

CAAFI Biennial General Meeting Washington, 25 October 2016



Alternative Jet Fuel under International Aviation Climate Change Policy

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To represent, lead and serve the airline industry



Aviation has a strong track record on improving efficiency

AVIATION EFFICIENCY IMPROVEMENT OUTPERFORMS THE WIDER ECONOMY







PILLARS OF CLIMATE GLOBAL GOALS ACTION



Setting the strategic direction



GOAL 1	GOAL 2	GOAL 3
PRE-2020 AMBITION	IN LINE WITH THE NEXT UNFCCC COMMITMENT PERIOD	ON THE 2°C PATHWAY
1.5% ANNUAL	STABILISE NET	REDUCE
AVERAGE FUEL	AVIATION CO ₂	AVIATION'S NET
EFFICIENCY	EMISSIONS AT	CO2 EMISSIONS
IMPROVEMENT	2020 LEVELS	TO 50% OF WHAT
FROM 2009 TO	WITH CARBON-	THEY WERE IN
2020.	NEUTRAL	2005, BY 2050.
	GROWTH.	
600		600



TECHNOLOGY O OPERATIONS **INFRASTRUCTURE** MARKET-BASED MEASURE

MARKET-BASED MEASURE



Aviation's global market-based measure has been agreed



Historic decision at ICAO Assembly

Nearly all 191 ICAO States supported 'CORSIA'

Industry was instrumental in agreement

Seven years since industry set goals and started pushing for a global MBM

Aviation's global market-based measure has been agreed



- Addresses increase in CO2 emissions from international civil aviation above 2020 levels
- The market-based measure applying to CO2 emissions from international aviation
- Complements a broader package of measures to achieve CNG2020
- Phased-implementation to address principles of Common but Differentiated Responsibilities (CBDR) and Special Circumstances and Respective Capabilities (SCRC)





Global levy



Global emissions trading scheme



Global offsetting



	PI	_OT PHASE	F	IRST PH	IASE	SECOND PHASE								
	VOLUNTARY 65 States have volunteered to be part of the scheme from 2021 (more States are encouraged to volunteer).				MANDATORY Exemptions for: Small Islands, Least Developed Countries, Land-locked Developing Countries and States which have less than 0.5% of air traffic (although they can still volunteer).									
MONITORING, REPORTING & VERIFICATION TO SET THE BASELINE			Operators will offset based on average CO2 growth of the sector.			Offset obligations shift to include over 20% of individual operator growth.			Offset obligations shift to be over 70% based on individual operator growth.					
2019 2020	2021	2022 2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035

OVER 80% OF THE GROWTH IN AIR TRAFFIC CO2 AFTER 2020 WILL BE OFFSET

Which States are included in the first (voluntary) phases?



AS OF 12 OCTOBER 2016, **66 STATES** HAVE VOLUNTEERED TO BE PART OF CORSIA FROM THE START.

Route-based approach means market distortion is limited



