

**Synopsis of Remarks by Andrew Steinberg  
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The United States and European Union generally agree on:

- The need to address aviation’s greenhouse gas emissions;
- The science issues related to aviation emissions
- The need to modernize air traffic management systems to improve environmental performance.
- The importance to advance aircraft and engine technologies as well as explore the use of alternative fuels to improve environmental performance; and
- The notion that market-based measures may play a role in addressing aviation’s environmental impacts.

Despite our common interests and goals, the United States sees the proposed EU legislation, which would subject international aviation to the EU Emissions Trading Scheme, as fundamentally misguided. Moreover, the vast majority of countries outside the EU-- Kyoto signatories and non-Kyoto signatories, rich and developing countries alike--share our view. Our concerns are based on several issues:

First, the EU legislation is incompatible with international legal obligations. It will lead to years of dispute resolution, arbitration, and litigation rather than a focused global effort on addressing the challenge of managing aviation emissions impacts.

Second, the proposal disregards significant differences in aviation across the world. U.S. air carriers actually produced 10 million fewer tons of CO<sub>2</sub> in 2006 than in 2000 while moving 12% more passengers and 22% more freight. Their international emissions are growing slowly compared to EU international aviation emissions. A one-size-fits-all solution is not appropriate globally.

Third, the design of the system proposed in the EU legislation raises serious doubt as to its fairness and likely effectiveness.

The US supports efforts to address aviation emission impacts and is doing so through an action program that facilitates research on critical scientific issues, fosters more environmentally efficient engine and aircraft designs, explores the development of alternative fuels, and accelerates the modernization of our air traffic system.

The U.S. also supports ICAO’s adoption of emissions trading guidance for international aviation. It should be part of the “toolbox” of solutions for countries around the world. However, the guidance should endorse its use only on the basis of mutual consent between States.

The real issue before us is how we work together in the international community to meet this difficult, but common challenge.