

**55th CONFERENCE OF
DIRECTORS GENERAL OF CIVIL AVIATION
ASIA AND PACIFIC REGION**

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AGENDA ITEM 7: AVIATION AND ENVIRONMENT

**CARBON OFFSETTING & REDUCTION SCHEME FOR
INTERNATIONAL AVIATION (CORSA) AND
ITS CHALLENGES**

Presented by India

SUMMARY

This Discussion Paper deals with ICAO's Carbon Offsetting and Reduction Scheme for International Aviation (CORSA), to be adopted by its member States to reduce carbon emission from international civil aviation. The paper describes the various challenges that are being faced by developing nations in meeting the requirements of ICAO and the assistance and cooperation required for smooth implementation.

CARBON OFFSETTING & REDUCTION SCHEME FOR INTERNATIONAL AVIATION (CORSA) AND ITS CHALLENGES

1. INTRODUCTION

1.1 The 39th ICAO General Assembly, held in October 2016, concluded with the adoption of a global market-based measure scheme to address CO₂ emissions from international aviation. It was a historical decision, wherein for the first time, an industry has agreed to a global market-based measure that is taken to mitigate the adverse effects of aviation on environment caused by aircraft operations, particularly in the field of emissions.

1.2 The aviation sector is committed to technology, operational and infrastructure advancements for reduction of its sectoral emissions. However, ability to achieve the goal of carbon neutral has recently been enabled by the adoption of CORSIA at ICAO. Though offsetting is not intended to replace these effects, however, CORSIA will help the sector to achieve its climate targets by complementing emissions reduction initiatives within the sector.

2. DISCUSSION

2.1 In order to achieve ICAO's aspirational goal of Carbon Neutral Growth from 2020 onwards, ICAO has adopted CORSIA, under which an aeroplane operators will be required to purchase and cancel "emissions units" to offset any increase in CO₂ emissions covered by the scheme. With the exception of few types of international operations, CORSIA aims to address any annual increase in total CO₂ emissions from international civil aviation above the baseline value, which will be set on the average of 2019 and 2020 annual emissions levels.

2.2 The associated challenges with CORSIA especially for developing countries are manifold. The air traffic in developing countries is growing and there will be an overall increase in fuel consumption, which will lead to increase in individual operator's emissions component each year after 2020. Thus individual operator's emissions will definitely increase in future in comparison to the operators from developed countries who have already achieved their saturation levels.

2.3 The annual growth in individual operator's emissions component will call for higher offsetting requirements. Therefore, the operators from developing countries will be required to purchase more emissions units in comparison to others. This will lead to an additional financial burden on operators from developing countries to meet their offset requirements. The operators even have to sell out huge amount to the Verification Bodies towards fees for verifying their Emissions and Emissions Unit Cancellation Reports. In short, the growth of the aviation industry in developing countries will be adversely affected by the implementation of CORSIA from 2021 onwards.

2.4 In Indian context, although there is a fuel savings due to state-of-art fuel efficient engines in the fleet of scheduled carriers, however, there is an overall increase in fuel consumptions by the airlines which is attributed to increased domestic and international operations, new routes, overall increase in aircraft movements, passenger growth, operations by new airlines, etc. Hence, apart from carbon neutral growth, CORSIA will also pose significant challenges to the developing nations whose aviation industry is in the growing phase.

2.5 DGCA, India has issued the template for preparation of Emission Monitoring Plan (EMP). All Stakeholders have submitted the EMP data, which is being analysed. Based on the guidance provided in ICAO Annex 16, Volume IV, DGCA India has also drafted regulation on CORSIA which is under consultation with the stakeholders.

2.6 In order to have a smooth and harmonize implementation of CORSIA in developing countries, member states may like to share CORSIA implementation experiences and related knowledge mutually. Further, since the scheme is implemented in various phases and the requirements for each phase is different from others; ICAO may also conduct workshops and seminar to train the CORSIA Focal Points from each State for its smooth and efficient implementation.

2.7 International Civil Aviation Organization (ICAO), which serves as the global forum of States for international civil aviation, shall also respect and consider the principles and provisions made in UNFCCC and Paris Agreement and shall keep in mind the differentiated responsibilities based on historic emissions while finalizing any such policies or goals.

3. ACTION BY THE CONFERENCE

3.1 The Conference is invited to note:

- a) That ICAO may conduct workshops and seminar to train CORSIA Focal Points from each State for its smooth and efficient implementation,
- b) That member States may share CORSIA implementation experiences and related knowledge mutually,
- c) That States capable of providing assistance shall take lead and provide technical and financial assistance to other States for smooth implementation of CORSIA,
- d) That developing nations should not be made to pay the burden of accumulative historical emissions caused by the developed countries.

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