Why Cutting Airplanes' Carbon Pollution Matters, and Why U.S. Airlines Shouldn't be Allowed to Evade EU Law

On July 5, 2011, a 15-judge panel of the European Court of Justice, Europe's highest judicial body, will hear a challenge brought by United/Continental Airlines, American Airlines, and the Air Transport Association of America (ATA) against a European law that mandates cuts in global warming pollution from planes flying in and out of airports in Europe.

The law, which also includes mandates for reporting of emissions and fuel consumption data, was enacted in 2009; the provisions requiring pollution cuts take effect starting January 1, 2012.

The law is fair. It requires all flights using EU airports, without discrimination, to cut pollution. And the pollution cuts are extremely modest: 3% the first year, and 5% in later years. That's far less than the 20% reduction in pollution required of other industries operating in Europe.

The law is flexible. It gives airlines a wide variety of ways to comply, and lets them take advantage of a whole range of low-cost options for cutting pollution and saving fuel costs – helping their customers and the air we all breathe.

The law cuts pollution. The law will cut 183 metric tons of CO2 annually by 2020, equivalent to taking 30 million cars off the road every year. In ad campaigns, U.S. airlines have touted their efforts to reduce their environmental footprint. If those ads *are* backed up by real actions, then the airlines have nothing to fear from the EU law – they're already doing what the law requires. If the airlines *aren't* cutting their pollution, then the basis for their ad campaign isn't clear.

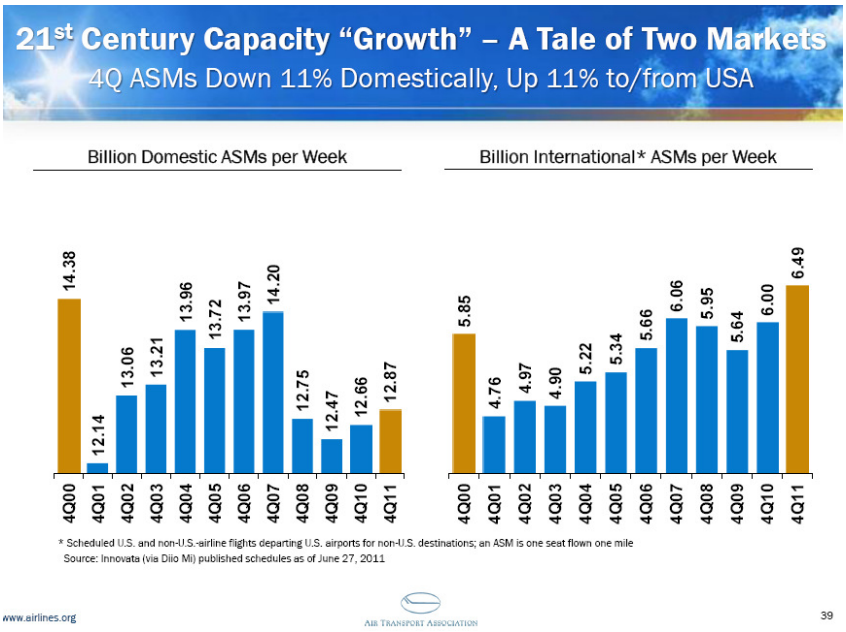
Four reasons that the EU law to reduce emissions from airplanes matters:

1) Template. Treaty talks aimed at a new "top-down" agreement to combat climate change have practically stalled as the world waits for the United States to put in place a significant domestic program to regulate global warming pollution. But national and regional carbon markets are moving forward, starting with the $140 billion/year EU emissions trading system. China, Brazil, Australia and other nations are now considering establishing their own domestic carbon markets. Getting new carbon markets going, and linking national and regional carbon markets, is emerging as a crucial strategy in the fight to cut global carbon pollution. The EU aviation program caps carbon pollution from flights to and from Europe, and allows other nations that adopt similar programs to link to Europe's system (and exempt their flights from dual regulation). So it offers an important template for learning about how to tackle global warming "bottom up".

2) Technology. The aviation industry is a cornucopia of technology innovation – in engine design, in airframe (jet body) design, in air traffic and communications systems – all of which have important applications in other fields. A high-efficiency combined cycle gas power plant, for example, is basically a set of jet engines on the ground, generating electricity. High-efficiency innovations in aircraft design can be applied to the design of cars, trucks, boats and trains (think of the shape of a bullet train – it's got a nosecone like a jet). And systems that enable planes to fly more efficient flight paths can be applied to help truck fleets deliver goods more efficiently on land. It's essential to get the aviation industry engaged in the quest for the low-carbon economy of the future.

3) Timing. The U.S. economy is in urgent need of recovery. And the aviation industry is poised to make major new long-term investments in aircraft, engines, airport design, traffic control systems, ground equipment, and alternative fuels. By complying with, instead of trying to evade, the EU's law, U.S. airlines could help fuel the U.S. economic recovery. Otherwise, the new orders for planes – and the jobs that accompany them – will go elsewhere.[1]

4) Trajectory. Emissions from aviation constitute about 2.5% of global emissions, meaning that all the airplanes in the world emit about as much carbon pollution as Canada. But air travel is expected to quadruple in the coming decades,[2] and, as the airlines' own data indicate, most of that growth is coming from international travel. It's the emissions from those flights that the EU law addresses.



ATA market analysis shows the domestic market in the United States is relatively flat, and the market for flights between the U.S. and other countries is the principal engine of growth. Source: "The Economic Climb-Out for U.S. Airlines Global Competitiveness and Long-Term Viability," Air Transport Association/ATA Economics, June 28, 2011.

Conclusion. The EU's law cutting carbon pollution from aviation is important – for the atmosphere, and for helping the U.S. economy. U.S. airlines should be racing to comply with it, not racing to court to stop it.

[1] "Airbus raked in more orders for its revamped A320 single-aisle plane on Tuesday, tapping into growing demand for more fuel-efficient planes from leasing companies and fast-growing low-cost carriers, particularly in Asia. The European plane maker announced commitments for more than 100 more A320neo jets at the Paris Air Show here, bringing the total backlog for the plane, which has been on offer since December, to nearly 600 aircraft — well beyond the 500-order benchmark that Airbus had initially predicted it would achieve by the end of the show… 'It prompts Boeing to do something,' Henri Courpron, chief executive of International Finance Lease Corp., told Reuters. 'It cannot do nothing.'" Nicola Clark, *Airbus Beats Forecast for Revamped A320 Orders*, The New York Times, June 21, 2011.

[2] International Civil Aviation Organization. *ICAO Environmental Report: Aviation's Contribution to Climate Change.* 2010.