



EU Aviation Policy and Climate Change

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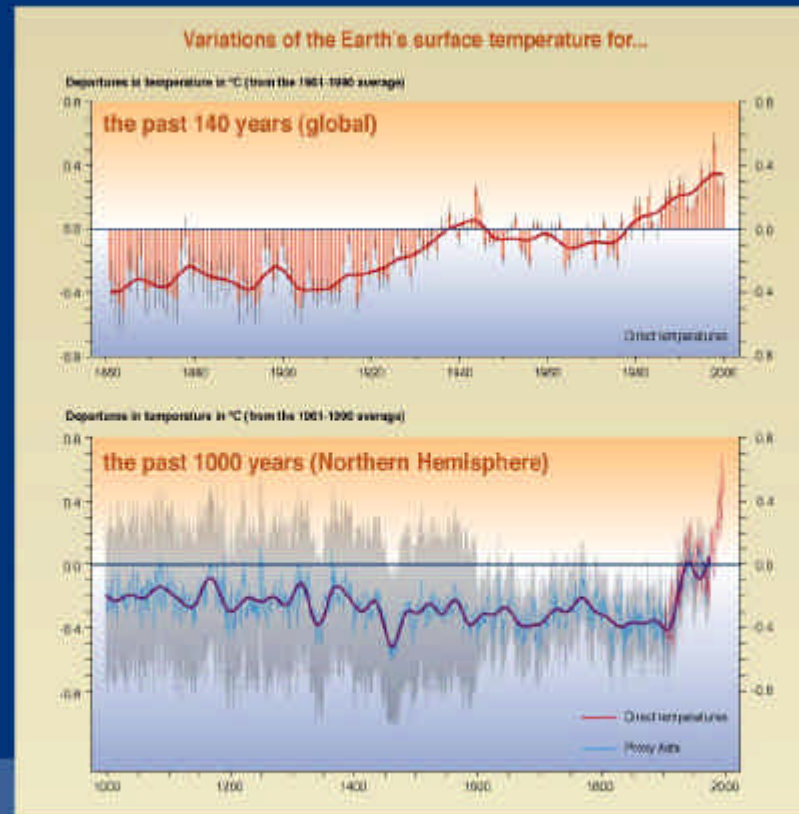


Overview

- ✍ **The challenge of climate change**
 - ✍ **Aviation's contribution to climate change**
 - ✍ **Action in other sectors**
 - ✍ **Implications for aviation**
 - ✍ **Options for aviation**
 - ✍ **Summary and next steps**
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The Climate Change challenge



SYR - FIGURE 2.3

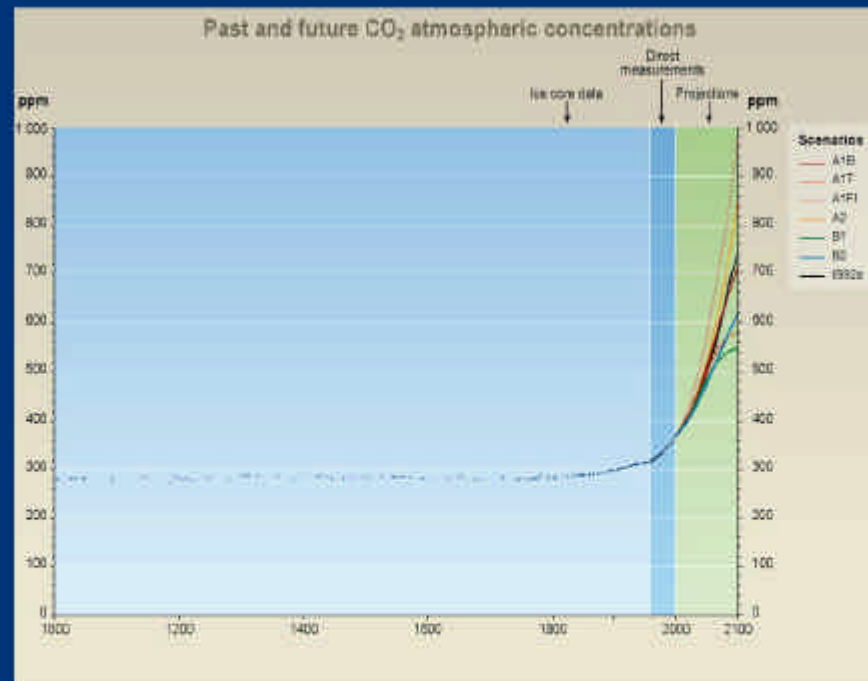
IPCC

INTERGOVERNMENTAL PANEL ON CLIMATE CHANGE





The Climate Change challenge



IPCC

INTERGOVERNMENTAL PANEL ON CLIMATE CHANGE





The Climate Change challenge

What science expects

- ✍ Rising sea level, risk of flooding, erosion and wetland loss will increase
- ✍ Extreme weather events (eg. heat waves) will occur more often
- ✍ Increase of water shortage
- ✍ Health risks
- ✍ ...

The overall objectives

- ✍ Kyoto - EU '-8%' (2008-2012)
- ✍ 6th Community Environment Action Plan :
 - ✍ T: max +2°C
 - ✍ CO₂: <550 ppm
 - ✍ GHG: 70% reduction likely to be needed in the long term

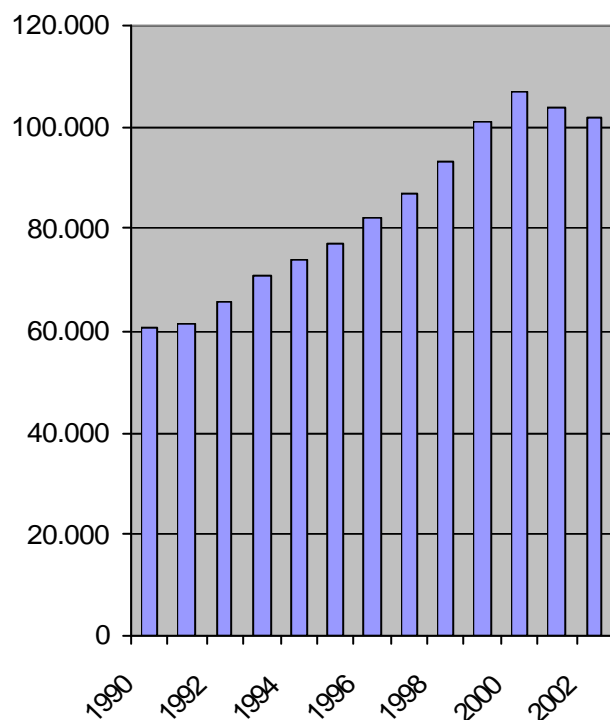
Ultimate objective

- ✍ Realise the UNFCCC aim
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Aviation's contribution

CO₂ emissions from international aviation as reported to UNFCCC by EU15



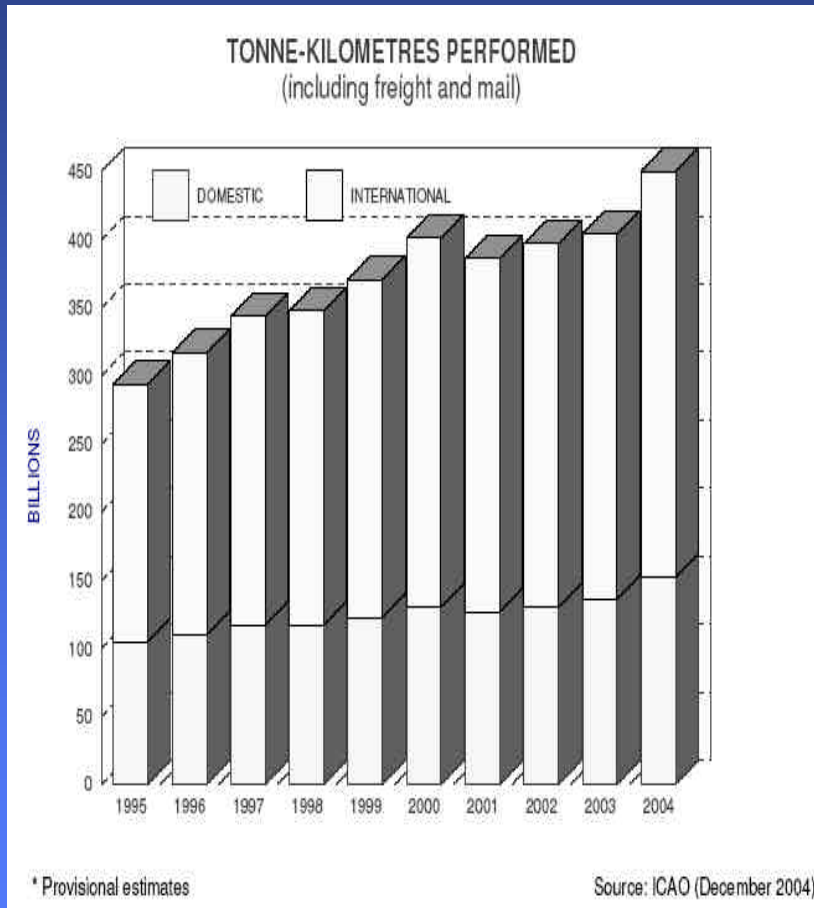
CO₂ from international aviation as reported by EU-15

- increased by ? 67% 1990-2002
- ? +4.4%/year
- ? +3.2% of EU15 CO₂ in 2002

NB! CO₂ only part of total impact: IPCC estimated the total radiative forcing to be 2-4 times greater



Aviation's contribution

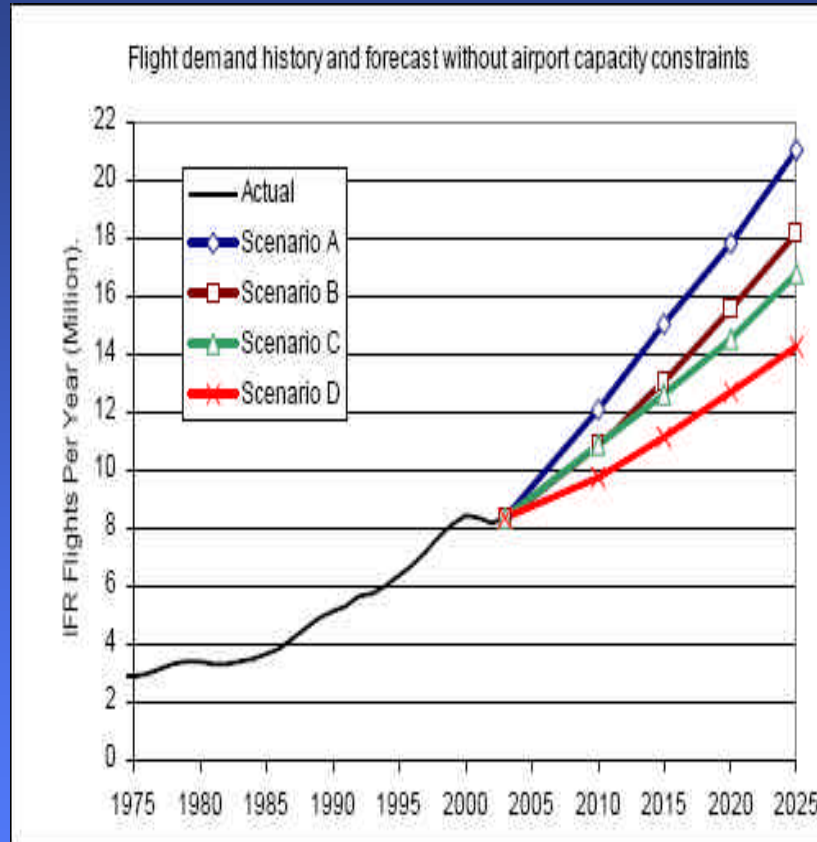


ICAO in December:

- ✍ **” STRONG RECOVERY FOR AIR TRAFFIC IN 2004”:**
- ✍ **World passenger traffic (in p-km) increased by about 14 %**
- ✍ **For freight (t-km), the figure was 13%**



Aviation's contribution



- ✍ **Air traffic demand in Europe likely to double by 2025: Eurocontrol scenarios* operate with 2.5-4.3% annual increase in no. of flights**
- ✍ **ICAO CAEP/6 forecast suggests doubling of world passenger fleet from 2002 to 2020**
- ✍ **Technological improvements at current pace will continue to be outstripped by growth**

*Source: Eurocontrol Challenges to Growth 2004 Report (CTG04), December 2004



Other sectors' contribution

- ✍ **EU-15 GHG emissions *decreased* by 2.9% from 1990 to 2002**
 - ✍ **From 1 January 2005, broadly half of EU emissions became subject to caps under the EU Emissions Trading Scheme**
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Implications for aviation

- ✍ **Aviation's climate change impact likely to grow, in absolute and relative terms, for decades to come if nothing is done**
 - ✍ **Currently the sector has no incentive to take account of climate costs (ie. to internalise its external costs)**
 - ✍ **Commission's 1999 Communication on Air Transport and Environment proposed long term policy target:**
 - ✍ *to achieve improvements to the environmental performance of air transport that outweigh the environmental impact of growth*
 - ✍ *Use of market-based measures*
 - ✍ **Political pressure: EP, Council, UK Presidency**
 - ✍ **So far the EU has been waiting for ICAO, but**
 - ✍ **6th Environment Action Programme:**
 - ✍ *"...identifying and undertaking specific actions to reduce greenhouse gas emissions from aviation if no such action is agreed within the International Civil Aviation Organisation by 2002"*
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Options for aviation

- ✍ **To date 2 main options for economic instruments have been considered in Commission studies:**
 - ✍ **Fuel taxes**
 - ✍ **Emissions charges**
 - ✍ **Incorporation of aviation in the EU ETS another possibility**
 - ✍ **Study launched in November 2004**
 - ✍ **Draft final report by 8 May – agreed final report 2 months later**
 - ✍ **Contract awarded to consortium of**
 - ✍ **CE Delft**
 - ✍ **Oeko-Institute**
 - ✍ **Center for Aviation, Transport and the Environment, MIMU**
 - ✍ **International Institute for Air and Space Law**
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Economic incentives can help...

- ✍ to encourage the sector to adopt in-service technology and operational practices that are better environmentally
 - ✍ to ensure that users of air services bear the full environmental cost of those services
 - ✍ to generate more resources and/or more efficient use of resources
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Summary and Next Steps

- ✍ **Climate change is happening – and the EU is doing something about it**
 - ✍ **Aviation is not contributing to climate change mitigation – on the contrary**
 - ✍ **Commission intends this Summer to draw policy conclusions on the use of economic instruments and suggest a way forward:**
 - ✍ **Stakeholder consultation 1st half of 2005**
 - ✍ **Communication scheduled for July 2005**
 - ✍ **Debate in EU institutions (EP & Council)...**
 - ✍ **...probably followed by legislative proposals**
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Possible points for discussion

- ✍ *pros and cons* of alternative incentives
(taxes, charges, emissions trading)
 - ✍ possible improvements to the way that resources for achieving a better environment are targeted
 - ✍ improving public awareness and perhaps changing attitudes to the use of air passenger and air freight services
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