ICS: Expresses Strong Reservations on International Proposal to Regulate Aviation Pollution: Five Ways to Save the Agreement

191 countries will vote on the future of aviation pollution on 27 September to 7 October at an ICAO Assembly meeting in Montreal. The latest text of the proposed aviation agreement was publicly released approximately one month ahead of the meeting. ICSA, the only civil society body officially accredited to observe the aviation proceedings, has strong reservations about a global market-based measure (GMBM) that would rely on a system of voluntary, unguaranteed participation with weak environmental safeguards.

A voluntary system would be a departure from ICAO’s previously committed approach and would undermine ICAO’s goal of carbon-neutral growth after 2020. Essential environmental safeguards need to be included, such as a clear prohibition of double-counting, without which the emissions reductions could be illusory.

The new proposed text would allow nations participating in the global market-based measure (GMBM) to opt out with only six months’ notice, raising serious concerns about the durability of the program. Environmental measures, including market-based measures depend on consistent participation for their effectiveness. The cost- and environmental effectiveness of MBMs depend on predictable demand for and supplies of quality emission reductions; investment in these, in turn, depends on consistent participation by governments. The opt-out provision should therefore be removed.

In their haste to try to ensure that the GMBM is the sole market-based measure for international aviation, countries must not trample on national sovereignty. A number of States are developing MBMs to limit the emissions of their domestic flights - the ICAO MBM should not affect States’ rights to do so. In addition, States or groups of States always have the freedom to enter into more ambitious international arrangements. The ICAO MBM should not interfere with this settled principle of international law.

The newly proposed voluntary approach leads to uncertainty about the MBM’s emission coverage. It is therefore critical that Member States publicly affirm - prior to the conclusion of the Assembly - that they will participate in the GMBM from 2021. Unless these concerns are addressed, the overall viability of the GMBM is in doubt.

Five specific measures should be taken to save the GMBM:

1. Ensure adequate coverage through public commitment to participate
2. Remove the opt-out provision
3. Allow for regional and national efforts to increase ambition
4. Ensure that reductions under the MBM are not double counted towards other climate goals
5. Ensure the quality of emissions credits and alternative fuels
Understanding the Five Ways to Save the Agreement

1. Ensure adequate coverage through public commitment to participate
   The agreement, as currently proposed, establishes (1) a voluntary “pilot phase” from 2021 through 2023, (2) a voluntary “first phase” from 2024 through 2026, and (3) a “second phase” based on mandatory criteria from 2027 through 2035. Countries, particularly industrialized and major aviation countries, must publicly commit to join the first two voluntary phases by the ICAO Assembly. If ICAO’s own target of stabilizing net emissions at 2020 levels is to be met, any emissions growth above 2020 levels that is not covered under the three phases of the GMBM must be addressed by greater ambition at international, regional or national level.

2. Remove the opt-out provision
   The explicit ability of States to opt out of the early phases of the GMBM after joining sows uncertainty for airlines and is inconsistent with the need to increase participation and emissions reductions to achieve the temperature goals in the Paris Agreement.

3. Allow for regional and national efforts to increase ambition
   With the 2020 target insufficient to achieve the goals of the Paris Agreement, it’s important that ambitious states and regions are permitted to go further in reducing their emissions. Language in the draft resolution which attempts to block should ambition should be removed, and instead ICAO should actively encourage such action.

4. Ensure that reductions under the MBM are not double counted towards other climate goals
   If offsets used to achieve the goal of the GMBM are also credited to other climate goals, emissions will increase while countries and airlines appear to meet their pledges. To prevent ICAO goals from undermining countries’ Paris pledges, clear language on avoiding double counting must be referenced.

5. Ensure the quality of emissions credits and alternative fuels
   The modalities and criteria on emissions credits and alternative fuels will continue to be discussed in ICAO technical committees after the ICAO Assembly. However, the Assembly must make clear that emission credits and alternative fuels that fail to reduce emissions or undermine sustainable develop will not be eligible under the GMBM.