

Dear Sirs and Madams,

on behalf of Friends of the Earth Germany (Bund für Umwelt und Naturschutz Deutschland e.V) I hand in the following answers:

### **ICAO Framework for MBM and Global MBM Scheme**

#### **Question 1:**

*What should be the major considerations to assess the four different geographical scope options for the ICAO Framework listed above? [Max. 1000 characters]*

#### **Answer:**

We think it is very irritating that the Commission is posing this question in a public consultation after it has already recommended to Member States via Coreper that the EU should change its policy in ICAO from supporting departing flights in the Framework to a regional airspace approach. This form of ex post consultation is a farce.

The EU ETS remains the best option since no other state/region intends to take early MBM action. There EU ETS should be fully resumed and only be replaced only when an equivalent global MBM has been established.

The Commission has omitted to include 50/50 amongst the options and the EU failed to promote it at ICAO despite 50/50 having been mentioned in the HGCC, and included in ICAO's ETS guidelines and the SBSTA options. This omission is all the more amazing given that 50/50 is likely to be the most politically and environmentally appropriate option when balancing environmental needs and political feasibility.

The 50/50 option has same environmental coverage as departing flights but is more politically acceptable to ICAO States as in virtually all cases it does not reach into the country of arrival's airspace or runways. The EU should actively promote this option.

The environmental effectiveness at EU and global level of a 50/50 approach if copied worldwide would cover 100% of emissions; an airspace approach only 22%.

Monitoring, reporting and verification (MRV) for departing flights and thus 50/50 is easily feasible. MRV and enforcements of overflights would be unworkable. Therefore airspace option cause severe implementation and enforcement problems. It is necessary to capture whole flight emissions to give incentives to airlines to reduce emissions. Any compensation of that defect by higher carbon prices is extremely unlikely.

Options on airspace/regional airspace vastly reduced geographical coverage and CO2 reductions and are therefor ineffective. The Commission's impact assessment of the environmental coverage of the various options must show the tons of CO2 reduced for each option not only for the base year (2014) but also for 2020 and 2025 given the large disparity in effectiveness between the options that will develop over time. It must also show the climate warming (RF)/temperature response impacts over similar periods.

#### **Question 2:**

*Which elements of the "Roadmap for a Global MBM" do you consider a priority, and what would be the optimal timeline for implementation? [Max. 1000 characters]*

#### **Answer:**

Priority 1. The 38<sup>th</sup> ICAO Assembly should formally agree to apply a global market based measure to international aviation. The start date should be 2016 so a Special Assembly should agree to the details and implementation in 2015.

Priority 2. Agree a proper *modus operandi* for assessing and agreeing the details. The responsibility should rest with CAEP. The EU should press for a CAEP committee approach where member states are represented - not just "independent" nominated experts - and where civil society has full observer access – able to speak and contribute papers. The EU has an obligation to resist member state only decision-making on climate change issues.

Priority 3. Quality of offsets. See below

Priority 4 Agree allocation. Preferably state of registration provided there is a standard MRV.

Priority 5. Legal mechanism. No global Treaty. Adopt the application of a global MBM by states as a recommended standard under Annex 16 on the express understanding that all countries to be included agree to implement it.

Priority 6. MRV. Major issue. The EU should fight hard for an EU ETS based approach. Priority 7. SCRC. Route based de minimis.

As the Chicago Convention recognises that every state has complete and exclusive sovereignty over the airspace above its territory implementing a national airspace regime requires no further reference to ICAO. The Framework is intended to facilitate/guide states wishing to take early action. Under Chicago (and reinforced by the ECJ) regulations based on flights landing and/or taking off does not conflict with the Chicago Convention.

Any offsetting does not lead to emissions reductions in the aviation sector itself but merely compensates these emissions throughout investment in reduction projects elsewhere. Practical experience shows that offsetting has negative consequences on environmental performances even if additionality is guaranteed. Therefore, if offsetting is part of an MBM a clear distinction needs to be made and recognised between emissions permits (such as EAU's) and offset credits (such as from the UNFCCC's recognised flexible mechanism CDM). ICAO needs to decide whether the definition of offset also include permits, or only offset credits. Because offsetting delays in-sector reductions, it cannot deliver the large long-term emissions cuts required to mitigate the aviation sector's emissions and projected growth in air-traffic. To make things worse, if the offsets are of low quality, climate impacts actually get worse. For example, offset credits from voluntary offset programmes and bilateral offset mechanisms lack international oversight and should therefore not be eligible under an ICAO scheme because the quality of these credits cannot be evaluated. There are also quality concerns about the Kyoto Protocol's flexible mechanisms Joint Implementation (JI) and Clean Development Mechanism (CDM). JI has been repeatedly criticised for a severe lack of quality control. 95% of all ERUs issued to date are issued by host countries without international oversight. Despite the on-going reform it is unlikely that JI projects post 2012 will be of significantly better quality. Offset credits from JI should therefore not be eligible under an ICAO scheme.

Also the CDM has been found to be lacking environmental integrity and should not be used.

As for the eligibility of emissions permits, cap-and-trade systems only lead to emissions reductions if there is a scarcity of allowances. Allowing the use of surplus allowances from over-supplied schemes such as the EU-ETS or the international Emissions Trading under the Kyoto Protocol would therefore, as things stand, not lead to emissions reductions.

Question 3:

What essential requirements should be taken into account for the development of a common set of monitoring, reporting, and verification standards for measuring greenhouse gas emissions from international aviation? [Max. 1000 characters]

Answer:

Emission data must be measured and collected from each departing flight. No alternative makes any sense. Airlines must report aggregated data to the agreed administering State using a common methodology. Member States should report the data annually to ICAO.

Airlines with difficulties managing MRV should be offered assistance through their state of registration or have the alternative to accept default values.

**F 2: Simplifications for small aircraft operators:**

Small emitters

Exemption should be reduced to a minimum and only exclude airlines with a negligible share of emissions.

A route charging /climate fund approach seems most reasonable. If Eurocontrol can determine an activity inventory (e.g. miles flown) for the relevant operators, then a charge related to carbon price could be imposed with revenues collected centrally for allocation to a climate fund.

Kind regards,

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Friends of the Earth Germany