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**Submission to the Ad-hoc Working Group on Long-term Cooperative Action (AWG-LCA)**

from The Climate Group

**Sectoral integration of aviation in a new global climate deal: Meeting environment goals and maintaining competitiveness**

*6 February 2009*

In a little over 10 months time governments must negotiate and agree an ambitious, equitable and effective global deal to address climate change. International aviation emissions must be an integral part of this agreement.

As laid out in paragraph 1(b)(iv) of the Bali Action Plan, countries have agreed to consider international action to mitigate climate change through “...cooperative sectoral approaches and sector-specific actions...in order to enhance implementation of the Convention.” It is appropriate that international aviation emissions are covered by these discussions.

However, although the AWG-LCA is the most suitable UNFCCC body for discussing emissions from the sector, primary responsibility for developing practical and effective solutions for the aviation must lie with the International Civil Aviation Organization and particularly its Group on International Aviation and Climate Change (GIACC). Policy solutions developed in these bodies should be fed into the AWG-LCA negotiations for final adoption in Copenhagen.

Over the past six months The Climate Group has undertaken extensive consultation within the aviation sector to identify and develop policy ideas for effectively addressing international aviation emissions. It has been clear from these discussions that there is widespread industry support for a global sectoral solution for aviation.

Such a solution must deliver environmental and developmental objectives while ensuring a level playing field in global aviation markets. It must establish incentives for emissions reduction through fleet replacement, infrastructure improvement, sustainable biofuels and develop market-based instruments, especially emissions trading. The eventual solution needs to value the socioeconomic contribution a sustainable aviation sector makes to the growth of the global economy whilst maintaining a competitive and healthy international industry.

Over the coming months The Climate Group will be working with its aviation partners to engage policymakers to help develop a constructive approach to integration of aviation into a post-Kyoto climate change agreement. To facilitate this policy development, The Climate Group urges decision makers – led through ICAO – to adopt the following set of key principles for shaping a global deal for aviation:

- **Environmental integrity** – Aviation must reduce net emissions in line with scientifically determined targets, through continued investments in technology, development of alternative fuels, improvements in infrastructure, operational efficiency and cost-effective economic measures, especially carbon trading. Any regime for aviation must be consistent with the levels of emissions from aviation and in proportion to the overall level of emissions in the broader international framework. Policy must not create ‘carbon leakage’ where emissions continue, but markets are distorted.

- **A global policy** – International aviation emissions must be integrated in a post-Kyoto climate change agreement. Policy measures to deal with aviation's contribution to climate change should be developed at a global sectoral level to avoid competitive distortion and creating a patchwork of contradictory national and regional policies.
- **Maintain competitiveness between airlines** – Airlines must face equal treatment, in accordance with the Chicago Convention. A global sectoral approach is the best way of ensuring this.
- **Equity between countries** – At the same time as it delivers equal treatment between *airlines*; any agreement must also respect the UNFCCC principle of common but differentiated responsibilities amongst *countries*. Achieving this will require progressive political leadership and a willingness to consider innovative solutions.
- **Economic efficiency** – Aviation must be integrated within the overall climate framework with open access to cost-effective market-based instruments including carbon trading, CDM credits and potentially deforestation avoidance credits.
- **Operational capability** – The system must be simple, universally applicable and straightforward to implement. Compliance must be enforceable at state and carrier level.