

April 5th 2016

Re: April 15 informal Transport & Environment Council on aviation and shipping emissions

Dear European Ministers for Transport and Environment,

CC Commission Vice-President Šefčovič, Commissioner Bulc and Commissioner Arias Cañete

On the occasion of the April informal Council meeting of Transport and Environment Ministers to consider follow-up to the Paris Agreement, we call on Ministers to urgently pursue ambitious and effective measures at both the global and EU level to ensure that international aviation and shipping contribute fairly to the Agreement's objectives.

Aviation emissions, due to the significant non-CO₂ effects, are responsible for 5% of global warming¹ while shipping accounts for almost 3% of global CO₂². Emissions from these sectors, if left unregulated, are projected to grow by up to 270% and could account for almost 40% of all CO₂ emissions by 2050³. Having escaped explicit mention in the Paris Agreement, emissions from aviation and shipping remain the elephants in the climate room. Unless effectively mitigated, they will jeopardise efforts flowing from the Paris Agreement and make it all but impossible to keep an increase in global temperatures to well below 2°C, let alone 1.5°C.

Following the Paris COP, the relevant UN agencies, the International Civil Aviation Organization (ICAO) and the International Maritime Organization (IMO) gave assurances to take action on climate. These commitments are about to be put to the test. Next month the IMO takes up the question of shipping's "fair share" contribution to reducing global emissions at its Marine Environment Protection Committee while ICAO seeks to agree by October to implement carbon neutral growth from 2020.

Shipping at IMO

Having faltered many times, it is now essential that the IMO agrees a global target and GHG emission reduction measures. It should follow Europe's lead in establishing a global robust and transparent monitoring system (MRV) on ship emissions and efficiency. There is also an urgent need to use the ongoing review of the fuel efficiency standard for new ships, the Energy Efficiency Design Index (EEDI) for alignment with the ambition of the Paris Agreement. Research has demonstrated the inadequacy of the current EEDI; many compliant ships are less efficient than those built 25 years ago and many new ships already comply with 2030 requirements, leading to unnecessarily high shipping fuel bills⁴. Europe should ensure that the EEDI review leads to new standards that reflect best practice and deliver real improvements in design efficiency.

Aviation at ICAO

NGOs are highly critical of Europe's approach in negotiating the failed ICAO CO₂ standard for new aircraft⁵. European states and the US effectively ensured that last month's decision on the standard

¹ <http://elib.dlr.de/59761/1/lee.pdf>

² 3rd IMO GHG study (2014)

³ [http://www.europarl.europa.eu/RegData/etudes/STUD/2015/569964/IPOL_STU\(2015\)569964_EN.pdf](http://www.europarl.europa.eu/RegData/etudes/STUD/2015/569964/IPOL_STU(2015)569964_EN.pdf)

⁴ <https://www.transportenvironment.org/press/ship-efficiency-standards-too-weak-drive-improvements-%E2%80%93-study>

⁵ <http://www.climatechangenews.com/2016/02/23/a-flying-fairy-tale-why-aviation-carbon-cuts-wont-take-off/>

will not reduce emissions and will in fact de-incentivise technology innovation. This represents a disaster for the climate and casts a shadow over Europe's approach to mitigating aviation emissions.

Europe has to do better on market-based measures. First, we must ensure that any agreement on a global market based measure complements, not replaces, the inclusion of the sector into the EU ETS. Second, that deal makes 'carbon neutral growth' in 2020 is binding, includes provisions to ratchet ambition over time and to cover reduction shortfalls due to exemptions, sets robust offset credit quality criteria, commits to addressing the non-CO₂ effects of aviation, and accommodates Common But Differentiated Responsibilities (CBDR) through a route-based approach⁶.

EU action

History has shown that EU leadership in the IMO and ICAO matters and can kickstart global action. Nevertheless, it is clear that global action will be insufficient to meet Paris' goals and must be supplemented by measures at EU level.

The European Council and the Commission have committed to economy-wide reductions to meet the EU's 2030 climate reduction target of at least minus 40%. Aviation's contribution within the ETS should be increased as part of the wider 2030 revision. Additional measures at the European level focusing on the removal of implicit subsidies such as the fuel tax and VAT exemptions as well as state aid must now be developed and prioritised. The CO₂ standard decision cannot proceed in its current form. Member State plans on airport capacity must be reconsidered.

On shipping emissions, a deadline for setting an EU reduction target and measures was already established as early as 2009 by the EU Climate legislation. With the adoption of the EU regulation on shipping MRV last year, proceeding now to establish a reduction target and measures such as the inclusion of shipping in the ETS as part of the 2030 package is a key opportunity to take action in this key sector.

Action to set these measures in train is an essential element if Europe is to achieve its 2030 goals and realise the ambition called for at Paris. Account needs to be taken of the reductions that may result from future decisions at ICAO and IMO, but the time has long passed for international promises to substitute for real action at home. It is time for Europe to act.

We call on Member States to agree measures now for shipping and aviation consistent with the EU's economy-wide emissions reduction target of at least minus 40% by 2030 and to pursue in parallel ambition at the IMO and ICAO consistent with the Paris Agreement.

Sincerely,

Jos Dings



Executive Director, Transport & Environment

jos.dings@transportenvironment.org

On behalf of: Transport & Environment, Climate Action Network Europe, WWF, Campaign for Better Transport (UK), VCÖ –Mobilität mit Zukunft (Austria), France Nature Environnement, Natuur & Milieu (Netherlands), Milieudefensie (Netherlands), Transform Scotland, GACC (UK), HACAN (UK), The

⁶ <http://www.flightpath1point5.org/>

Ecological Council (Denmark), Werkgroep Toekomst Luchtvaart (Netherlands), 2 Celcius (Romania), Clean Air Action Group (Hungary), Aviation Environment Federation (AEF), Vodja projektov programa Mobilnost (Slovenia), Carbon Market Watch, Green Liberty (Latvia), VCS - ATE - ATA Association Transport & Environment (Switzerland), Fédération Inter-Environnement Wallonie, Verkehrsclub Deutschland, GreenSkiesAlliance (UK), Airport Watch (UK), Green Budget Europe, Cittadini Per L'aria (Italy).

