

Aviation - Gas emissions: European Commission calls on EU Member States to reject exclusivity clause for ICAO's CORSIA

Andrea Antolini Former Researcher JTTRI

【概要 : Summary】

Since the international aviation sector was excluded from the UNFCCC's Paris agreement of 2015, the International Civil Aviation Organisation (ICAO) took over the responsibility to introduce CO2 emission reduction measures for the aviation sector. The ICAO's 39th General Assembly agreed to introduce a Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA). The ICAO's CORSIA scheme has been welcomed as a first step to regulate GHG emissions, but it is also considered having a limited potential to achieving a significant reduction of GHG emissions from aviation. The CORSIA scheme is criticised for its offsetting approach, as it will not ensure the same transparency of emission reduction like an emission trading scheme. The CORSIA scheme is also a matter of concerns as it is only expected to stabilise the aviation sector's GHG emissions rather than reducing them. The effect is limited due to the further increasing volume of air traffic and the limited ability of the aviation sector to introduce alternative fuels or to shift to another source of energy other than fossil fuels in the short or medium term.

The EU supports the CORSIA measure and aims to join the pilot phase of the scheme in 2021 on a voluntary basis. It can be expected that the EU will continue its support for the CORSIA scheme, as it is the only existing measure at international level. However, most recently, the Commission has recommended the

EU Member States to reject the amendments to the CORSIA scheme, and in particular the amendments to former paragraph 19, now paragraph 18, of the A40-WP/59 EX/2618/7/ 19 Working Paper Annex to the ASSEMBLY — 40TH SESSION EXECUTIVE COMMITTEE Agenda Item 17: Environmental Protection – Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA), presented by the Council of ICAO. In the new paragraph 18, the Assembly is invited to determine that the CORSIA will be the only global market-based measure to reduce CO2 emissions from international aviation to avoid a possible patchwork of duplicative State or regional MBMs. The paragraph 18's exclusivity clause to the CORSIA scheme would lead to the abolishment of the EU-ETS for aviation and this is considered being unacceptable for the EU. It is the position of the European Commission to allow the EU and its Member States to continue legislating on emissions from aviation covered by the EU-ETS. The fear is that the CORSIA scheme could in fact lead to an increase of CO2 emissions as it would allow airlines to increase their GHG emissions while offsetting them with inadequate and cheap carbon offsets. Consequently, the Commission has advised the EU Member States to reject the amendments and to file a reservation against the new paragraph 18.

【記事 : Article】

1. GHG emissions in aviation

While the international aviation sector is one of

the fastest-growing sources of GHG emissions, the aviation sector is also among the most complex sectors to decarbonize, due to the existing technical constraints. According to ICCT, in 2018, the global aviation sector emitted about 2.4% of global energy-related CO₂ emissions.

However, the aviation sector continues to grow fast, even though emissions are supposed to decline in line with global climate goals. Aviation emissions have increased by 26% since 2013 alone. They will continue to grow, with passenger numbers expected to double to 8.2 billion in 2037. Forecasted improvements in aircraft fuel efficiency of around 1-2% per year will not be able to offset the expected traffic growth of around 5% per year. Moreover, new technologies like supersonic and urban mobility aircrafts, could lead to even higher increases of CO₂ emissions.

Since the aviation sector is excluded from the 2015 Paris Agreement, the International Civil Aviation Organisation (ICAO) is responsible for taking measures to prepare the introduction of an international regulation of GHG emissions for aviation.

2. The EU-ETS for aviation

Due to the decades-long inaction of the ICAO level to reduce GHG emissions from aviation, in 2012, the EU introduced an emission trading scheme (EU-ETS). Originally, the Directive 2008/101/EC on reducing GHG emissions from aviation included also international aviation. However, the EU eventually agreed to limit the scope of the EU-ETS for aviation, after the ICAO pledged to introduce emission reduction measures at international level. Accordingly, the EU-ETS for aviation covers the CO₂ emissions of about 1400 aircraft operators operating intra-European flights within the European Economic Area (EEA). After the decision was taken to introduce the CORSIA scheme, the EU amended the EU-ETS for tackling CO₂ emissions from aviation and postponed further measures until the ICAO's CORSIA scheme can be evaluated after its

launch in 2021. However, while the EU continues to deal with the intra-European aviation sector's GHG emissions under the EU-ETS for aviation, there exist serious doubts over the environmental effectiveness of the CORSIA scheme.

The EU continues to push for robust and effective rules for CO₂ emission reduction from international aviation at ICAO level. However, as a non-State, the European Union only has ad-hoc observer status at ICAO and the Commission proposes common positions to its EU Member States for votes at ICAO level.

3. The ICAO's CORSIA scheme

In a reaction to avoid unilateral measures of states and regions to limit the CO₂ emission in the aviation sector, the ICAO's 39th session of the Assembly reached an agreement to address international aviation emissions on 6 October 2016. The ICAO's Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) will start with a pilot voluntary phase in 2021. Countries taking part in the pilot will then move into the first formal phase of CORSIA, running from 2024 until the end of 2026, which is similar to the pilot phase. The second phase, from 2027 to 2035, is mandatory for all ICAO members, with some exceptions. The ICAO's CORSIA scheme is expected to control and avoid a further increase of the aviation sector's GHG emissions. On 27 June 2018, the ICAO Council announced to have made important progress on the key international standards for CORSIA during its 214th Session. The ICAO Council adopted the first edition of the CORSIA-related Standards and Recommended Practices (SARPs) for the Carbon Offsetting and Reduction Scheme for International Aviation CORSIA (Annex 16, Vol. IV to the Convention on International Civil Aviation (Chicago Convention)). The Council adopted the Standards and Recommended Practices (SARPs) as a new Volume IV to Annex 16 of the Chicago Convention (the Convention on International Civil Aviation). The ICAO Council also approved the 2018 version of the ICAO CORSIA CO₂ Estimation and Reporting Tool (CERT). As a first

step, as of 1 January 2019, all airlines, which fly international routes, measure and report their CO2 emissions to States and these form part of a baseline of CO2 emissions for CORSIA. From 2021, airlines will need to start offsetting the growth in emissions from the routes between States, which have volunteered to participate in CORSIA's pilot phase. According to the International Council on Clean Transportation (ICCT), the CORSIA scheme can be expected to reduce the net climate impact of international aviation up to 2035, but only if high-quality offsets are used and those offsets are not double counted.

While the EU supports the CORSIA scheme, the effective rules and implementation are critical in order to ensure that CORSIA delivers on its carbon neutral growth objective. The EU strongly urged the adoption of the proposal on the CORSIA scheme without further amendments and emphasized its rejection to any attempts to weaken key elements of the package. However, the ICAO's CORSIA is only expected to achieve a carbon natural growth (CNG) in the 2020-2035 period rather than a reduction of CO2 emissions by aviation. This is due to the increase in transport volume in the aviation sector.

4. Controversies regarding amendments to CORSIA

Ahead of the ICAO's 214th Council session from 11-29 June 2018, some European Member States and the European Commissioner for Transport Violeta Bulc and the European Commission Director General for Mobility and Transport Henrik Hololei mentioned growing concerns that the ICAO Council could weaken the CORSIA scheme. The EU emphasised that the CORSIA's environmental effectiveness has to be secured and not weakened by amendments. According to the ICAO, the introduction of the CORSIA scheme would avoid the necessity to introduce regional measures.

Regarding the CORISA implementation, the 40th ICAO Assembly, which is held from 24 September 2019 to

4 October 2019, is invited to acknowledge the development of CORSIA-related Standards and Recommended Practices (SARPs) and guidance and recognize the clear need to further develop and update CORSIA-related SARPs and guidance and to maintain the ACT-CORSIA (Assistance, Capacity Building and Training for CORSIA) Programme including CORSIA partnerships among Member States and encourage more states to voluntarily participate in the CORSIA from the pilot phase; and to consider the information for the update of Assembly Resolution A39-3, among others.

The aviation industry has expressed concern that the implementation and effectiveness of the ICAO CORSIA carbon-offsetting scheme could be undermined by states or groups of States applying carbon pricing instruments or taxes to international flights additional to CORSIA. The 40th Assembly should formally commit to a process and timetable for the analysis and development of a proposal for a long-term goal, to be presented for adoption as soon as possible at an extraordinary meeting of the Assembly, but certainly no later than the scheduled date for the 41st Assembly in 2022. On the other hand, the NGOs called on the EU not to weaken the existing rules under the EU-ETS for aviation and to avoid any step back in emission reduction targets.

Meanwhile, a paper from China and Russia describe CORSIA and its carbon-neutral growth goal as "morally unfair". (A40-WP%306). The CNG goal and CORSIA standards as lacking "moral fairness", as the burden will fall on fast-growing developing countries rather than mature developed economies. The climate change resolution A39-2, adopted at the last ICAO Assembly in 2016 requested the governing Council to continue to explore through studies the feasibility of a long-term aspirational goal for international aviation and to present progress of the work at this year's 40th Assembly.

5. The EU's position on the exclusivity language in the Assembly resolution A40-WP/59: New paragraph 18 on CORSIA amendments

Regarding the EU, a potential new controversy is likely to arise at the ICAO's 40th Assembly over the future of the EU-ETS for aviation. The 40th triennial Assembly will discuss a draft resolution revising the 2016 resolution establishing CORSIA. One of the key amendments is the part of the draft resolution, which states that CORSIA is the only global market-based measure, which will apply to the international aviation sector's CO₂ emissions. The Assembly is expected to decide on the amendments to the appendix to A40-WP/59, including a revision of operative paragraph 19 in Resolution A39-3: "Para 18 (former19). Determines that the CORSIA ~~or any other scheme decided by the Assembly is to be~~ the only global market-based measure applying to CO₂ emissions from international aviation so as to avoid a possible patchwork of duplicative State or regional MBMs, thus ensuring that international aviation CO₂ emissions should be accounted for only once..."

This exclusivity clause has risen concerns at the European Commission as it could not only threaten the compatibility between CORSIA and EU-ETS, but it would also undermine the sovereignty of the EU to legislate autonomously on the issue. The exclusivity clause in favour of the CORSIA scheme would basically require the abolition of the EU-ETS for aviation, which could lead to a more drastic increase of the EU's aviation CO₂ emissions. The difference is that while the EU-ETS for aviation is projected to reduce emissions to the EU's target of 111 million tonnes of CO₂ by 2030, the CORSIA scheme would enable airlines to purchase carbon offsets to reduce emissions elsewhere while maintaining their own high emissions in their countries of origin. This could lead to an increase of the EU's GHG emissions, as air traffic continues to increase. Therefore, in a debate in the European Parliament's environmental committee (ENVI) on 4 Sept. 2019, the

European Commission's Director-General for transport, Henrik Hololei stated that the EU was considering whether to enter a reservation on the new paragraph 18, if adopted at the ICAO Assembly. Reservations are filed by countries after an Assembly decision to notify ICAO they object to elements of an adopted resolution. Hololei also revealed that a "challenging" discussion had taken place during an ICAO Council meeting in June on the exclusivity issue.

The further concern is that the exclusivity clause would also limit more action in the EU to address GHG emissions in aviation and oppose the exclusivity provision. In preparation for the ICAO Assembly, the European Commission adopted a proposed EU position on the exclusivity clause in the Assembly resolution. The European Commission has recommended EU Member States to file a reservation at the ICAO's 40th Assembly against the exclusivity clause. The Commission proposal calls upon European States to take the necessary measures to ensure that all Member States honour the EU's political and legal commitments, to continue applying the EU-ETS to flights within the European Economic Area after 2021 when CORSIA is due to start. The purpose of a reservation would be to inform ICAO that EU States do not intend to comply with the stipulation if adopted. However, three EU Member States have so far declined to support the filing of the reservation, although it is required in order to achieve the necessary precondition for EU unanimity. These EU Member States fear the impact of a reservation on relations with third countries. According to the Chair of the European Parliament's ENVI committee Pascal Canfin, the exclusivity provision was a threat to the EU's sovereignty and its capacity to ensure the aviation sector contributes more to the fight against climate change and to deliver on EU climate commitments. Furthermore, also the Chicago Convention recognises the right of each Contracting State to apply on a non-discriminatory basis its laws and regulations to the aircraft of all States.

In the end, an important issue is whether CORSIA will be applied for intra-EU flights despite the fact that the more ambitious EU-ETS is already applied to these flights. However, whether supporting the introduction of the CORSIA scheme and the abolition of the EU-ETS for aviation or preferring the EU-ETS, the European Commission could also opt for keeping the EU-ETS as an additional scheme, supplementing the CORSIA scheme. The Commission could keep aviation in the EU-ETS for intra-EU flights and instead, CORSIA would cover flights from the EU to non-EU destinations. This would, however, assume that the exclusivity clause under the CORSIA Scheme would not be applied in the EU.

6. The way forward

It can be expected that at the 40th ICAO's General Assembly, the majority of countries will decide in favour of the CORSIA amendments to the appendix to A40-WP/59, including a revision of operative paragraph 19 in Resolution A39-3, with the paragraph 18's exclusivity clause. However, the main problem for the EU will occur in case that not all EU Member States will file a reservation against the paragraph 18 (former paragraph 19) in the Resolution A39-3. In this particular case, the EU would not be able to continue applying the EU-ETS within the European Economic Area after 2021, when CORSIA is due to start. The filing of a reservation would only have a meaning, if all EU Member States agreed to it, as it requires the EU Member States' unanimity to then continue the EU-ETS within the EEA.

The EU airlines argue that keeping track of their emissions under two separate schemes, would be difficult and they call on the EU that their international flights within the EU should be covered by CORSIA alone.

However, concerns remain over how effective the CORSIA scheme will be in reducing GHG emissions. Already last year, seven EU Member States, including France and the Netherlands, threatened to

withdraw from CORSIA if environmental safeguards are weakened. CORSIA will not reduce GHG emissions at their source but only through carbon offsetting and there are many uncertainties and concerns that it will not deliver the necessary reduction of GHG emissions in the aviation sector. In general, CORSIA will not match the ambition of reducing the CO₂ emissions of aviation in the same way as in the EU-ETS.

The European Commission is expected to review the impact on GHG emission reduction, once CORSIA rules have been finalised. It will also look at how the scheme could be integrated with the EU-ETS if the EU decides to proceed with both schemes. In any case, under the EU-ETS and also international schemes, strong technological development is still needed in parallel in order to achieve the necessary reduction of GHG emissions in aviation in order to compensate the impact of increasing travel volumes.

References:

40th Assembly in September 2019 will consider the environmental policies, In:

<https://www.icao.int/Newsroom/Pages/Sustainable-aviation-takes-significant-step-forward-at-ICAO.aspx> ,

retrieved 23 Sept. 2019

Aviation emissions could rise by 683 million tonnes under new scheme. In:

<https://www.governmenteuropa.eu/aviation-emissions/94808/>, 25th September 2019, retrieved 27 Sept. 2019

EURACTIV.com, Reuters: EU carbon market emissions rise for first time in 7 years in 2017. In:

<https://www.euractiv.com/section/emissions-trading-sceme/news/eu-carbon-market-emissions-rise-for-first-time-in-7-years-in-2017/>, 4 Apr 2018, retrieved 16 April 2019

European Commission: EU Emissions Trading System. In:

https://ec.europa.eu/clima/policies/ets_en, 4 April

2019, retrieved 16 April 2019

European Commission: EU Emissions Trading System (EU ETS). Union Registry. In:

https://ec.europa.eu/clima/policies/ets/registry_en#tab-0-1, retrieved 16 April 2019

European Commission recommends EU States object to CORSIA exclusivity provision to protect EU ETS. In: <https://www.greenaironline.com/news.php?viewStory=2632>, 12 Sept 2019

European Parliament: AT A GLANCE. ICAO Agreement on CO2 emissions from aviation. In: [http://www.europarl.europa.eu/RegData/etudes/ATAG/2019/640169/EPRS_ATA\(2019\)640169_EN.pdf](http://www.europarl.europa.eu/RegData/etudes/ATAG/2019/640169/EPRS_ATA(2019)640169_EN.pdf), retrieved 27 Sept. 2019

European Parliament: Combating climate change. Fact sheets on the European Union. European Parliament. In: <https://www.europarl.europa.eu/factsheets/en/sheet/72/climate-change-and-the-environment>, retrieved 23 Sept. 2019

Global aviation CO2 emissions are rising 70 per cent faster than ICAO projections, finds ICCT. In: <https://www.greenaironline.com/news.php?viewStory=2633>, 19 Sept 2019, retrieved 20 Sept. 2019

Graver, Brandon/Zhang, Kevin/ Rutherford, Dan: CO2 emissions from commercial aviation, 2018. WORKING PAPER 2019-16. In: The international Council of clean transportation. ICCT: https://theicct.org/sites/default/files/publications/ICCT_CO2-commercl-aviation-2018_20190918.pdf, 27 September 2019

https://www.transportenvironment.org/sites/te/files/publications/2018_09_EuroICSA_letter_Commission_re_CORSIA_ETS.pdf, 12 September 2018, retrieved 23 Sept. 2019

<http://atwonline.com/eco-aviation/airlines-track-jan-1-corsia-deadline>, Nov 9, 2018, retrieved 23 Sept. 2019

<http://www.europarl.europa.eu/legislative-train/theme-resilient-energy-union-with-a-climate-change-policy/file-eu-ets-aviation-implementation-of-the-2016-icao-agreement>, retrieved 20 Sept. 2019

ICAO: Working paper. ASSEMBLY —40TH SESSION EXECUTIVE COMMITTEE. In: https://www.icao.int/Meetings/A40/Documents/WP/wp_056_en.pdf#search=A40%2DWP%2F59 International Civil Aviation Organization, WORKING PAPER A40-WP/56EX/2318/7/19

Industry and NGOs urge ICAO to adopt a long-term emissions reduction goal for international aviation by 2022. In: <https://www.greenaironline.com/news.php?viewStory=2631>, 9 Sept 2019, retrieved 20 Sept. 2019

Larson, Jörgen/ Elofsson, Anna/Sterner, Thomas: International and national climate policies for aviation: a review. In: <https://www.tandfonline.com/doi/full/10.1080/14693062.2018.1562871>, 08 Aug 2018, published online: 11 Jan 2019, retrieved 20 Sept 2019

Timperley, Jocelyn: Corsia: The UN's plan to 'offset' growth in aviation emissions after 2020. In: <https://www.carbonbrief.org/corsia-un-plan-to-offset-growth-in-aviation-emissions-after-2020>, 4 February 2019, retrieved 24 Sept. 2019