

**CLIMATE ACTION  
TAKES FLIGHT**



**COMMUNICATING AVIATION'S  
CLIMATE ACTION IN 2016  
FOCUS: GLOBAL OFFSETTING  
SCHEME**

[UPDATE] GENEVA, APRIL 2016

(Key messaging about the ICAO process)

## “The aviation industry urges governments to agree on a global offsetting scheme at this year’s ICAO Assembly”

- » Governments need to support a global agreement on aviation emissions at the ICAO Assembly.
  - + Industry’s preferred option is a mandatory global carbon offsetting scheme.
- » The agreement is a key part of the sector’s climate action framework, based on three global goals, underpinned by four pillars of action.
  - + The short-term goal to improve fuel efficiency is already being met.
  - + The mid-term goal to cap aviation CO<sub>2</sub> emissions from 2020, despite the growth in traffic (to help feed economic development worldwide), relies on the development of the global offsetting scheme.
  - + The long-term goal to halve aviation CO<sub>2</sub> emissions will be met mainly through new technology (underpinned by a new ICAO CO<sub>2</sub> Standard) and sustainable alternative fuels.
  - + The industry is already achieving a huge amount through the first three pillars of new technology, better operations and improved infrastructure.
  - + A market-based measure is the fourth pillar of action, to fill the gap between air traffic emissions growth and the goal of carbon-neutral growth from 2020.
- » The agreement will need to be one of balance:
  - + Balance of environmental outcomes with economic development.
  - + Balance between the needs of developing nations and mature economies.
- » Any deal will be tough to reach, but industry is determined to see it through.
- » This has never been done before at a global level – it is not only a first for aviation, but for any sector.
- » We can’t expect a global political agreement such as this to be perfect – it must achieve balance between different political objectives – but it will be better to have a global agreement than a patchwork of regional and national approaches.
- » It is unusual for an industry to come together, define a plan and actually go to governments and ask to be regulated in a smart way – in this case through legislative action at a global level.
- » The industry is doing everything it can to get agreement through this year, including talking to governments and ensuring the industry is prepared through regional roundtables.

COUNTDOWN  
TO THE ICAO  
ASSEMBLY

FEBRUARY



MARCH



APRIL



MAY



JUNE



JULY

AUGUST

SEPTEMBER



(Ties in with recent events, answers the question of a policy vacuum for aviation and allows us to present our case in a global context)

## “The best post-COP21 policy response for our sector”

- » The trust placed in the International Civil Aviation Organization (ICAO) by governments at COP21 means that the aviation sector now has the responsibility to finalise its own climate action.
- » Aviation and shipping, as international transport modes which fall outside of the normal climate regimes, were not included in the outcome of the Paris COP21 climate talks.
- » The Paris Agreement is a landmark decision which sets the tone for multilateral negotiations and provides real momentum to aviation’s own talks at ICAO.
- » Since the industry first outlined its climate action framework and goals, governments and industry meeting at ICAO have made significant progress in designing international aviation policy to tackle our sector’s climate responsibility.
  - + ICAO has launched a comprehensive process to encourage countries to deliver so-called ‘State Action Plans’ outlining how they will work with industry to reduce CO<sub>2</sub> emissions.
  - + ICAO has been engaged in capacity building for developing countries to help spread operational and technical efficiency knowledge around the world.
  - + Alternative aviation fuels have progressed from an idea to a commercial reality in everyday flights, although much more work needs to be done in this area.
  - + The world’s first CO<sub>2</sub> Standard for aircraft emissions has been designed and agreed at ICAO.
  - + One of the key measures in the climate action framework is the design and deployment of a global offsetting scheme for aviation – the sector has been working on this for the last three years, since the ICAO Assembly endorsed such an approach in 2013.
- » Following the endorsement for carbon markets in the Paris Agreement, momentum is building for aviation to engage further with the global carbon market.
- » Aviation is a unique industry. World governments recognised the need to leave aviation emissions to the experts in ICAO, who have built up a detailed knowledge base on the subject of aviation emissions.
- » The industry has always looked towards 2016 as a landmark year for addressing aviation emissions. Progress at ICAO has been encouraging, reinforced by the decision to omit aviation from COP deal.

## “Environmentally and economically responsible”

(Focusing on the balance between economic and environmental objectives, this phase of messaging will be more regional and analytical in approach)

- » This agreement will produce the balance needed in our sector between the undoubted economic and social benefits of aviation growth and our environmental responsibility.
- » A well designed carbon offsetting scheme, applied globally, will not unduly burden industry:
  - + In fact, it will be a lot more cost-effective than the inevitable patchwork of different measures that would spring up around the world.
  - + The cost of a global offsetting scheme would be a minor element in airline operating costs, equivalent to a few percentage points of the cost of fuel alone.
  - + The impact on development of aviation, or on trade and tourism, will be minimised, certainly compared with the alternative – a patchwork of contradictory measures.
- » Developed and developing countries alike need aviation. An agreement on a global offsetting scheme ensures that they can grow the sector sustainably and enjoy its benefits.
- » A well-designed global offsetting scheme will not only address environmental concerns, but the offsetting projects it supports will also help social and economic development in parts of the world that need it.
- » The offsetting scheme will compliment further environmental action within the industry and will make such action more economically attractive.
  - + Importantly, whilst there is a significant focus on the offsetting scheme right now (only natural, given the need to design this from scratch), ICAO and the industry continue to make significant strides in efficiency improvements in the three other pillars.
  - + Once the offsetting scheme has been agreed and implemented, proper balance of focus on all four pillars of action will be necessary – by all parties: industry, ICAO and governments.
- » An offsetting scheme will be relatively simple to manage for industry and governments alike, reducing the environmental concerns of passengers.
  - + The current discussions around the scheme seem complex to many that have not had exposure to MBMs previously – it is a new and unfamiliar topic to many aviation experts.
  - + However, our industry accomplishes far more complex and impressive feats every day around the world: once we have had a couple of years’ worth of implementation of the offsetting scheme, it will become second-nature.
  - + The compliance process will be no more complex (in fact, significantly less so) than our already familiar aviation safety and security regimes.
- » An offsetting scheme should be transparent, not result in revenue being diverted elsewhere.
- » ICAO analysis suggests that by 2025, over \$5 billion worth of offsets could be needed to comply with the scheme, providing reliable climate financing directly to CO<sub>2</sub> reduction projects in developing countries.

## “A positive outcome at ICAO will support the sustainable future of aviation”

(A longer-term view of the need for a sustainable aviation sector, tying the future of our industry to important 2016 action)

- » Aviation is a forward-thinking and long-term industry that requires certainty in planning.
- » A robust and consensus-driven agreement to deploy a global carbon offsetting scheme from 2020 will not only help the sector deliver on its goals, but sets the path for a sustainable future.
- » New employees of the sector – particularly the millennials – look forward to working in aviation for decades to come.
  - + In order to attract the talent needed to help drive the sector forward we need to be attractive employers, which for many young people now also means looking for employment in socially and environmentally responsible industries.
- » An agreement on the global offsetting scheme will help secure the future of the sector and ensure that the industry continues to operate in a responsible way.
- » With the ICAO measure in place, and the first two global goals achieved, momentum will be with aviation towards achieving the long term goal for 2050.

**NOTE: PLEASE CONSULT THE ROLLING ATAG Q&A DOCUMENT ON THE DEVELOPMENT OF THE GLOBAL OFFSETTING SCHEME FOR SPECIFIC UP-TO-DATE MESSAGES.**