

Session 6: Aviation

IEA/IETA/EPRI
GHG Emissions
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What we know... so far

- Carbon offsets will play a role under the CORSIA, to help the industry meet the target of carbon neutral growth from 2020 and later 50% reduction by 2050
- The Committee on Aviation Environmental Protection (CAEP) made a recommendation to ICAO in 2017 for the Emission Unit Criteria (EUC)
- Once approved via formal ICAO process, the EUCs for emission units will be made public
- These criteria are being designed with the intention of ensuring environmental credibility of offsets allowed in the CORSIA system

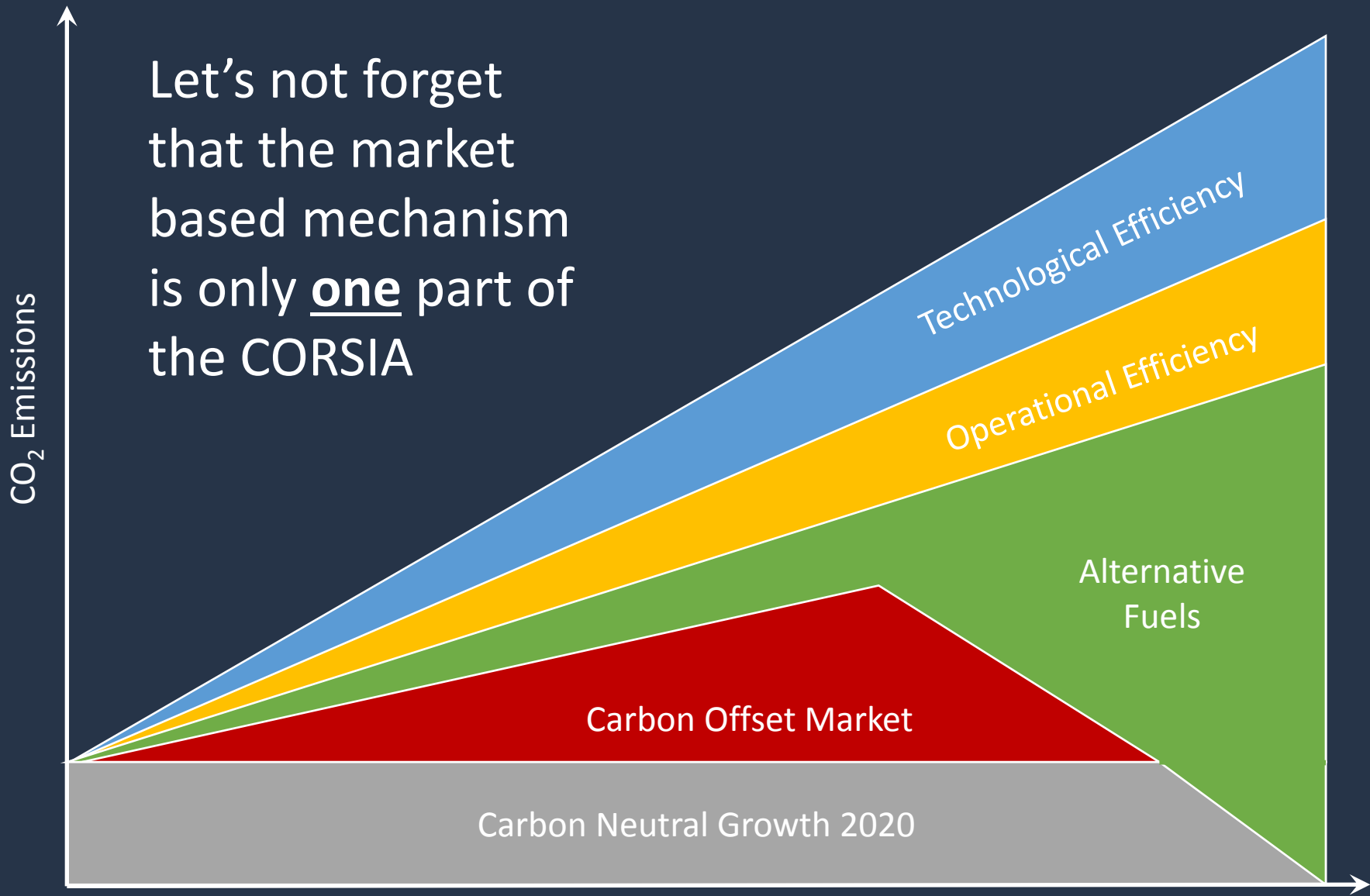


What we don't yet know

- What restrictions will be placed by CAEP/ICAO on emission units from existing carbon market standards (CDM, VCS, Gold Standard, ACR, CAR, Plan Vivo etc)
- Which project methodologies will be recognized by ICAO and be eligible under the CORSIA
- What restrictions will be placed on the eligibility of project vintages, of eligible units
- Inclusion of mitigation outcomes as defined under Paris Agreement
- Whether the airlines will be in a position to purchase eligible emission units once EUCs are released



Let's not forget that the market based mechanism is only one part of the CORSIA



CAEP/ICAO Cost Estimates

Estimated total industry cost	2025		2030		2035	
	Low estimate	High estimate	Low estimate	High estimate	Low estimate	High estimate
CO ₂ from international aviation	828 mio tCO ₂	879 mio tCO ₂	945 mio tCO ₂	1,048 mio tCO ₂	1,101 mio tCO ₂	1,270 mio tCO ₂
CO ₂ to be offset	142 mio tCO ₂	174 mio tCO ₂	288 mio tCO ₂	376 mio tCO ₂	443 mio tCO ₂	596 mio tCO ₂
Total cost of offsetting	\$2.2 bn	\$6.2 bn	\$4.3 bn	\$12.4 bn	\$8.9 bn	\$23.9 bn

Source: https://www.icao.int/Meetings/a39/Documents/WP/wp_153_rev1_en.pdf



Questions Remaining...

- When exactly will the EUC guidance be finally released (late 2018 or early 2019)?
- What is the process for project methodologies to be recognized under CORSIA, and with whom must they be registered?
- What is the status of REDD+ under CORSIA and if included how significant will this be in terms of supply?
- What will be the available volume of eligible units at the beginning of the system and beyond (ie coming from voluntary market and CDM for example)?
- What role will Paris Article 6.2-6.3 play (ie. transfers of mitigation outcomes)?
- Double counting, corresponding national adjustments etc?



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