Climate Change
The Views of Europe’s Airports

5th Annual Workshop on
Greenhouse Gas Emissions Trading
Paris, 27 - 28 September 2005

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European branch of the Airports Council International (ACI), based in Geneva

Represents the interest of some 400 airports in 45 countries

Our members account for over 90% of commercial air traffic in Europe

We work on a daily basis with the institutions of the European Union, ECAC, and EUROCONTROL
Legislators and regulators have set the tone for the future: 

** Quieter and cleaner air transport **

Noise is already the subject of voluminous legislation

Gaseous emissions are somewhat behind, but the legislator is catching up
Strategic objectives

- Avoid ill-thought legislation
- Ameliorate local regulation
- Support capacity enhancement
- Safeguard existing environmental capacity
- Maximize throughput given existing constraints
- Gain support from local communities
Already withdrawn once from the College of Commissioners' agenda

Was approved/rejected yesterday 27 September 2005

Communication

Legislative proposal(s)
1 September 2005, the Greens organize a conference on Climate Change in the European Parliament:

• Claude Turmes (Greens/ALE, Luxembourg): “the need for a change in the EU transport policy is more acute than ever.”

• Peder Jensen (European Environment Agency, Copenhagen): “the impact of the inclusion of aviation into the EU ETS is negligible.”

• Jos Dings (European Federation for Transport and Environment): “aviation is finally receiving the attention that it warrants. Aviation is by far the worst transport mode from a climate perspective (in terms of passenger / kilometer).”

• Dr. Karl-Otto Schallaböck (Wuppertal Institute): “absence of taxes on kerosene has resulted in an unfair competitive advantage for the aviation industry and should be abolished. The full inclusion of aviation into the EU ETS should be realized as soon as possible.”

• Professor Dr. John Whitelegg (University of York): “there is a fundamental lack of sustainability in the current EU road freight transport policy.”
Capacity cap

Taxes

Charges

Price out of flying

Restrict from flying
“Yes the noise and smell are awful, that’s why we fly to Ibiza whenever we can!”
1. Noise Emissions

1.1 Certification

1.2 Classification

1.3 Measures: reduction at source

2. Noise Impact

2.1 Assessment

2.2 Monitoring

2.3 Measures

2.3.1.1 Procedures

2.3.1.2 Restrictions

2.3.2 Land use planning

2.3.3 Passive measures

2.3.4 Charges

2.2.1 Noise limits

2.2.2. Sleep disturbance

Balanced approach ICAO_A33/7 + COM(2001) 695

1.1.1 ICAO Annex 16, Vol I

1.2.1 ICAO-Chapters

1.2.2 Airport Noise Rating Scheme

1.2.3 London Noise QC 2

2.1.1 Modelling AIRMOD

2.1.2 Monitoring ENHANCE

Proposal

Noise at airports working group

ECAC/ANCAT

EU

EUROCONTROL

COM(2000) 468

COM(2001) 74

ICO/CAEP

PLANO

Procedures/ B-RNAV

Operational ...
EMISSIONS PICTURE

1. Gaseous Emissions
   - 1.1 Certification
   - 1.2 Assessment
   - 1.1.1 ICAO Annex 16, Vol II
     - Regulated engines
       - EMCAL
       - Unregulated engines
       - Other sources
     - EMTRA
   - 1.3 Measures
     - 1.3.1 Technical
     - 1.3.2 Operational
     - 1.3.3 Economic
     - Charges
       - ERLIG

2. Pollution
   - 2.1 Assessment
     - 2.1.1 Modelling
     - 2.1.2 Monitoring
   - 2.2 Effects
     - 2.2.1 Concentration limits
       - 2.2.2. Health risks
   - The airports’ choice

ICAO/CAEP
ECAC/ANCAT
EU

- Kerosene tax
- En route charges
- Emissions trading

The airports’ choice
Facts – Inaction is not an Option

Aviation = 3% of global climate change impacts
Power generation = 29% (in 2004)

But only international aviation and shipping are not covered by Kyoto caps – issue over fuel tax exemption

And the “business as usual” case will see aviation grow to 5-6% of climate change impact by 2050

But if EU ambitions to cut CO2 by 60% by 2050 is realised, aviation could account for 35% of EU emissions

AND issue over radiative forcing (2.7 times CO2?)

Pressure from NGOs and Governments to tackle aviation’s emissions and exemptions from taxes

Facts – our licence to grow
Effects of growth on aviation CO2 emissions

Assumptions
- 4.25% pa growth in passenger kms
- 1.5% pa improvement in fleet efficiency
- Impact of ACARE targets of 50% efficiency improvement delivered in 2020 and fully deployed by 2045
- “Sustainable” aviation emissions

Source: Colin Beesley Head of environmental strategy, Rolls-Royce plc
Attitudes towards emissions trading

- Supported unanimously by ICAO States in Assembly Resolution A33/7 - reaffirmed at 35th Assembly (October 2004)
- Could allow emissions from aviation to grow within an overall reducing total
- Most efficient

UK aspiration is to include aviation in EU emissions trading scheme from 2008, or as soon as possible thereafter

Already talking in DG ENV, DG TREN and EU Member States

An opportunity for the EU to show leadership
Not an easy task – issues to resolve

How to allocate international emissions?
How to distribute allowances to emit CO2 to the air transport sector? (NAP? EU-wide? Other?)
Should we be looking at LINKING aviation to the main emissions trading scheme rather than INTEGRATING it?
In a linked scheme aviation could buy permits through a gateway/ clearing house, but only sell back permits that were Kyoto accredited
Allocation might be at EU level rather than through individual States to avoid competitive distortion.
Need to develop appropriate reporting and verification methodologies
Must find definitions of new business or closure that are appropriate for aviation
Should avoid penalising “early movers”
How to deal with intra-EU flights by non-EU airlines?
Are airlines the right trading entity?
June 2004: discussion paper on aviation and climate change – in favour of EU / international emissions trading
November 2004: grand debate
January 2005: Strategy on Climate Change
August 2005: views on how to incorporate air transport into an EU Emissions Trading Scheme
Key design elements

ACI EUROPE reaffirms that the best approach for addressing aviation’s climate change emissions is a long-term global strategy, which identifies and phases in the most environmentally-effective, economically-efficient and politically-deliverable measure for each emission.

- Early entry of aviation into an emissions trading scheme to cover CO2 only;
- Other pollutants, such as NOx, to be tackled using other, more appropriate local instruments;
- Aircraft operators to be allocated the emissions permits/quotas;
- Emission permits/quotas to be allocated at EU level;
- The allocation methodology to ensure non-discrimination;
- The scheme should include emissions from intra-EU flights only in a first phase.

ACI EUROPE therefore suggests that the European Commission establishes a roadmap for long-term global action, with an Action Plan which sets out the policy milestones for achieving aviation’s emissions objectives.

Airports hold the same language at world level (ICAO)

... none of the problems is insoluble
Technological internalisation?

- Fuel efficiency is improving by 1-2% a year, while aviation has been growing by 5% a year.
- There is no alternative to burning kerosene in the next 50 years.
- NOx can be engineered out, but it will take 20-30 years to replace aircraft fleet, and this could impact fuel efficiency.
- Water vapour production could be avoided by new air traffic procedures, but this is a 30-year project.
- Internalisation too long-term.

... not sufficient
Capacity constraints?

- Preventing airports from growing will damage airport and airline businesses
- Constrained supply will push up airfares
- Constraints will lead to more congestion
- Constraints will choke off many services, especially short-haul
- Constraints in the UK alone will damage UK competitiveness against the rest of the EU/world

... not viable
Taxes?

- Will increase airline and passengers costs
- Applied to the UK alone, it will damage UK aviation competitiveness
- Revenue flows to Government, and is not spent on reducing emissions
- The level of tax needed to affect growth is punitive (ICAO study suggested 8 or 9 times the cost of fuel just to halve emissions growth)
- As emissions continue to grow, additional measures will be demanded – we end up paying twice

... blunt, gross, inefficient, ineffective
Charges?

- Will increase airline and passengers costs
- Applied to the EU alone, will damage aviation competitiveness
- Revenue flows to Governments, and is not spent on reducing emissions
- Some incentive to improve efficiency, but not beyond current technology
- As emissions continue to grow, additional measures will be demanded – we end up paying twice

... unjust and insufficient
Trading?

- Will increase costs to airlines and passengers, but likely to be much cheaper than alternatives.
- Directly reduces emissions on aviation’s behalf, allowing aviation to continue to grow.
- Mechanism already exists: EU ETS.
- Accepted by ICAO, DG Environment and NGOs.
- Is the best chance of forestalling taxes and charges.
- Is the best chance of bringing the US and others on board later.

... sustainable and sound, broad industry consensus.
Conclusion

Three key areas:
- Technological and procedural improvements
- Amelioration & retrofit – reduction at source
- Community relationship

Three means to our ambition:
- Adequate legislation
- Adequate standards
- Harmonisation & implementation

Three tasks on our agenda:
- Communicate - our successes
- Lecture – inform society
- Catch-up – on the deficit of image

Secure our Licence to Grow
APOLOGIES to Mr. Spielberg!

... and many thanks for your attention