



June 23, 2006

Dear Member of the European Parliament,

On the 30<sup>th</sup> May 2006, the Environment Committee adopted the Lucas Report based on the Commission Communication entitled "Reducing the Climate Change impact of Aviation".

We would like to stress that the Air Transport Industry takes its environmental responsibilities very seriously indeed. The issue of aviation and climate change should be addressed through a range of policies. The air transport industry actively endorses an Emissions Containment Policy based on four pillars: technological progress through research, infrastructure improvements, operational measures and economic instruments.

Despite a very reasoned debate in the TRAN and ENVI Committees with constructive arguments being put forward by many Parliamentarians, the Air Transport Industry is extremely concerned with the final outcome following the vote.

Unfortunately the report has not adopted a wide approach, but focuses primarily on economic instruments and particularly on emissions trading. As drafted, this limited approach would seriously impact the competitiveness of the European aviation industry and undermine the objectives of the Lisbon Strategy on jobs and growth.

Key concerns with the Lucas report are as follows:

- A combination of various taxes such as fuel taxes, VAT, environmental charges in addition to an Emissions Trading Scheme (ETS) would simply result in the introduction of overlapping instruments to achieve the same goal of emissions reduction.
- A separate ETS for aviation would not be workable as there would be no market. All the trading entities would be net buyers of CO<sub>2</sub>.
- The application of a 'multiplier' would be purely discriminatory since such a measure does not apply to other sectors and is not supported by scientific evidence.
- Finally, the 'Auctioning of Allowances' would be unaffordable and would discriminate unfairly against aviation.

We have demonstrated our commitment to reduce emissions by fully engaging in a constructive dialogue with the European Commission on a possible inclusion of aviation in the existing ETS. Representatives of airlines, airports and the aerospace manufacturers were actively involved in the Aviation Working Group established under the EU's Climate Change Programme II.

As you know, Air Transport makes a major financial and social contribution to the European economy to the benefit of all European citizens and, in order to be able to continue, we need to compete globally on a level playing field.

**Whilst we realise that an outright rejection would be difficult for the final vote in the Plenary on the 4<sup>th</sup> of July, we would ask you to vote against the following Paragraphs which concern the key points we have raised: 4, 6, 22, 29, 35 and 39.**

We thank you in anticipation. Should you require further information please contact one of the following:

\* \* \*

**AEA** – Association of European Airlines – Mr. U. Schulte-Strathaus – Secretary General – [Ulrich.schulte-strathaus@aea.be](mailto:Ulrich.schulte-strathaus@aea.be) - + 32 (0) 2 639 89 79

**ASD** – AeroSpace and Defence Industries Association of Europe – Mrs Jacqueline Foster – Head of External Affairs - [jacqueline.foster@asd-europe.org](mailto:jacqueline.foster@asd-europe.org) - + 32 (0) 2 775 81 34

**ATAG** – Air Transport Action Group – Mr. Ph. Rochat – Executive Director - [rochatp@atag.org](mailto:rochatp@atag.org) - + 41 22 7702097

**EBAA** – European Business Aviation Association – Mr. P. Vicente Azua – Manager European Affairs – [pedrovazua@ebaa.org](mailto:pedrovazua@ebaa.org) - +32 2 766 00 70

**EEA** – European Express Association – Mr. R. Steisel – Chairman of the Transport & Environment Committee – [roland.steisel@dhl.com](mailto:roland.steisel@dhl.com) - +32 2 713 46 78

**ELFAA** – European Low Fare Airlines Association – Mr. J. Hanlon – Secretary General – [John.Hanlon@flybe.com](mailto:John.Hanlon@flybe.com)

**ERA** – European Regions Airline Association – Mr. S. McNamara – General Manager Infrastructure & Environment - [simon.mcnamara@eraa.org](mailto:simon.mcnamara@eraa.org) - + 44 1276 485574

**IACA** - International Air Carrier Association – Mrs. S. Lust - Director General – [sylviane.lust@iaca.be](mailto:sylviane.lust@iaca.be) - +32 (0)2 546 10 60

**IATA** – International Air Transport Association – Mr. A. Hardeman – Manager Aviation Environment - [hardemana@iata.org](mailto:hardemana@iata.org) - + 41 22 770 2062