

Can this ICAO assembly deliver on its promises for green aviation?

Press briefing

What has happened so far?



This 41st Assembly

- Long term aspiration goal (LTAG)
- Corsia offsetting review (baseline)

Link to the outcome of the 2022 [High Level Meeting](#)

What is wrong with ICAO?

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Green
Climate
changed

UN's Guterres Blasts Shipping, Aviation Climate Targets as Too Lax

- Current goals aligned with warming above 3 degrees: Guterres
- Calls for 'urgent' work toward conformity with Paris Agreement

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'We can live with this': How Airbus was allowed to write its own climate rules

Strategy

CORSIA's airline CO2 baseline must exclude 2020 data: IATA

By Lewis Harper | 7 April 2020

IATA has added to calls for ICAO to reconsider the baseline period being used for its CORSIA global carbon offsetting scheme for commercial aviation, in light of the coronavirus outbreak.



Source: Shutterstock

How valuable is an LTAG for aviation?

CONCLUSIONS OF HIGH-LEVEL MEETING ON THE FEASIBILITY OF A LONG-TERM ASPIRATIONAL GOAL FOR INTERNATIONAL AVIATION CO₂ EMISSIONS REDUCTIONS (HLM-LTAG)

Montréal, 19 to 22 July 2022

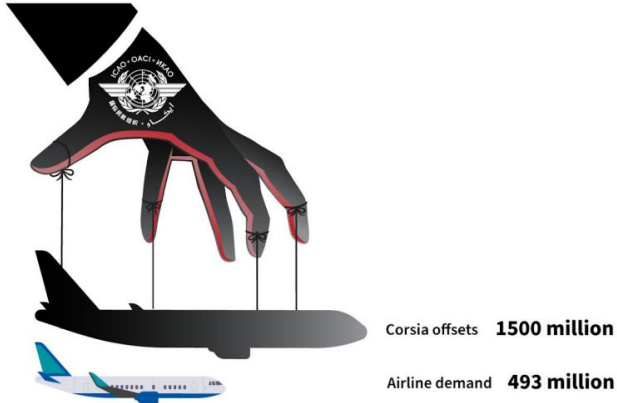
The High-Level Meeting on the feasibility of a Long-Term Aspirational Goal for international aviation CO₂ emissions reductions (HLM-LTAG), convened by the International Civil Aviation Organization (ICAO) at its Headquarters in Montréal from 19 to 22 July 2022, and attended by Ministers and other high-level officials representing XX Member States and YY international organizations, in light of the latest IPCC scientific understanding, reached the following conclusions:

1. ICAO and its Member States are encouraged to work together to strive to achieve a collective long-term global aspirational goal for international aviation (LTAG) of net-zero carbon emissions by 2050, in support of the Paris Agreement's temperature goal, recognizing that each State's special circumstances and respective capabilities (e.g., the level of development, maturity of aviation markets, sustainable growth of its international aviation, just transition, and national priorities of air transport development) will inform the ability of each State to contribute to the LTAG within its own national timeframe.
2. While recognizing that the LTAG is a collective global aspirational goal, and it does not attribute specific obligations or commitments in the form of emissions reduction goals to individual States, each

What we know about Corsia?

1. **Price & amount** of offsets are unable to encourage decarbonisation
2. **Coverage** isn't representative of the bulk of emissions to be addressed
3. **Environmental integrity** of offsets is questionable

Cheap Corsia carbon offsets: 3 times as much supply as demand



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Aviation industry carbon scheme highly flawed, Brussels warned

Airline sector's reliance on its own carbon offsets system comes under fire in unpublished report for EU

Carbon offsets used by major airlines based on flawed system, warn experts

Guardian investigation finds carbon credits generated by forest protection schemes are based on flawed system

- [What is carbon offsetting and how does it work?](#)

New analysis

1. What was the objective of the analysis?

- To analyse the cost and coverage of Corsia and the EU ETS for different Corsia policy options (different baseline and participation levels) and across 5 route groups (incl. US, Middle-East, China)

2. What assumptions?

- Corsia:
 - For all policy options presented in these slides it is assumed that Corsia applies to flights between the 115 countries which have signed up to Corsia for 2023 and to all relevant countries after 2027
- ETS:
 - Same conditions as EC proposal (LRF, phase out free allowances) but with an assumption that all flights departing from the EEA will be subject to the EU ETS

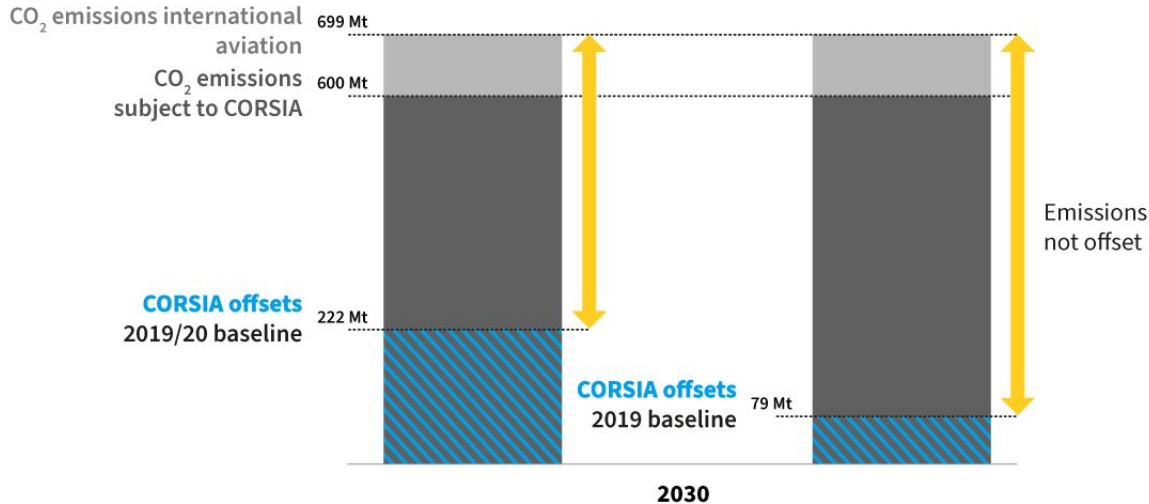
3. What data?

- The data has been generated with the use of AERO-MS from European Union Aviation Safety Agency (EASA). Computations of CO2 emissions by route group for 2019 and 2020 have been brought in line with CORSIA Central Registry data published by ICAO.
- Carrier region relates to data on all carriers with have their home base in a certain world region whereas route groups don't distinguish between the nationality of the carriers
- The results of this analysis do not reflect the official opinion of EASA or the European Union



New analysis on cost & coverage of Corsia (1)

CORSIA offsets fail to address bulk of international aviation emissions

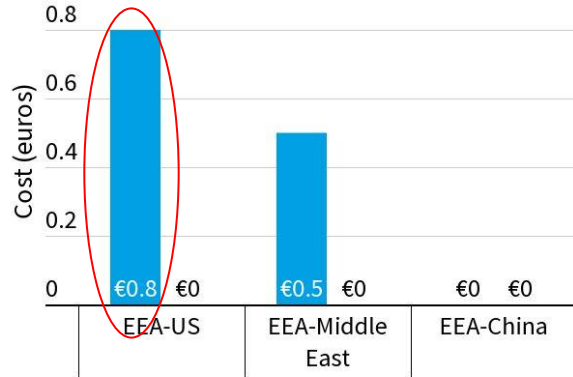


- In 2030, only **31.7%** of international aviation emissions would be subject to Corsia (with a 2019/2020) baseline. It would go down to **11%** with a 2019 only baseline. This does not take into account domestic aviation emissions.

- For the US-EEA route: **36,7%**
- For the Middle East-EEA route: **31,9%**
- For China-EEA route: **36,7%**

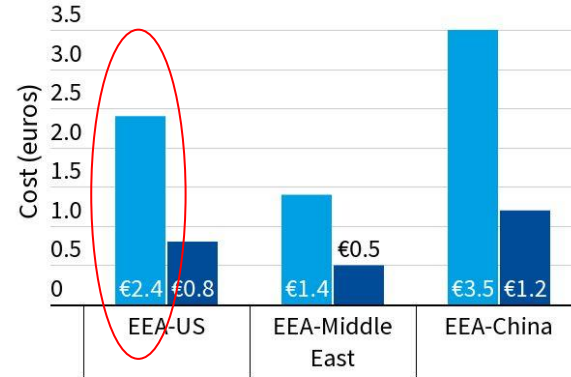
New analysis on cost & coverage of Corsia (2)

2025: Corsia cost per passenger



● Baseline average 2019/2020 ● Baseline average 2019

2030: Corsia cost per passenger

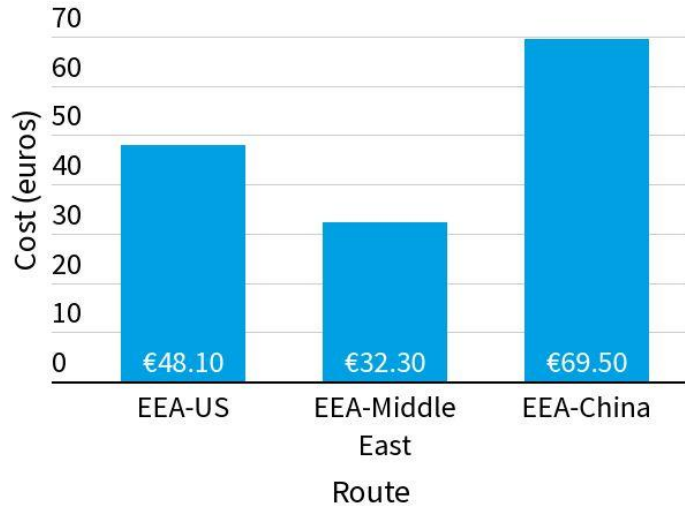


● Baseline average 2019/2020 ● Baseline average 2019

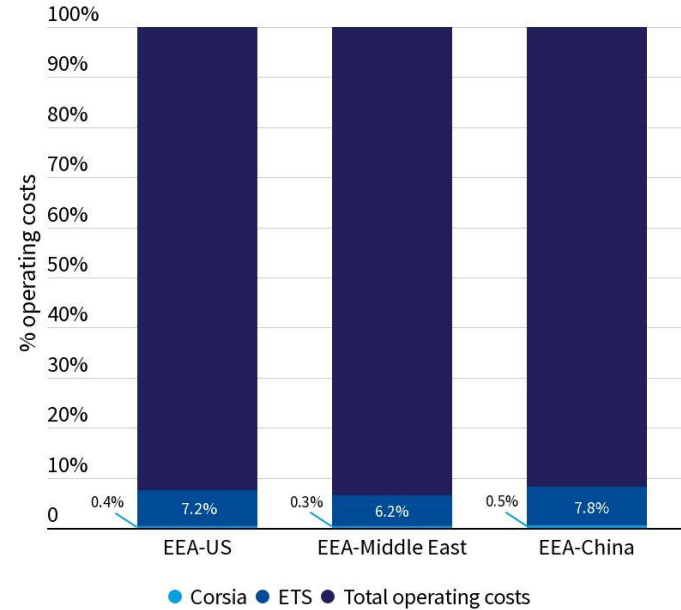
- Passengers would have to pay as little as **€2.40 extra** on a flight from the EU to the US under Corsia in 2030.

New analysis on cost & coverage of Corsia/ETS (3)

Cost of the EU ETS per passenger in 2030



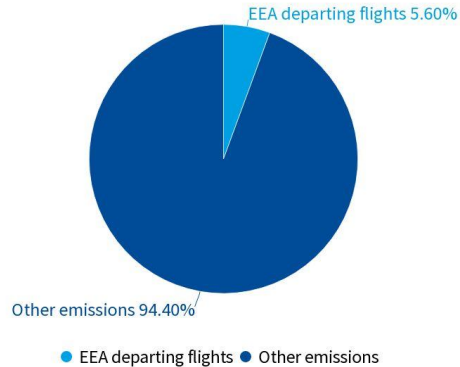
Cost of Corsia & ETS as % of operating costs in 2030



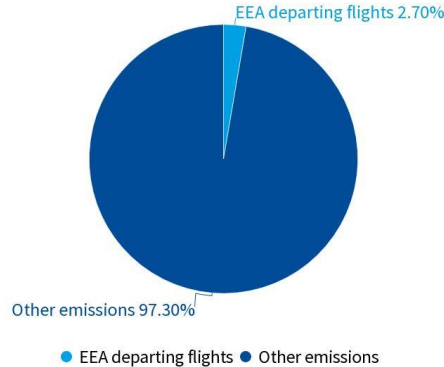
New analysis on cost & coverage of Corsia/ETS (4)

- Countries such as China and the US have little reason to oppose the extension of the EU ETS since emissions from EEA departing flights only make up a small proportion of their total emissions

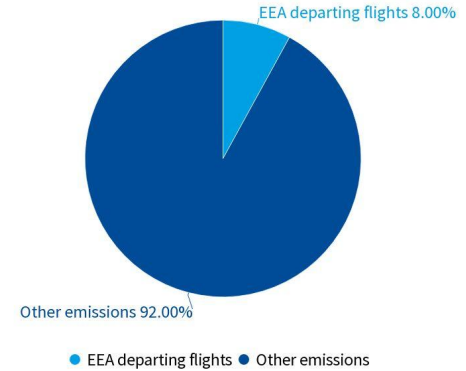
North America



China

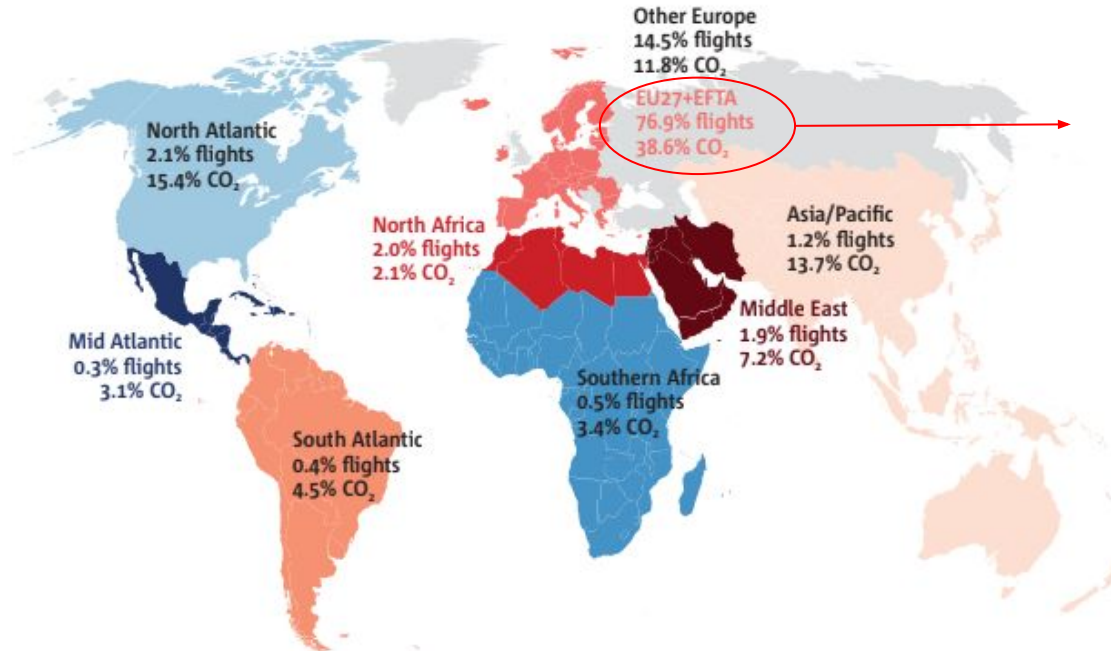


Middle East



Recap on why we need the EU ETS extended?

Figure 1.14 Share of flights and CO₂ emissions by destination region in 2019

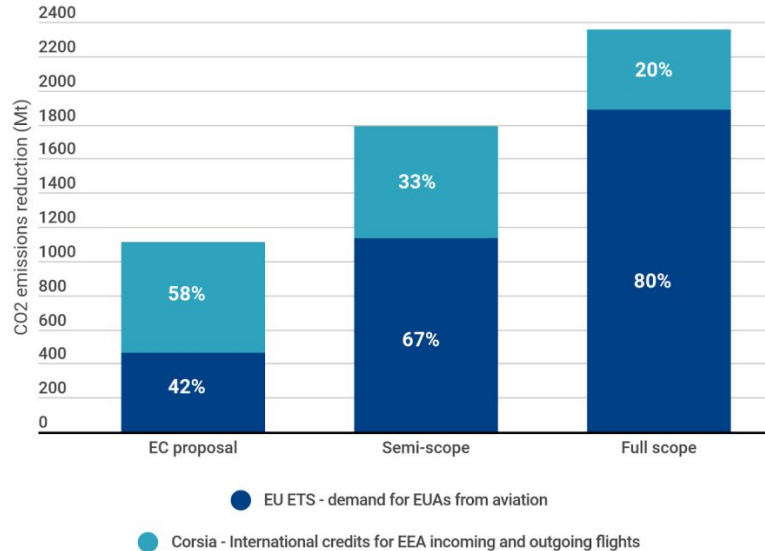


ETS only addressing a little bit more than 1/3rd of EU aviation emissions

Recap on why we need the EU ETS extended?

- The larger the scope of the EU ETS, the larger the emissions reduction potential

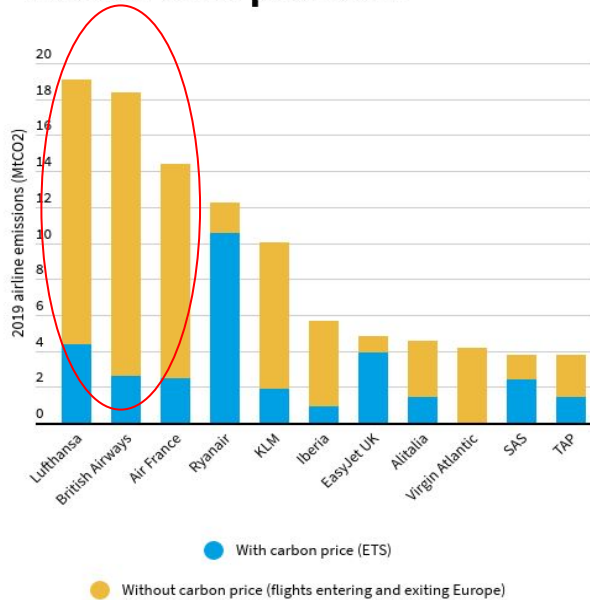
Cumulative (2021-2035) reduction potential in emissions EU ETS vs. Corsia



Source: [More ambitious European carbon market could slash aviation emissions by an extra 53%](#)

Recap on why we need the EU ETS extended?

Revealed: airlines don't pay for most of their pollution



Legacy carriers such as Lufthansa, British Airways and Air France do not pay a carbon price on the vast majority of their emissions

[Source](#) (2021)

Even with the FF55 measures as initially proposed, without more ambition intra and extra EU traffic will continue to grow.

[SEO Economics](#) (2021)

Conclusions & Q&A

Methodological note

- You can find [here](#) more details on the methodology of the analysis conducted by TAKS.
- Growth scenario of traffic is assumed to come back to pre-covid rates by 2025 for international aviation and 2023 for domestic aviation.
- The assumed prices per ton of CO₂ in € for Corsia in the analysis are presented in the table below are based on the ones in the European Commission's impact assessment study:

Assumed prices per ton CO ₂ in € ₂₀₂₁		
	EU ETS allowances	CORSIA offsets
2025	90.1	5.3
2030	100.0	13.7
2035	125.0	23.1

Useful links

- [T&E study with Carbon Market Watch comparing scenarios of different ETS scopes and assessing Corsia](#)
- [T&E briefing on why Corsia is the worst option for the climate](#)
- [On why carbon offsets are not credible](#)
- [Why Europe should focus on its own airline carbon market and forget the UN scheme - Transport & Environment](#)
- [T&E briefing on the European Commission's proposal for the revised ETS](#)
- [T&E report on free allowances under the EU ETS](#)
- [T&E report on airlines lobbying to reduce the ETS scope](#)
- [EU's assessment of Corsia - leak](#)

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