

China says it opposes EU airline emissions charges

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The comments from China's foreign ministry and official media came after the European Union's highest court threw out a bid by US and Canadian airlines to block the scheme, triggering an angry response from Washington.

"We oppose the unilateral legislation imposed by the EU," said Chinese foreign ministry spokesman Liu Weimin.

"We hope the European side will be prudent and practical, and deal with this issue appropriately through consultation with relevant parties including China."

A commentary by the official Xinhua news agency warned the EU scheme "infringes on national sovereignty, violates international aviation treaties and will lead to a trade war" in the sector.

"The EU's plan is unfair as it lacks international recognition and support of the law, and also ignores efforts by other countries, especially developing countries, to tackle aviation emissions," Xinhua said.

Airlines around the world have denounced the EU plan to charge them for [carbon emissions](#), warning it would cost the industry 17.5 billion euros (\$23.8 billion) over eight years.

China has said it fears its aviation sector will have to pay an additional 800 million yuan (about \$125 million) a year on flights originating or landing in Europe, and that the cost could be almost four times higher by 2020.

Under the EU scheme, airlines would have to pay for 15 percent of the polluting rights accorded to them in 2012, the figure then rising to 18 percent between 2013 and 2020.

The tax would affect all of China's major airlines -- including Air China, China Eastern and China Southern, the China Air Transport Association (CATA) previously told AFP.

A spokesman for CATA declined to comment when contacted by AFP.

China reportedly blocked an order by Hong Kong Airlines for billions of euros' worth of Airbus aircraft earlier this year in retaliation for the EU

move, underscoring the potential for a significant trade row.

State media on Thursday quoted CATA deputy secretary Chai Haibo saying he had urged government agencies to take "trade countermeasures" against the European Union.

The US airlines association that brought the case before the European Court of Justice said it would mull further action in the English High Court, but meanwhile would comply with the European Union -- though "under protest".

North American carriers argued the decision was discriminatory and amounted to a backdoor tax.

But the court ruled that the European Union's approach was valid, and that it "infringes neither the principles of customary international law at issue nor the Open Skies Agreement" covering trans-Atlantic flights.

The decision was welcomed by the European Union, which told US airlines to get ready to obey the law in the same way European companies respect American regulations.

The threat of knock-on effects hung in the air, however, after a warning by US Secretary of State Hillary Clinton of possible reprisals some days ago.

The judgment "risks unleashing a trade war between Europe and the United States", a high-ranking aviation source told AFP.

The European Commission said after the ruling that the Emissions Trading System would come into force as scheduled.

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