



EUROPEAN COMMISSION

## MEMO

Brussels, 12 November 2012

### **Stopping the clock of ETS and aviation emissions following last week's International Civil Aviation Organisation (ICAO) Council**

EU Commissioner for Climate Action Connie Hedegaard said:

*"The EU has always been very clear: nobody wants an international framework tackling CO<sub>2</sub>-emissions from aviation more than we do. Our EU legislation is not standing in the way of this. On the contrary, our regulatory scheme was adopted after having waited many years for ICAO to progress. Now it seems that because of some countries' dislike of our scheme many countries are prepared to move in ICAO, and even to move towards a Market Based Mechanism (MBM) at global level.*

*Very good news came from the ICAO Council last Friday. Among other things, it was agreed that:*

- *A high level policy group will be set up shortly*
- *Options for a regulatory MBM will have to be reduced from three to one.*
- *And there is an explicit reference to the global MBM that the world now needs to agree on.*

*In short, finally we have a chance to get an international regulation on emissions from aviation. This is a long sought for opportunity that we must use. This is progress! But actually to get there, a lot of tough negotiations lie ahead of us.*

*In order create a positive atmosphere around these negotiations, I've just recommended in a telephone conference with the 27 Member States that the EU "stops the clock" when it comes to enforcement of the inclusion of aviation in the EU ETS to and from non-European countries until after the ICAO General Assembly next autumn.*

*But let me be very clear: if this exercise does not deliver – and I hope it does, then needless to say we are back to where we are today with the EU ETS. Automatically.*

*So we are creating this window of opportunity, this great chance. I can only recommend to all Parties to engage urgently in taking this issue forward. Now it is the time for paving the way for strong decisions to be taken by the next ICAO General Assembly. The European Union will engage fully and will work closely with the ICAO leadership. We are convinced others will do as well."*

## **Stopping the clock for one year**

Based on the encouraging results of the ICAO Council meeting 9 November – and the constructive engagement of our international partners in the relevant discussions – the EU is convinced that a global solution for addressing the fast growing aviation emissions from international aviation is within reach at the upcoming ICAO Assembly in 2013. As a gesture of good faith the EU will "stop the clock" on the implementation of the international aspects of its ETS aviation by deferring the obligation to surrender emissions allowances from air traffic to and from the EU by one year. This means that the EU would not require allowances to be surrendered in April 2013 for emissions from such flights during the whole of 2012. The monitoring and reporting obligations will also be deferred for such flights. The obligations relating to all operators' activities within EU will remain intact and compliance with the EU law will be enforced in this respect.

"Stopping the clock" creates space for the political negotiations and demonstrates confidence on the side of the EU that together with international partners we will succeed in ICAO to agree on meaningful international action. This means the ICAO process is allowed time until the 2013 Assembly in September/October next year and that no compliance will be expected as regards air traffic outside the EU in the interim.

It goes without saying that in the unlikely event of the ICAO Assembly failing to move forward the EU ETS legislation would be applied in full again from 2013 onwards.

## **Background**

The EU's Emissions Trading Scheme (EU ETS) was established in 2003 by Directive 2003/87/EC and started operation on 1 January 2005. Initially the EU ETS included only land based industrial installations. From 1 January 2012 aviation activities of aircraft operators that operate flights arriving at and departing from Community aerodromes will also be included in the scheme for greenhouse gas emission allowance trading within the Community. The legislation covers 30 States including the 27 EU Member States and Norway, Iceland and Liechtenstein.

Full press conference available here:

<http://ec.europa.eu/avservices/player/streaming.cfm?type=ebsvod&sid=215099>