



23 May 2008

CLIMATE POLICY FOR AVIATION NO_x

AIRLINE ASSOCIATIONS' JOINT REPLY TO THE CE DELFT PAPER OF 6 MAY 2008

The airline associations listed above wish to make the following comments in response to the stakeholder meeting held on 16 May 2008: these should be considered in conjunction with the associations' joint submission (IATA was not part of this submission) of 28 February 2008.

We welcome and support the removal of the initially listed options by CE Delft.

Single European Sky and Research & Development

We believe that it is essential to include the assessment and quantification of the inevitable beneficial NO_x effects of the Single European Sky and further Research and Development of low NO_x technology (ref. ACARE) in this study. These two elements represent the potential for the greatest savings in aircraft emissions, including NO_x. Whilst estimates have been made for CO₂ savings arising from the SES, none exist in respect of NO_x. In the absence of such estimates, the need for (or scale of) *any* additional regulatory measures cannot be logically justified.

Moreover, ACARE defined a NO_x reduction objective of 80% in 2020 compared to 2000. To date, manufacturers are on track to meet this objective. As an illustration, one can notice that the currently delivered A320 with new CFM56-5B/3 engines (incorporating the new Tech56 technology) are emitting 20% less NO_x than the same A320 with previous engines. The "TAPS" technology to come and then after, the "Dual Chamber Combustor" technology will deliver additional NO_x reductions in line with ACARE objectives and timescale. An assessment of the beneficial impact of the introduction of such new technologies must be conducted in order to better evaluate the need and the extent of any additional measure.

Objectives, dimensions, timescales and scope

There is still no clear statement of the objectives, dimensions, timescales and scope of the goals that the potential policy options might be expected to achieve. It is thus impossible both for the industry to assess the merits (or otherwise) of specific proposals.

A high level of confusion has been shown to exist. For example are the measures intending to:

- "limit or reduce" aircraft NO_x emissions (CE Delft 6 May paper Section 1)
- "reduce climate impact" (CE Delft slide at the presentation on 16 May), or
- "to reduce aviation cruise NO_x" (CE Delft 6 May paper Section 4)?

The question of the timescales for the delivery of any eventual goal is critically important. Aircraft have long economic lives and may be passed on to other operators during their lifetime. The analysis does

not touch the question of tradeoffs. It only focuses on NO_x policies taking the risk to produce damage in other areas like CO₂-emissions and/or noise.

'Incentive' policies designed to induce the earliest possible aircraft replacement are ineffective in the short term. Such policies require a longer term view to encourage replacement when a step change large enough in emission performance which would produce far greater benefits over the longer term is available. Any aircraft will remain in service for up to 30 years or more. Early replacement of an aircraft which still has a reasonable economic life remaining will continue to be used elsewhere. It will not alter the global situation because it will continue to produce emissions regardless of where it is operated. The noise phase-out has already demonstrated that the artificial depression of an aircraft's value can have the opposite effect to that intended by causing an increase in the global fleet.

The FAA representative confirmed, at the 16 May meeting, that increasing operating costs can have a detrimental environmental effect, citing the deferment by Southwest Airlines of new generation aircraft as a direct result of fuel price increases with older models remaining in service longer than planned.

Conversely "quick fix" policies produce minimal environmental benefit but at significant cost to the industry. Simply responding to inadequately considered views of the Parliament or other bodies serves neither the industry nor the EU's citizens. Genuine long-lasting environmental benefits will only be achieved by a complementary mixture of technology, stringency standards, and ATM improvement. We are therefore very concerned at the short timescales and imprudently rushed policy development that is being considered for what is a major policy decision affecting the future of air transport. A longer term view is needed to produce the best possible environmental result and the study deadline should be extended accordingly.

Charges

Charges would create unavoidable additional costs that would weaken the economic condition of EU operators. However, the consultants have advocated charges without providing any evidence that the operating industry would be able to react (financially and through fleet renewal programmes) to such charges in a way that would deliver environmental benefits. The absence of such evidence is unacceptable and indicates a predisposition that lacks objectivity and understanding of the reality of air operations. ICAO has developed and issued guidance for airports that plan to introduce emissions charges. There are a number of criteria to be met that need to be considered.

NO_x emissions standards

We support efforts to increase NO_x stringency. More stringent standards for newly designed engine/airframe combinations should be developed solely through ICAO and applied globally to achieve maximum environmental benefit. Since ICAO in the current CAEP cycle is reviewing the standards we urge the Commission to get actively involved in order to influence the outcome.

Any deviations from ICAO that might be developed by the EU would have minimal beneficial environmental effects and would, almost certainly, result in disproportionate discriminatory burdens on EU operators. Furthermore it would be laughable to expect the world's manufacturing industry to produce products to meet only EU requirements. Likewise, it would not be legally feasible to impose a production ban on non-EU manufacturers.

An accurate Global Warming Potential (GWP) assessment for aviation NO_x is probably 3-5 years away. CE Delft proposal to use GWP as a charging basis is thus scientifically unsupported. Additionally, charging options must comply with ICAO requirements in respect of the basis on which airport charges may be levied and of the provisions of Member States bilateral air services agreements in respect of such airport charges.

Further information

We ask that the consortium makes available

- its evaluation of the accuracy of available modelling of NO_x mass in en route cruise and the correlation between LTO NO_x and distance
- details of the assumed damage costs of LTO NO_x, that are being used in the study
- an analysis of potential trade-offs between NO_x emissions, CO₂ emissions and noise

Other modes

We support the request made by the manufacturing industry for an update of the IPCC special report incorporating the advances in scientific understanding covering **all** transport modes in order to put aviation in context

In conclusion

The way in which the study has been structured and undertaken creates more questions than answers but simultaneously underlines the need for realistic timescales. The options being considered cannot be assessed objectively in the proposed timescales: there is simply **too** much research required, particularly if the Commission meets its own **obligations** with respect to the production of a “thorough” impact analysis.

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