



The Inclusion of Aviation in the EU ETS, A Perspective from the Aviation Sector

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Speaking on behalf of



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A Multi-Action Strategy



- **The European aviation sector takes its environmental responsibility very seriously**
- **2005 : European Aviation Industry Emissions Containment Policy**

Aviation emissions to be tackled through...

A Multi-Action Strategy



- **Technological progress**
- **Infrastructure improvements**
 - Full implementation of the Single European Sky would reduce emissions by up to 12%
- **Operational best practice**
- **Emissions Trading Scheme (ETS) as the most cost-effective economic instrument**

EC ETS Proposal: Positive elements



- **Open system**
 - Possibility to trade with the other sectors
 - Access to CDM & JI
- **CO₂ only**
 - No multiplier factor
 - Non-CO₂ effects to be tackled outside ETS
- **Non-discrimination between operators**
 - Inclusion of all operators within the defined geographical scope
- **Harmonised procedure at EU level for the allocation of allowances**

EC ETS Proposal: Points of concern



■ **Baseline of 2004-2006**

- Too distant from trading period
- New EU Member States penalised as their booming market is not taken into account
- Unavailability of accurate baseline data

■ **Emissions cap – stabilisation at 2004-2006 levels**

- Any growth above the cap will have to be purchased :
 - 30% of emissions by 2012 (*)
 - 50% by 2017
 - 70% by 2022

(*) Including auctioning



- **Auctioning**
 - Mandatory for aviation
 - But application to ground sources left to Member States to decide

- **Relations with 3rd countries**
 - Acceptance of the EU ETS ?
 - Legal assessment ?



The European Aviation Industry calls upon the European Parliament and the Council to...

- **Preserve the positive elements of the proposed ETS**
- **Improve the badly designed elements**
- **Prevent international disputes**
- **Accelerate the implementation of the Single European Sky policy**

So as to enable the EU to meet its targets under Kyoto whilst maintaining industry competitiveness under the Lisbon agenda