



AN INTERNAL INDUSTRY BRIEFING

AVIATION REPORT: COP21 CLIMATE TALKS, PARIS

After two weeks of negotiations and many long hours spent by the industry delegation on the ground at COP21, the final Paris Agreement does not mention emissions from international transport (aviation and shipping) at all. The deletion of the draft provisions relating to international transport came during the middle of week two of the talks and surprised even us. However, this now means we need governments to redouble their efforts at ICAO to work towards an MBM agreement at next year's Assembly.

THE PARIS AGREEMENT

The Paris Agreement makes some fairly important commitments that go further than previous international climate change deals. For a start, governments now agree to keep global temperature rise to “well below” the 2°C that was agreed at COP15 in Copenhagen “and pursuing efforts to limit the temperature increase to 1.5°C” – something long hoped for particularly by small island states.

Parties to the Convention will need to submit their ‘nationally determined contributions’ (a.k.a. commitments) and, although the agreement does not come into force until 2020, there will be a review of targets in 2018 to ensure the commitments are still ambitious enough. Importantly, these nationally determined contributions relate specifically to ‘domestic’ emissions. There will also be an in-built five year cycle

of stocktakes, the first in 2023, and each review should ratchet up ambition. The mechanism for ‘loss and damage’ (for addressing the financial losses vulnerable countries face from climate impacts such as extreme weather) is included, however importantly for large developed nations it “does not involve or provide a basis for any liability or compensation”.

Importantly for us, the text also reconfirms the use of carbon markets as a CO₂ mitigation strategy – there was a danger that some Parties (namely VENEZUELA and BOLIVIA) might try and block it. It also solidifies the move towards forestry as a significant source of offsets through the so-called REDD+ mechanism.

Whilst previous versions of the draft contained a phrase that suggested a decarbonisation goal, the final agreement words it slightly differently, saying that Parties should aim to reach global peak in greenhouse gas emissions as soon as possible and then reduce to achieve a balance between human emissions and natural carbon sinks in the second half of the century.

The Paris Agreement is legally-binding.

- » The Paris Agreement can be downloaded: <http://bit.ly/1NMomqL> (the UNFCCC may change the location of the document in the next few hours, but it should be available through the main website: www.unfccc.int)

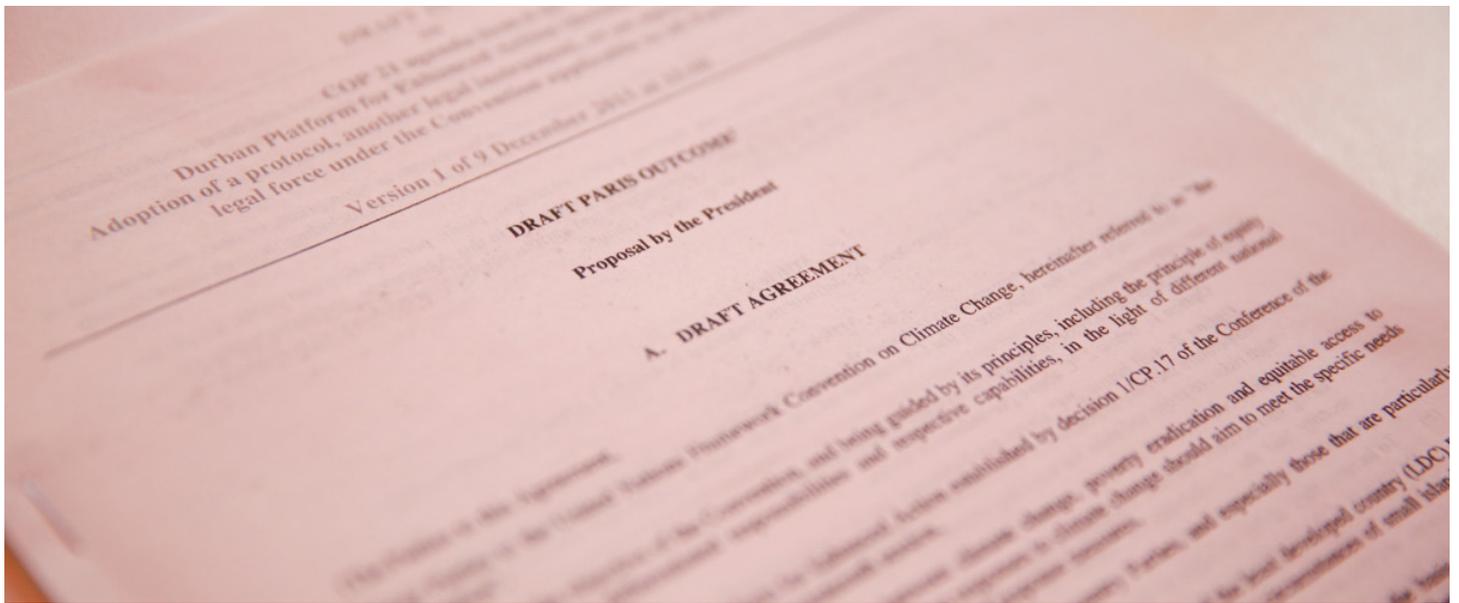
AVIATION IN THE PARIS AGREEMENT

There is no mention of international transport (aviation and shipping) emissions in the Paris Agreement.

At the start of the meeting, negotiators had text on aviation in just one part of the draft



President of the COP21 conference Laurent Fabius is congratulated by President Holland of France, UN Secretary General Ban ki-Moon and UNFCCC Executive Secretary for delivering the Paris Agreement. Photos: IISD/Kiara Worth (www.iisd.ca/climate/cop21/enb/9dec.html)



from the previous negotiations in Bonn. It was in the ‘mitigation’ section and said:

{International transport emissions}

Parties [shall][should][other] pursue the limitation or reduction of greenhouse gas emissions from international aviation and marine bunker fuels, working through the International Civil Aviation Organization and the International Maritime Organization, respectively, with a view to agreeing concrete measures addressing these emissions, including developing procedures for incorporating emissions from international aviation and marine bunker fuels into low-emission development strategies.

During the talks, this paragraph number changed a few times and some [square brackets] were added, but it essentially remained the same until the middle of week two, when it was simply removed from the text. There were some discussions about it, and suggestions from developing nations to add in the CBDR concept, but not a lot of focus, let alone substantive negotiations.

In a surprise move on day two of COP21, the EUROPEAN UNION tried to bring aviation and shipping emissions into a different part of the text that had not dealt with them before – so-called Workstream 2, which deals with ‘pre-2020 ambition’ (actions that need to take place before 2020). This was roundly opposed by a large number of other Parties.

However, the EU tried to bring their proposal back the next day. And the next. And the next... causing a major blockage in the process until some Parties allowed them to put it in to allow the Workstream simply to move on. However, this was also deleted in the middle of week two.

The EU and Brazil also presented a piece of text in a section called ‘collaborative approaches’ which deals with carbon markets. It mentioned aviation and shipping, but this never made it into the negotiating text.

With no text on aviation in the draft appearing on Wednesday of week two, we took advice from a number of Parties as to whether we could or should try and get a very ‘safe’ statement on aviation into the text along the lines of:

Parties shall pursue the limitation or reduction of greenhouse gas emissions from international aviation and marine bunker fuels, working through the International Civil Aviation Organization and the International Maritime Organization, respectively.

The Parties we met with suggested that it would be unlikely such a statement would be able to be included, given the desire for a reduction in the text as opposed to including more items. Further, there was a very real danger that some Parties would only allow it in if it were to include provisions on common but differentiated responsibilities and this was too large a risk to take. No text would be better than bad text.

By the time the penultimate draft text was released on Thursday night at 21:00, and international transport emissions were still not included, it would have been almost impossible to add it back in (although the EUROPEAN UNION apparently tried overnight during informal negotiations that continued until 06:00). In the final hours of COP21, other more fundamental issues took precedence and international transport was simply seen as a distraction to a larger deal.

SBSTA

Aviation came up, as usual, in the Subsidiary Body on Scientific and Technological Advice, where ICAO and the IMO give their annual report of work they have undertaken and Parties provide feedback. It was all very typical again this year, but the powerful G77+CHINA bloc made a very strong statement:

“the Group reiterates the importance of supporting multilateral solutions when addressing the issue of emissions from the international maritime and civil aviation sectors working through the International

Maritime Organization (IMO) and International Civil Aviation Organization (ICAO), respectively, while taking into account the principles and provisions of the Convention [aka CBDR] and not on the basis of unilateral measures... Thus, the G77 and China support to keep this matter under this agenda item under SBSTA, avoiding any attempts to include it in the ADP [the Paris Agreement precursor].”

A number of other Parties made interventions, which are linked to below.

- » The ICAO and IMO reports can be found here: <http://bit.ly/1NKcwnw>
 - » Argentina: <http://bit.ly/1IjcXru>
 - » G77 + China: <http://bit.ly/1THWXi>
 - » South Korea: <http://bit.ly/1Q6DGB4>
 - » Japan: <http://bit.ly/1NmjJMo>
 - » Singapore: <http://bit.ly/1Y1xb6H>
 - » European Union: <http://bit.ly/1Y7DXCA>
 - » China: <http://bit.ly/1Q6EfuK>
- » The SBSTA final decision can be found on page 14 of this document: <http://bit.ly/1UbMMLo>

OTHER AVIATION ACTIVITY

The industry delegation: representatives of associations, airlines, airports, air navigation service providers and manufacturers, spent the two weeks not only following the negotiations, but also participating in multiple side events and discussions. Of particular note was a side event we ran highlighting several case studies in *Aviation Climate Solutions*, at which the South African Transport Minister spoke and reiterated the important role aviation played in development.

ATAG also organized a side event updating the carbon market community and negotiators on the ICAO MBM development; the use of rainforests as a source of offsets; an OECD International Transport Forum event on aviation; an event organized by the French Government and GIFAS on French aviation industry climate action; an International Emissions Trading Association press conference on the importance of markets at COP21; and an ICAO update to negotiators.

We were fortunate to have Mr IP Rao, CEO of Delhi Airport join us to take part, alongside Dr Benard Aliu, President of the ICAO Council, in a high-level event celebrating transport climate action under the UN-led Lima to Paris Action Agenda. They represented the aviation sector at this event. Other delegation members took part in side events organized by Transport & Environment; the UN High Level Group on Sustainable Transport; a Dutch Government transport policy forum and many side meetings and bilateral discussions. It was a busy two weeks!

REFLECTIONS ON COP21

An estimated 40,000 delegates including 150 heads of state (the largest gathering of world leaders on one day in history), celebrities, negotiators, activists and business groups crowded the vast halls and meeting rooms.

The French Presidency of the COP wanted to stamp local ownership on the conference, so everything was done in the French language – normally English is the predominant language. Signage, guides and maps were all in French first, English second. However, it became a slight issue when countries were seated in alphabetical order according to their French names, not their normal UN order. Aside from struggling to find where they should sit, it also created some interesting neighbours!

However, the French Presidency has to be given recognition for organizing and running the COP extremely well. Both logistically and diplomatically, a lot of effort went into the preparation and it paid off:

- » security was tight, but very smooth – an outstanding achievement given the situation in Paris in the weeks leading up to the talks;
- » the conference venue, although vast, was easy to navigate and well provisioned;
- » there were 60 cafés and restaurants around the venue ensuring that the pet hate of previous COPs – the food – was not an issue;
- » the President of the COP Laurent Fabius managed the diplomatic juggling act such a role requires with

poise and aplomb in stark contrast to the Presidency of COP15 in Copenhagen.

From the very start of the COP, the two buzz words were “transparency” and “no surprises”. The Presidency sought to ensure that the process was seen not to be hiding secret drafts, or secret deals and that everything would be done with consultation with all parties – the largest and smallest must be included in discussions.

No surprises also related to the NGOs. In a pre-COP briefing to observers, the UNFCCC Executive Secretary Christiana Figueres made very clear the need to check any demonstrations with UN Security. Given the heightened security situation, it was fairly obvious that surprises would be treated with utmost... efficiency.

European NGO Transport & Environment focused all its efforts on aviation and shipping emissions, launching a campaign referring to the sectors as the ‘elephants in the room’ and financing a jazzy website: www.elephantsintheroom.eu. They will be very disappointed that their efforts did not pay off. They can probably look to one of their funders - the European Commission – as a key reason Parties did not accept the suggestion.

If the EU had not tried quite so hard to push through their ideas in Workstream 2, it may not have had such an adverse impact on the overall package. The EU’s fervour on the matter led many developing nations to think it was a way for them to re-introduce the EU ETS – still a sore point for many Parties. International diplomacy and multilateral negotiations require a deft hand and sometimes a light touch, knowing when to make big hits and when to pull your punches – something with which, it seems, the European Commission is still struggling.

WHERE TO FROM HERE?

All eyes will now turn to ICAO discussions. The lack of a mention of aviation in the Paris Agreement does not bring with it a legal issue – the UNFCCC has no mandate over ICAO (and in any case the Paris Agreement will not come into force until

2020 by which time we hope that the ICAO MBM will be effective) – but it may potentially present a political issue if states use it as an excuse for not making strides at ICAO. We will need to be very active advocating for governments to agree the global MBM and will be pushing hard in the coming months, starting with our press statement, available on the ATAG website www.atag.org.

BOTTOM LINE TAKEAWAYS FOR AVIATION:

We are on track to continue developing the ICAO MBM, though with continued political pressure required. It will be a very active nine months leading to the ICAO Assembly. Aviation did successfully meet its goal of avoiding being brought into other tracks of the negotiations – no new aviation taxes, Green Climate Fund obligations, or other burdens on the industry. Most Parties seemed to agree that ICAO was the place to take care of aviation emissions and also that a global MBM developed there could provide needed ‘climate financing’ through the use of offsets to assist positive climate action in the developing world.

The mood throughout the COP could be described as busy and with even more parallel negotiations going on at the same time than is usual at COPs, the team was well coordinated as we worked to keep up with activity as it unfolded.

For many in the wider climate community, this was considered a critical make-or-break turning point for the global climate policy landscape. Of interest will be how this impacts the concept of multilateralism – which has not had an easy time of it in the last few years. Perhaps renewed vigour at the UN?

Many favoured this globally aligned approach – resulting in need for a strong aviation story going forward on how ICAO fits into the overall picture. The European Union will definitely try to bring back aviation and shipping at future COPs, unless there is a good alternative in place already. We believe we have that framework with our plans at ICAO. We now just need to make them a reality!



The ATAG side event on ICAO MBM developments. Photos: IISD/Kiara Worth (www.iisd.ca/climate/cop21/enb/9dec.html)