



International Civil Aviation Organization

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ASSEMBLY — 36TH SESSION

EXECUTIVE COMMITTEE

Agenda Item 17: Environmental protection

ENVIRONMENT AND EMISSION TRADING CHARGES

(Presented by Nigeria on behalf of African States²)

EXECUTIVE SUMMARY

The European Union (EU) recently decided to include aviation in the Emission Trading Scheme (ETS). The decision affects not just the EU Carriers but includes all Carriers operating into EU airports. This decision is viewed by many non-EU States as a unilateral imposition which should be reconsidered.

Action: The Assembly is invited to consider and approve the African position on the proposal on ETS enumerated in paragraph 4.3.

<i>Strategic Objectives:</i>	This working paper relates to Strategic Objective C (<i>Environmental Protection - Minimize the adverse effect of global civil aviation on the environment</i>).
<i>Financial implications:</i>	Not applicable
<i>References:</i>	

¹ English and French versions provided by the Presenter.

² Algeria, Angola, Benin, Botswana, Burkina Faso, Burundi, Cameroon, Cape Verde, Central African Republic, Chad, Comoros, Congo, Cote d'Ivoire, Democratic Republic of the Congo, Djibouti, Egypt, Equatorial Guinea, Eritrea, Ethiopia, Gabon, Gambia, Ghana, Guinea, Guinea-Bissau, Kenya, Lesotho, Liberia, Libyan Arab Jamahiriya, Madagascar, Malawi, Mali, Mauritania, Mauritius, Morocco, Mozambique, Namibia, Niger, Nigeria, Rwanda, Sao Tome and Principe, Senegal, Seychelles, Sierra Leone, Somalia, South Africa, Sudan, Swaziland, Togo, Tunisia, Uganda, United Republic of Tanzania, Zambia, Zimbabwe

1. INTRODUCTION

1.1 The issue of aircraft emission and the need to protect the environment have become a very important issue globally. Efforts are being made to find solutions to reduce aircraft emission generally. This is because aircraft emission has been found to contribute to global climate change, and its contribution is increasing, notwithstanding the significant improvements to aircraft technology and operational efficiency as these have not been enough to neutralise the effect of increased traffic.

1.2 It has been alleged that the full climate impact of aviation goes beyond the effects of Carbon dioxide (CO₂) emissions. Aircraft also contribute to climate change through the emission of nitrogen oxides (NO_x) which are particularly effective in forming the greenhouse gas ozone when emitted at cruise altitudes. Aircraft also trigger formation of condensation trails, or contrails, and are suspected of enhancing formation of cirrus clouds, both of which add to the overall global warming effect.

1.3 It has been alleged that aircraft are estimated to contribute about 3.5 per cent of the total radiative forcing (a measure of change in climate) by all human activities and that this percentage which excludes the effects of possible exchanges in Cirrus Clouds was projected to grow.

2. THE EUROPEAN UNION EMISSION TRADING SCHEME

2.1 The European Union Commission on December 20, 2006 issued proposed legislation to extend the European Union (EU) Emission Trading Scheme (ETS) to civil aviation. The proposal would mandate participation of non-EU carriers flying to and from the EU in year 2012. This means the ETS would apply to all carriers operating in Europe without regard to nationality. To the extent that they operate from airports in the European Union (EU), foreign airlines would be included in the same way as EU airlines. The implication of this proposed legislation is that the EU is imposing the emission trading scheme on a unilateral and non consensual basis.

2.2 Under this Emission Trading scheme, industrial operators receive emission allowances giving them the right to emit a certain level of carbon dioxide per year. If they anticipate that their emissions will exceed their allowances, they can either take measures to reduce emissions or buy additional emission allowances on the market. Conversely, if their actual emissions are lower than their allowances, they can sell their surplus allowance on the market or 'bank' it to cover future emissions.

3. ICAO AND ENVIRONMENTAL ISSUES

3.1 According to Assembly Resolution A35-5, ICAO is conscious of its responsibility and that of its Contracting States "to achieve maximum compatibility between the safe and orderly development of civil aviation and the quality of the environment". The organization's activities on the environmentally are primarily focused on those problems that benefit most from a common co-ordinated approach, on a worldwide basis, namely aircraft noise and the impact of aircraft engine emissions. Most of this work is undertaken through the ICAO Council's Committee on Aviation Environmental Protection (CAEP).

3.2 ICAO Assembly Resolution 35-5 endorsed the further development of an open emissions trading system for international civil aviation and requested the Council of ICAO to provide further guidance for States in this matter focussing on establishing the structural and legal basis for aviation's participation in an open trading system, and including key elements such as reporting, monitoring, and compliance, while providing flexibility to the maximum extent possible, consistent with the United Nations Framework Convention on Climate Change (UNFCCC) process. Accordingly, available information states that ICAO had prepared draft guidance on this subject which will be presented to this 36th Session of the Assembly.

4. AFRICA'S POSITION ON EUROPEAN UNION EMISSIONS TRADING SYSTEM

4.1 There is no evidence to show that proper studies have been carried out in Africa on the issue of aircraft noise and emission. It is a fact that the Kyoto Protocol did not set any target or limitation on emission for developing nations. There is need for proper study to be carried out to determine the effect of aircraft noise and emission on the continent and also determine the effect that the ICAO guidelines on the Emission Trading Scheme may have on the region generally and the African airlines in particular.

4.2 However, African States view with the great concern the unilateral imposition of the Emission Trading scheme by the European Union on non-EU carriers. The EU proposal raises serious questions regarding the issues of Chicago Convention and Bilateral Air Services Agreements. Furthermore, the proposal will subject African States and their airlines to the required emission targets an action which is contrary to the provisions of the Kyoto Protocol. There is need to comply with the United Nations Framework Convention on Climate Change (UNFCCC) principle of common but differentiated responsibilities and capabilities.

4.3 African States are therefore stating that they:

- a) do not support unilateral inclusion of third party airlines in the Emission Trading Scheme (ETS) of European Union (EU) without their mutual consent, as well as the EU proposed geographical scope of the scheme. They believe that while Emission Trading could be a more effective solution than imposition of charges, inclusion of aviation emissions in Emission Trading Scheme (ETS) should follow ICAO guidelines based on mutual agreement of States and airlines involved;
- b) believe that since Kyoto Protocol does not set emission targets for developing countries, inclusion of airlines from developing countries in the ETS of EU would amount to setting for them emission targets through the back door;
- c) believe that ICAO and Contracting States should adhere to the United Nations Framework Convention on Climate Change (UNFCCC) fundamental principle of common but differentiated responsibilities and capabilities for developing and developed countries;
- d) support the ICAO's efforts in minimizing the impact of aviation emission on the environment. African States do not believe that unilateral imposition of aviation emission charges by a region is an effective solution to the problem of emission due to difficulties associated with direct application of those charges to emission

reduction and the potential discrimination against aviation in comparison to other more polluting sectors. African States therefore do not support the imposition of aviation emission charges;

- e) agree and support that ICAO should be the forum through which to resolve all technical issues relating to the environment;
- f) expect that emphasis should be on those measures that reduce emissions and at the same time do not negatively impact the growth of air transport, particularly in the developing countries where the industry is at infancy. Such emphasis should be on the development of better fuel efficient engines, research into alternative fuels, reduction in air traffic delays, fuel burn by aircraft etc.; and
- g) expect ICAO and its Contracting States to look closely at the management of inter-relationship between noise and emissions. In this regard advocate for removal of night curfews imposed on operation into airports particularly in Europe, since aircraft noise levels have over the years reduced considerably. Retention of the night curfews further increase delays and congestion at those airports with great fuel burn and other operational penalties to airlines, as well as higher emissions into the environment.

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