



IATA industry-wide strategy to address climate change

IN DECEMBER 2005, THE IATA BOARD OF GOVERNORS ENDORSED AN INDUSTRY STRATEGY FOR ADDRESSING CLIMATE CHANGE AND EMISSIONS TRADING. THIS STRATEGY WAS DEVELOPED THROUGH WIDE CONSULTATION WITH IATA MEMBER AIRLINES AND BACKED UP BY EXTENSIVE ANALYSIS. THE STRATEGY CONTAINS FOUR MAIN ELEMENTS.

Air transport is an environmentally-responsible industry. No other industry has matched our achievements and investments in quieter and cleaner technology. Air transport contributes to the stabilisation of greenhouse gas emissions in the atmosphere by continuously increasing fuel and carbon efficiency. In 2005 alone, airlines' carbon dioxide (CO₂) emissions came down by 1.8% per 100 revenue tonne kilometres. In the last decade, efficiency improved by 20%. In all, aviation is only responsible for 2% of global CO₂ emissions - while contributing 8% to global GDP.

IATA's climate change strategy will ensure that, as an industry, we continue to responsibly address our environmental challenges.



Giovanni Bisignani
Director General & CEO

01 Technology is key

Accelerated technological advancements and work on potential alternative fuels for aviation must be the primary means to address aviation's greenhouse gas emissions.

IATA urges governments, researchers and manufacturers to accelerate technological development and seek improvements beyond their current goals.

02 Infrastructure and operations should be further enhanced

IATA airlines have a voluntary commitment to improve fuel efficiency by 10% between 2000 and 2010. They are on track to beat this target.

IATA calls upon governments, airports and air navigation service providers to put their full weight behind further infrastructure improvements, which could yield fuel efficiency benefits of up to 12% worldwide.

03 Fuel and greenhouse gas taxes and charges must be avoided

Taxes and charges increase industry costs and undermine socio-economic benefits from aviation, especially in developing economies. They also take funds away from airlines, making it more difficult for them to invest in newer, cleaner equipment.

IATA urges States not to implement fuel and greenhouse gas taxes and charges.

04 Emissions trading is preferred over taxes and charges, if properly designed

Emissions trading can achieve environmental objectives whilst costing 75% less than taxes or charges. However, it may still impose substantial costs on airlines. Voluntary agreements can provide more flexibility and potential cost savings.

IATA encourages the use of voluntary initiatives - including emissions trading - to address greenhouse gas emissions from aviation.

If States consider including aviation in emissions trading, certain essential elements should be incorporated.

Essential elements of emissions trading for aviation

ICAO's global leadership and authority must be preserved since it has a unique mandate to establish policies for greenhouse gas emissions from international aviation.

Competitive distortions must be minimised and ICAO guidelines should be followed. Unilateral inclusion of flights to/from third countries should be avoided.

Airlines should have open access to trading markets - in order to ensure the fair treatment of aviation, to contain costs and to accommodate future demand. Aviation emissions allowances should be fully interchangeable with other existing emissions trading schemes.

Initial distribution of emissions allowances should be free of charge, based on equal treatment, and should not be auctioned. Auctioning would result in costs similar to those associated with fuel taxes.

Only CO₂ emissions should be included, given current scientific knowledge. Other emissions are better addressed through different means, according to their climate change impact.

Targets and baselines should treat airlines equally - they must take account of historical efficiency improvements by airlines and should not penalise airlines for existing infrastructure inefficiencies.

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