

September 13, 2013

Via email to:

CLIMA-CONSULTATION-AVIATION-2013@ec.europa.eu

European Commission

Directorate-General Climate Action

Unit B3

B-1049 Bruxelles

Belgium

Dear Sir or Madam:

Re: Consultation on the policy options for market-based measures to reduce the climate change impact from international aviation

On behalf of the National Airlines Council of Canada, I am writing to respond to the European Commission's public consultation on the policy options for market-based measures to reduce the climate change impact from international aviation.

The National Airlines Council of Canada (NACC) represents Canada's largest passenger air carriers: Air Canada, Air Transat, Jazz Aviation LP and WestJet. NACC's members employ 43,000 people and transported over 50 million passengers last year. We promote safe, sustainable and competitive air travel through the development of policies, regulations and legislation that foster the world-class transportation system.

NACC Position

The member airlines of the NACC are committed to actively working to reduce the impacts of air travel on the environment. Our plan to reduce emissions involves investing in technology, improving operational efficiency, building efficient infrastructure and implementing positive economic instruments to provide incentives for air carriers. While we are confident that this multi-pronged approach will provide the long-term solution for aviation's sustainable growth, we recognize that a market-based measure (MBM) may be needed to fill any remaining emission gap in the interim. However, a MBM should nevertheless only be considered as part of a broader package of measures to address aviation's CO₂ emissions.

As such, in our view, a regional MBM such as the EU ETS is not necessary.

Response to Consultation Questions

Notwithstanding our position stated above, we can offer the following comments at this time.

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ICAO Framework for Market-Based Measures and Global MBM Scheme

1. *What should be the major considerations to assess the four different geographical scope options for the ICAO Framework listed above?*

In our view, the principal objective should be to reach an agreement on a single global MBM. We support IATA's position that a single global MBM is the only appropriate means to achieve a comprehensive coverage of civil aviation CO₂ emissions.

Any ICAO framework for MBMs should build on the principles contained in the Annex to ICAO Assembly Resolution A37-19. It should also only be a temporary measure to ensure regional and national schemes do not hinder the implementation of a single MBM.

NACC believes that each of the four different geographical scope options should be assessed based on political acceptability and administrative complexity and adherence to the principles contained in the Annex to ICAO Assembly Resolution A37-19.

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

The NACC believes that all the elements of the *Roadmap for a Global MBM* are essential for an agreement on a global single market-based measure.

We also agree with the suggestion that it should be a priority for the ICAO Council to develop a common set of monitoring, reporting and verification (MRV) standards for measuring CO₂ from aviation. The adoption of global MRV standards will not only be required for the implementation of a single global MBM but will also help prevent the multiplication of different regional or national MRV requirements and reduce the associated administrative burden for operators, as well as ensure environmental integrity.

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?*

Given the nature of international aviation and the interaction with different jurisdictions on a daily basis, the following are essential requirements for the development of common monitoring, reporting and verification (MRV) standards: a single point of accountability for air carriers, MRV requirements that are consistent and as simple as possible. This will help promote transparency and keep down administration costs.

Simplification for Small Aircraft Operators

- 1. *What could further decrease the compliance cost significantly for small aircraft operators? [rank options – 1 greatest cost decrease, 4 no cost decrease]:***

The NACC has no comment on the rankings.

- 2. *Would you be in favour of exempting non-commercial aircraft operators altogether from the scope of EU ETS similar to the de minimis exemption of commercial operators? [Yes/No/Cannot decide]***

The NACC supports a reasonable de minimis exemption developed on rational bases, but not an across-the-board exemption for non-commercial operators as they contribute to CO₂ emissions.

- 3. *Which consideration is the most important when choosing a de minimis threshold for small aircraft operators? [overall environmental effectiveness of the system/administrative effort for operators/other]***

NACC feels that when choosing a de minimis threshold one should consider the amount of CO₂ emissions along with the administrative effort required for small aircraft operators.

Closing Comments

Thank you for the opportunity to respond to the consultation on the policy options for market-based measures to reduce the climate change impact from international aviation.

Yours truly,

THE NATIONAL AIRLINES COUNCIL OF CANADA



George Petsikas
President