



GreenSkies

GREENPEACE



07 September 2004

Dear Minister,

Re: joint EU reservation to ICAO Resolution

We urgently call on you to commit to a **joint EU reservation** to the proposed resolution on market-based measures to address aircraft engine emissions, due to be tabled at the forthcoming International Civil Aviation Organisation (ICAO) Assembly.

The 188 Contracting States of the ICAO are due to meet from 28 September to 8 October 2004 in Montreal. One of the most controversial issues to be discussed is a new text for the so-called 'market based measures' in the 'environmental' resolution (A33-7).

The current text, proposed by a coalition of 22 nations of the ICAO Council, makes it virtually impossible for any ICAO State or region to implement their own efficient and effective global warming policies for aviation and to arrive at a better level playing field for all modes of transport.

Both the eight European states in the ICAO Council and the 41 Member States of the European Civil Aviation Conference (ECAC) have already written letters expressing their discontent with the current text. We consider this as an encouraging sign that Europe refuses to be taken hostage on this issue. It is now urgent that you express the willingness to complement words with deeds.

**Proposed text tries to block implementation of economic incentives**

The new text, initiated by the United States and signed by 21 other states from the ICAO Council, urges ICAO Contracting States not to implement any emission-related levies. Furthermore, it says that ICAO (rather than states or regions) should lay down the legal framework for a potential system for emissions trading. If past experience is anything to go by, this is very unlikely to happen. The instruments mentioned are indispensable in any policy to reduce greenhouse gas emissions from civil aviation.

### **European sovereignty under fire**

The proposed text not only impedes environmental policy, but is also particularly disastrous from a sovereignty point of view i.e. the right of European and other states to implement fiscal, transport and climate policies as they see fit. The European Union has, for this reason, been very keen on keeping options for climate policy open.

### **Substantial climate threat**

According to the 1999 special IPCC Report on civil aviation, in 1992 the sector contributed about 3.5% to man-made global warming. Given the 40% rise of kerosene consumption since 1992, and a likely underestimation of the impact of non-CO2 emissions, the current contribution is more likely to be double that amount. Still, international flights are exempt from VAT and fuel taxes. Consequently, there is a serious distortion of competition between aviation and other modes.

Emissions from civil aviation are outside the scope of the Kyoto Protocol. Article 2.2 of the Protocol, however, says that States should pursue reduction of greenhouse gas emissions 'working through ICAO'. ICAO is now effectively proposing to block introduction of economic incentives to reduce emissions. Obviously this is a flagrant denial of its responsibility.

We therefore now call on you to complement your encouraging words with deeds, and urge you to clearly express your willingness to make a joint EU RESERVATION to a compromise text if it does not satisfy European demands. Europe can only protect its sovereignty by showing unity.

Yours sincerely,

Jos Dings  
Director T&E, the European Federation for Transport and Environment

On behalf of:  
WWF  
Greenpeace  
European Environmental Bureau  
Climate Action Network  
Greenskies  
European Federation for Transport and Environment

Cc: EU Transport Ministers  
A version of this letter has also been sent to EU Environment Ministers.

Encl.: 'Market-based measures regarding aircraft engine emissions' – Appendix I to updating of Resolution A33-7 (marked by hand, to show text changes of most concern)