspace flexibly
 - Co-operation between civil & military users

- **SESAR**
 - Technological component of SES
 - Environmental objective: 10% less emissions per flight
 - Facilitate application of environmental procedures (eg. for noise abatement)
 - Significant funding in open public-private partnership 2007 – 2013 (over 2.5 bn € so far)



Emission Trading – why is it good?



- EU has already in place a successful ETS covering 50% of emissions
- It complements other measures
- It is in line with ICAO's Resolution A35-5 in incorporating international aviation into existing trading schemes
- It is cheaper than conventional regulation
- It will relieve public and political pressure for taxes
- It is flexible and will have only a marginal effect on airline profitability
- It enables developing countries to benefit from foreign investment generated in the carbon market
- IT ALLOWS GROWTH



EU approach to emission trading



- EU supports an international system *provided* it is not discriminatory and ensures equal treatment
- EU opposes a bilateral approach because
 - we promote a global response to a global problem: ICAO!
 - it would force States to discriminate against their own carriers – or to negotiate over 140 separate agreements: increased uncertainty
 - it would lead to fragmentation, or more likely to no action at all
 - it would not work (it would lead to circumvention through eg. leasing)
 - it would contravene the fundamental principle of non-discrimination enshrined in the Chicago Convention



EU Process



The Proposal:

- Prevents the need for other measures to reduce emissions
- Would not apply to third countries that put in place equivalent measures
- EU Airlines would bear the main burden of the scheme
- Final modalities still to be decided: open for dialogue



EU Process



- Commission proposal - December 2006
- Co-decision procedure: 2 readings
 - Council of Ministers
 - European Parliament
- Expected timeframe to enactment - 1-3 years
- Allows EU legislators to consider outcome of ICAO's discussions



Conclusion



- EU has started a process and is moving forward
- We are open to constructive suggestions leading to meaningful action
- EU considers a *comprehensive* approach essential – market-based measures alone are not the answer, but they are a key element
- EU believes ICAO should promote such an approach allowing global action on emissions from international aviation