





Brussels, Belgium February 16<sup>th</sup> 2017

Dear Director General de Juniac,

The undersigned organisations represent civil society working to limit aviation's large and rapidly growing climate impact. We believe that the airline industry's efforts to address its emissions fall well short of what is needed. Further, years of fuel and other tax exemptions and opt-outs from effective climate policies continue to undermine efforts to limit global warming.

The 2016 triennial ICAO assembly established a global offsetting mechanism for international aviation, known as the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA). The CORSIA is completely out of step with the temperature goals of the Paris Agreement, purely relies on offsets and does not require any in-sector reductions. Furthermore, it is not legally binding until at least 2027 and does not yet include comprehensive accounting or offset quality rules.

Despite these clear shortcomings, your recently reported public comments call on the EU to replace the current EU Emissions Trading System (EU ETS) with CORSIA for flights within Europe. This would constitute a substantial cut in Europe's climate ambition, reducing the emissions reduction obligation on airlines operating in Europe by three quarters. It would also represent a weakening of Europe's international climate commitment and as such a breach of the Paris Agreement. Such a policy change would also distort competition within Europe's single market.

Ignoring valuable previous experience with the EU ETS, you also called on Europe not to adopt more stringent standards for the types of international credits (offsets) to be used for CORSIA. A global climate agreement such as CORSIA is not meant to block more ambitious actions at the regional or national level.

Regrettably, rather than urging greater ambition, your comments appear aimed at dismantling the EU's existing market measure to curb international aviation emissions. In using CORSIA as a reason to ditch the EU ETS, IATA seems to be trying to turn one climate policy against another.

The EU's ETS should cover all domestic and all outgoing and incoming international flights from 2017 onwards consistent with the Paris agreement's call for greater and early ambition. This scope must remain in place for the 4th trading period, except if ICAO member states: 1) substantially increase CORSIA's target to be in line with the Paris climate commitments; 2) make CORSIA legally binding from 2021 onwards; 3) include comprehensive accounting and environmental quality rules; and 4) require substantial in-sector reductions or additional measures to achieve this.

Developed regions such as Europe, which proudly talk of the imperative to remain global climate leaders, can and must do more than any global minimum. Given the urgency of the need to address climate change and rein in aviation's runaway emissions, we call on you to lead IATA to be a positive force rather than position the airline industry as an opponent of much needed climate action.

Sincerely,

William Todts

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On behalf of Climate Action Network Europe, Transport & Environment, Carbon Market Watch