

Airlines decry EU carbon emissions scheme

September 27 2011



Airlines denounced on Tuesday an EU plan to charge them for carbon emissions, warning it would cost the industry 17.5 billion euros (\$23.8 billion) over eight years.

Airlines denounced on Tuesday an EU plan to charge them for carbon emissions, warning it would cost the industry 17.5 billion euros (\$23.8 billion) over eight years.

Three major airline associations charged that the European Commission was "grossly misleading" by stating the scheme could actually translate into 20 billion euros in revenue over the next decade.

"It is high time that the Commission woke up to reality," said the Association of European Airlines (AEA), the European Regions Airline Association (ERA) and the International Air Carrier Association (IACA).

"Saying airlines are the beneficiaries of a scheme that deprives them of revenues shows a blatant misunderstanding of economic reality," they said in a joint statement.

Airlines, which contribute to 3.0 percent of global [greenhouse gas emissions](#), will be included in the EU's [carbon trading](#) market on January 1.

But EU climate action commissioner Connie Hedegaard announced Monday that airlines will receive 85 percent of their emissions allowances free of charge in 2012, meaning airlines would have to pay for 15 percent of their polluting rights. The figure will drop to 82 percent per year between 2013-2020.

She said the free allowances amount to 20 billion euros over the next decade, adding that airlines could use the funds to modernise their fleets, improve [fuel efficiency](#) and use non-fossil [aviation fuel](#).

"To refer to carbon permits as revenue is totally absurd," says AEA secretary general Ulrich Schulte-Strathaus.

"This is simply not true. The allocated certificates have to be surrendered; this is not money which airlines can re-invest," he said.

The airlines said the price of carbon permits would rise to 28 euros for one tonne of CO₂ by 2020, for a total cost of 17.5 billion euros between 2012-2020.

European carriers, meanwhile, will post "a meagre 0.8 percent margin" in 2012," they said.

"Adding costs against a backdrop of [economic uncertainty](#) will only hinder the recovery," said IACA director general Sylviane Lust.

US air carriers are challenging the EU Emissions Trading System in Europe's top court, arguing that it breaches international climate change agreements.

(c) 2011 AFP

Citation: Airlines decry EU carbon emissions scheme (2011, September 27) retrieved 26 April 2024 from <https://phys.org/news/2011-09-airlines-decry-eu-carbon-emissions.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.