



COMISSÃO LATINO-AMERICANA  
DE AVIAÇÃO CIVIL

LATIN AMERICAN CIVIL  
AVIATION COMMISSION

**COMISIÓN LATINOAMERICANA DE AVIACIÓN CIVIL**

**SECRETARÍA  
APARTADO 27032  
LIMA, PERÚ**

CLAC/GEPEJTA/36-NE/18  
04/04/16

**TRIGÉSIMO SEXTA REUNIÓN DEL GRUPO DE EXPERTOS EN ASUNTOS POLÍTICOS,  
ECONÓMICOS Y JURÍDICOS DEL TRANSPORTE AÉREO (GEPEJTA/36)**

(Montevideo, Uruguay, 5 al 7 de abril de 2016)

**Cuestión 4 del  
Orden del Día:**

**Medio Ambiente**

**Cuestión 4.1 del  
Orden del Día:**

**Informe COP/21 (Francia, diciembre de 2015)**

- **Resultados lo la COP-21 de París y sus implicancias en las negociaciones de un acuerdo global sobre emisiones de CO2 para el transporte aéreo internacional**

(Nota de estudio presentada por Argentina)

**Antecedentes**

1. La última Asamblea de la OACI adoptó la Resolución A38-18, mediante la cual se pide al Consejo de la Organización que elabore un plan mundial de MBM para la aviación civil internacional, que será considerado por la próxima Asamblea de la OACI (27 de septiembre al 8 de octubre de 2016). No obstante, dicha Resolución reconoce el principio de las responsabilidades comunes pero diferenciadas (CBDR) entre los principios que deberán tenerse en cuenta para la elaboración de una MBM, rechaza la aplicación de medidas unilaterales, y también pide al Consejo que finalice los estudios sobre viabilidad y factibilidad de dicho plan mundial, teniendo en cuenta las necesidades del desarrollo de la aviación civil, así como las negociaciones dentro de la CMNUCC.

2. Como consecuencia de lo resuelto en la 38° Asamblea de la OACI, el Consejo de esa Organización creó al EAG (Environment Advisory Group) para que lleve adelante los trabajos técnicos sobre las MBM, y estableció que dichos trabajos serán supervisados por el Consejo. Con el objetivo de avanzar en las negociaciones, y así cumplir con el mandato de la Resolución A38-18, el Presidente del Consejo de la OACI presentó un proyecto propio de resolución sobre un esquema mundial de medidas de mercado para la aviación internacional. Este proyecto, en su párrafo 7, determina las obligaciones de los Estados de una forma en la que no se estaría en consonancia con el principio CBDR. En su lugar, se

proponen criterios de diferenciación entre las responsabilidades de los Estados que no están receptados en el derecho internacional vigente que regula el cambio climático, como la clasificación por PBI elaborado por el Banco Mundial, o el criterio RTK (Revenue Tonnes Kilometers).

3. A los efectos de negociar este proyecto --que se presentará a la próxima Asamblea de la OACI--, el Presidente del Consejo de la OACI creó, a comienzos de este año, un Grupo de Alto Nivel (HLG) integrado por 18 Estados<sup>1</sup>. Con anterioridad a la creación de este Grupo, y a fin de colaborar con la búsqueda de una resolución de consenso, varios miembros del EAG habían presentado diferentes alternativas orientadas a reflejar el principio del CBDR, así como los principios de no discriminación e igualdad de oportunidades, en línea con lo establecido en el punto p) del anexo de la resolución A38-18. En este sentido, se orientó la presentación efectuada por la República Argentina el 21/10/2014.<sup>2</sup>

### **La COP 21 de París sobre la CMNUCC**

4. En la última Conferencia de las Partes de la Convención Marco de las Naciones Unidas sobre Cambio Climático (COP 21-París, diciembre 2015), se elaboró el nuevo acuerdo climático, que entrará en vigor a partir de 2020, el cual no incluye enfoques sectoriales referidos a la mitigación de emisiones de gases de efecto invernadero, en particular relacionados con el transporte aéreo y marítimo.

5. En ese sentido, el Acuerdo de París no ha modificado el encuadre jurídico bajo el cual debe abordarse la discusión de las emisiones del transporte internacional, toda vez que persiste la vigencia del CBDR, y que no se han incluido enfoques sectoriales, en particular en el transporte, por exceder los términos de la CMNUCC.

6. En dicha Conferencia, la Argentina efectuó una declaración en nombre de 91 países apoyando la declaración del G-77 y China (anexa a la presente) donde, entre otras cosas, se sostuvo que, al abordar el tema de cambio climático, tanto la OMI como la OACI, deben tener presente el principio de CBDR, el artículo 2.2 del protocolo de Kyoto, las implicancias económicas, sociales y técnicas de las medidas en discusión para los países en desarrollo, teniendo en cuenta que el transporte aéreo y marítimo juegan un rol vital en el comercio mundial.

7. Asimismo, debe tenerse presente el respeto a la regla del consenso y a la promoción de un proceso transparente e inclusivo y a un enfoque multilateral, consistente con los propósitos y principios de la CMNUCC, en oposición a medidas unilaterales. Y por último, se debe promover la transferencia de tecnología y recursos financieros desde los países desarrollados a los países en desarrollo, de acuerdo con las obligaciones de los países desarrollados bajo la Convención.

### **Medida propuesta al Grupo de Expertos**

8. Se invita al Grupo de Expertos a tomar nota de la información presentada, intercambiar criterios, y considerar los argumentos expuestos para preparar una posición regional sobre el tema, para ser debatida en la 37 Reunión del Grupo de Expertos en Asuntos Políticos, Económicos y Jurídicos del Transporte Aéreo (GEPJTA/37, Lima, 5/7 de julio de 2016).

- a) 1 Argentina, Brasil, Canadá, China, Egipto, India, Japón, Kenia, México, Rusia, Arabia Saudita, Singapur, Sudáfrica, Emiratos Árabes Unidos, Reino Unido, Estados Unidos y dos representantes de la UE.
- b) 2 Se anexa a la presente Nota de Estudios la copia de la propuesta argentina.



International Civil Aviation Organization

**WORKING PAPER**

**ENVIRONMENT ADVISORY GROUP (EAG)**

**Agenda Item 2: Comments and new proposals on Strawman**

**ALTERNATIVE PROPOSAL TO STRAWMAN VERSION 1.2**

(Presented by Argentina)

**EXECUTIVE SUMMARY**

*This working paper submits for consideration and analysis a different possible option for a Global Market-based Measure Scheme in relation to Strawman Version 1.2. This proposal is aimed at strengthening the promotion of international commercial aviation in a manner that complies with ICAO Assembly Resolution A38-18; i.e., avoiding any hindrance to the growth of aviation, particularly in developing countries. It also seeks to be consistent with the UNFCCC and its Kyoto Protocol, in particular, the principle of common but differentiated responsibilities, with developed countries taking the lead. To this end, a new approach on the basic calculation of the quantities to be offset by operators is presented, based in a categorization of the air routes served and taking into account the special circumstances of developing countries*

**Action:** The proposed action is listed in paragraph 3 of this working paper.

<i>Strategic Objectives:</i>	This working paper relates to Strategic Objective D – <i>Economic Development of Air Transport</i> and Strategic Objective E – <i>Environmental Protection</i> .
<i>Financial implications:</i>	No additional resources required. Actions may be proposed to establish a framework for mobilization of additional resources for long-term system planning and financing of ICAO’s environmental programs to assist developing States, with due consideration of the SCRC principle.
<i>References:</i>	Doc 7300, <i>Convention on International Civil Aviation</i> Doc 10022 <i>Assembly Resolutions in Force (as of 4 October 2013)</i> C-WP/13894 <i>Market-Based Measures (MBMs) – Evaluation of Options for a Global MBM Scheme</i> Cir 333, <i>AT/190 Global Air Transport Outlook to 2030 and Trends to 2040</i>

**1. INTRODUCTION**

1.1 A review of the Global MBM Scheme Strawman Version 1.2 (draft), and particularly of the basis for calculations and the exemption scheme, reveals that the need to avoid a negative impact upon the growth of air transport, especially in developing economies, is inadequately addressed.

1.2 It is Argentina's view, that the scheme should more strongly support the sustainable development of the international aviation sector – one of the guiding principles for the design and implementation of market-based measures (MBMs) for international aviation – in all regions worldwide.

1.3 In addition, it is noted that the Strawman calculations require air carriers to offset increases not only in their individual emissions but in the emissions of their own sector as well, and this could result in a burden that may exceed their obligations.

1.4 Also, the scheme provides exemptions for carriers considered “Fast Growers” and “Early Movers” but does not include a contribution plan that considers air carrier operations to and from regions where commercial aviation needs further development.

1.5 Taking into consideration these features, this working paper presents an alternative proposal to the Strawman version 1.2 (draft), which is presented in Appendix I. In this respect, the proposal is based on the following elements that should be considered by ICAO when addressing this issue:

- Respect to article 2.2 of the Kyoto Protocol, by which Annex I Parties shall pursue limitations or reduction of emissions of greenhouse gases of international aviation working through the ICAO.
- Respect to the principles and provisions of the UNFCCC and its Kyoto Protocol while addressing climate change, in particular the principles of common but differentiated responsibilities (CBDR), and that measures should not constitute a disguised restriction on international trade.
- Development of a process and mechanisms to facilitate the provision of technical and financial assistance, as well as to facilitate access to existing a new financial resources, technology transfer and capacity building to developing countries.
- Reaffirmation that this work does not set a precedent for or prejudice the outcome of negotiations under the UNFCCC and its Kyoto Protocol nor represent the position of the Parties to the UNFCCC and its Kyoto Protocol.
- Request for ICAO Member States to work on the technical aspects, environmental and economic impacts and modalities of the possible options for a global MBM scheme for international aviation, including on its feasibility and practicability in accordance with Resolution A38-18.

1.6 Following this mandate of Resolution A- 38-18 to explore all options for a global MBM and focusing on its guiding working principles- including the CBDR and the special circumstances of developing countries- Argentina submits the proposal contained in this paper and incorporated in the Appendix I hereby attached, reserving the right to submit further elements and elaborations on this proposal.

## **2. ANALYSIS**

2.1 Argentina reaffirms the comments submitted on the document Strawman 1.1 on June 19. In addition, the analysis conducted on the current version of the Strawman identified some difficulties, inter alia, in paragraphs 2 (“Goal of the Global MBM Scheme”), and paragraph 4 (“Quantities of Offset for Each Operator”) thereof, as explained below.

2.2 The basic calculation method for offset obligations is exclusively based on the incremental portion of emissions in international aviation. This rationale violates the principles of Common but Differentiated Responsibilities (CBDR), and does not contribute to sustainable development of international aviation, thereby imposing an undue financial burden on the industry.

2.3 Using exclusively future operations as a basis for a baseline may certainly be counterproductive to the goal of reducing aviation emissions, for operators, being aware of the projected calculations, may be inclined to develop speculative behaviors, rather than actually strive to reduce their emissions. For this reason, Argentina believes that the baseline should be calculated by reference to carriers’ prior emission reduction efforts, and that a three-year period seems insufficient to establish a representative industry baseline.

2.4 The promotion of international commercial aviation should not be restricted to fostering the growth of air carriers but should also seek to develop underserved routes, which are mainly found in developing regions. In this sense, an adjustment variable should be included that rewards all companies that include this type of routes in their business plan.

2.5 As relating to the exemptions mentioned in version 1.2 (draft) of the Strawman scheme, an adjustment variable such as the one described in paragraph 2.4 of this paper would go a longer way in achieving fairness and transparency, by acknowledging the greater efforts undertaken by fast growing carriers that operate less profitable routes as opposed to fast growing carriers that only fly high traffic routes.

2.6 As stated, the Strawman is based on a calculation method by which a carrier’s offset obligation is determined by reference to progress made in reducing emissions both by the carrier itself and by the sector in which it operates, depending on the relative performance of each. Argentina believes that such approach has the undesired effect of imposing on the carrier a smaller or larger offset obligation than would be the case were it to be determined based on the carrier’s performance alone.

## **3. PROPOSED ACTION**

3.1 Request the EAG to review the proposed changes contained in Appendix 1 to this working paper.

3.2 Request the EAG to conduct an in-depth examination and comparison of all possible GMBM options, including an international carbon tax, phased-in implementation based on route group maturity, international offsetting scheme, etc, in accordance with the directions of the Assembly in Resolution A38-18.

3.3 Request EAG to research on the social and economic impact on the CNG 2020 as well as its feasibility.

3.4 To initiate work immediately and as a priority to research on the specific mechanism to assist developing countries under the GMBM scheme, such as the international offsetting in accordance with Resolution A38-18.

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## Appendix 1

### Alternative proposal to the STRAWMAN FOR A GLOBAL MARKET-BASED MEASURE SCHEME FOR INTERNATIONAL AVIATION Ver. 1.2

#### **1. DESCRIPTION**

*1.1 This Scheme is used as the basis for a global market-based measure (MBM) for international aviation in line with Resolution A38-18, in particular the principle of CBDR. The provision of technical and economic assistance to developing countries is recognized as a critical issue in this scheme.*

*1.2 Offsetting is accomplished through the purchase of emission units. Every year after 2020, operators will be required to offset emissions corresponding to any increase in total CO<sub>2</sub> emissions from international aviation that are not otherwise exempted. The quantity of emissions to be offset by each operator is calculated using a formula that takes into the carrier's individual increase in emissions relative to its baseline; and adjustments for the types of routes it has operated, fast growers and early movers categories, as appropriate.*

*Developing countries' operators are exempted from this scheme.*

*The global scheme is regulated and enforced by States in line with international standards developed by ICAO and is under the supervision of the civil aviation authorities of each Member State.*

*1.3 This proposal does not set a precedent for or prejudice the outcome of negotiations under the UNFCCC and its Kyoto Protocol nor represents the position of the Parties to the UNFCCC and its Kyoto Protocol.*

#### **2. GOAL AND REFERENCE EMISSIONS OF THE GLOBAL MBM SCHEME**

*a) The goal is to address greenhouse emissions from international aviation from 2020 onwards, in line with ICAO Assembly Resolution A38-18.*

*b) The basis for determining the quantities of emissions to be offset by each operator is computed using the average emissions of each operator from (period TBD\*), (reference years), in order to account for any exceptional variation that may occur for individual operators in a specific year.*

*\*Note: Suggested language: "2006 to 2016".*

*c) This average is taken as the reference emissions for each operator. The sum of the reference emissions from all operators constitutes the total international aviation reference emissions.*

- d) *The difference between the total reference emissions and total emissions in 2020, is used as a reserve to cope with exceptional cases, i.e. fast growth and early movers. This calculation will be done every year using the new actual emission and the same reference years.*
- e) *If the emissions of an operator are not reported for the reference years, then the reference emissions for this operator are set to 0.*

### **3. SCOPE OF A GLOBAL MBM SCHEME**

*This scheme is applicable only to International flights ( i.e. flights departing from an airport of a State and arriving at an airport of another State) except for the exemptions included in paragraphs 1.2, 4.6 and 4.7 of this document.*

- b) *Each flight is attributed to an operator identified through the Air Operator Certificate (AOC) issued by its State. Flights not operated under an AOC are attributed to the owner of the aircraft unless it can demonstrate that another entity was the operator.*
- c) *Emissions are offset for CO<sub>2</sub> only and accounted for in metric tonnes of CO<sub>2</sub>; no other greenhouse gas emissions are addressed.*

### **4. QUANTITIES OF OFFSET FOR EACH OPERATOR**

#### **4.1 General**

- a) *Operators are responsible for accounting for their emissions, and if appropriate, surrendering the required quantity of purchased offset credits.*
- B *Emissions to be offset are distributed amongst operators using the calculation scheme set out below in this document.*
- c) *If this calculation leads to a negative value, then the operator has no offset to purchase nor receives credit.*
- d) *The emissions of exempted flights are removed from the reference emissions (average emissions of TBD\*) and emissions in the current year.*  
*\*Note: Suggested language: "2006 to 2016".*
- e) *Calculation is based on operators' reporting as verified.*
- f) *Sustainable alternative fuels are accounted as generating [to be proposed by CAEP Alternative Fuels task Force] emissions.*

#### **4.2 Basic Calculation**

- a) *The basic calculation provides an individual amount for each operator representing the variation in its emissions for a certain year after 2020 relative to its reference emissions. (See paragraph 2 b)*
- b) *Adjustments for "Route Category"*



The following categories of air routes are established:

- Strong air routes: Routes where “X<sub>1</sub>%” of aggregate annual cargo and passengers are transported.
- Standard air routes: Routes where the next “X<sub>2</sub>%” tranche of aggregate annual cargo and passengers are transported.
- Weak or underserved routes: Routes where the remaining “X<sub>3</sub>%” tranche of aggregate annual cargo and passengers are transported.

Note: “X<sub>1</sub>%”, “X<sub>2</sub>%” and “X<sub>3</sub>%”: TBD.

Route categories will be calculated by ICAO based on air transport volumes recorded during the (TBD) year/s prior to implementation of the scheme and will be updated every five years.

c) Coefficient for each route category

- Strong air routes (StrR) = TBD
- Standard air routes (StaR) = TBD
- Weak or underserved air routes (WeaR) = TBD

d) Calculation

i. Route Category

ICAO will calculate and report every five years to Member States the categories of the different international air routes, as indicated in 4.2 a) and 4.2 b).

ii. Operator’s Route Coefficient (ORC)

Each operator calculates its route coefficient using the following formula:

$$ORC = \frac{\sum Sstr * StrR + \sum Sstar * StaR + \sum Swer * WeaR}{Sop}$$

Where:

- “Sstr”: Number of services in strong routes
- “Sstar”: Number of services in standard routes
- “Swer”: Number of services in weak routes
- “Sop”: Sum of all services in the operator’s routes

iii. Calculation of operator’s basic offset amount (BOA)

Each operator obtains its Basic Offset Amount using the following formula:

$$BOA = (E - Ebl) * ORC$$

Where “E” are the operator’s emissions during the relevant year and “Ebl” are its baseline emissions (both in CO<sub>2</sub> tons).

iv. Actual amount to be offset by an operator (AA):

The actual amount to be offset by an operator is computed by applying to its Basic Amount any available adjustments that may correspond in the case of “Early Movers” and “Fast Growers”.

**4.3 Eligible adjustments for Fast Growers and Early Movers**

- a) The reserve, as defined in paragraph 2 d) above, is allocated each year for the reduction of obligations for fast growers and early movers in proportion to their eligible amounts and taking into account the category of routes they have operated.
- b) A fast grower is an operator whose individual emissions’ growth rate (i.e. the operator’s emissions in the current year subtracted by its reference emissions, divided by its reference emissions) is more than twice the average growth rate for the region where it operates. The eligible amount of emissions to be adjusted for such a fast grower is determined by its “reference emissions” multiplied by “individual growth rate minus the average growth rate multiplied by two”
- c) An early mover is an operator whose individual fuel efficiency is more than 10% above the average fuel efficiency for the region where it operates in the reference years. Fuel efficiency is computed as the ratio of average traffic (RTKs) from 2018 to 2020 over reference emissions.
- d) The eligible amount of emissions to be adjusted for an early mover is determined by the difference between “the emissions it would have had at 10% above the average fuel efficiency” and “its actual reference emissions”.
- e) The eligible amount of emissions to be adjusted for early movers is applied only for the first 5 years from 2021 to 2025.

$Oem = ERn \times \left( \frac{FERn}{FERG} - 1 \right), \text{ if positive}$ <p>where</p> <ul style="list-style-type: none"> <li>• ERn: reference emissions for operator n (average of its emissions for 2018, 2019 and 2020)</li> <li>• FERn: fuel efficiency in reference years for operator n</li> <li>• FERG: average fuel efficiency in reference years</li> <li>• Oem: eligible amount for operator n if it is an early mover</li> </ul>
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**4.4 Corrections of Adjustments for Fast Growers and Early Movers**

- a) If the total eligible amount of emissions to be adjusted for all fast growers and early movers, as calculated in paragraph 4.3, is equal or lower than the attributed reserve, they receive the

eligible amount, which is reduced from the obligations as per the basic calculation defined in paragraph 4.2. The non-distributed amount of the reserve is not carried over to the next year.

- b) If the total eligible amount of emissions to be adjusted for all fast growers and early movers, as calculated in paragraph 4.3, is more than the attributed reserve, the amount to be received by each fast grower and early mover is obtained by downsizing the eligible amount proportionally (by the multiplication factor of the attributed reserve over the total eligible amount) and it is reduced from the obligations as per the basic calculation defined in paragraph 4.2.

Quantity of offsets =

$$O_{si} - O_{fg} - O_{em}, \text{ if } \Sigma(O_{fg} + O_{em}) < R$$

$$O_{si} - (O_{fg} + O_{em}) \times \frac{R}{\Sigma(O_{fg} + O_{em})}, \text{ if } \Sigma(O_{fg} + O_{em}) > R$$

where

- *O<sub>si</sub>*: quantity of offsets for current year y for operator n, with basic calculation (see paragraph 4.2)
- *O<sub>fg</sub>*: eligible amount for current year y for operator n if it is a fast grower (see paragraph 4.3)
- *O<sub>em</sub>*: eligible amount for operator n if it is an early mover (see paragraph 4.3)
- *R*: Reserve (see paragraph 2)

#### 4.5 Adjustments for New Entrants

- a) New entrants in the market will have their obligations reduced by the coefficient indicated below during 5 years or up to the year in which their annual emissions exceed x% of global emissions in the reference year:
- Coefficient if operating strong routes: "TBD"
  - Coefficient if operating standard routes: "TBD"
  - Coefficient if operating weak or underserved routes: "TBD"

After this year, they are included in the scheme and treated in the same way as the other operators using their average emissions in previous two years as their reference emissions.

- b) A new entrant is defined as any aircraft operator that commences operation of an activity falling within the scope of the scheme on or after its entry into force and whose activity is not in whole or in part a continuation of an aviation activity previously performed by another aircraft operator.

#### 4.6 Exemption for developing countries' operators

- a) Developing countries' operators are exempted from this scheme.

#### 4.7 Technical Exemptions

*The technical exemptions detailed below are directly related to the type of operation and not to the type of operator that performs them.*

- a) Aircraft operators emitting less than 10,000 metric tons of CO<sub>2</sub> emissions from international aviation per year are exempted under the scheme in order to take into account the administrative burden on very small operators.*
- b) Aircraft with less than 5700 kg Maximum Take Off Mass (MTOM) are exempted.*
- c) Humanitarian, medical and firefighting flights are exempted.*
- d) The exempted emissions are not included in the reference emissions and emissions in the current year.*

## **5. EMISSIONS ACCOUNTING SYSTEM (REGISTRY) AND THE QUALITY CRITERIA OF EMISSIONS UNITS**

### **5.1 Development of International Aviation Registry and Linkages**

- a) An on-line international aviation CO<sub>2</sub> emission registry accounts for annual emissions by operators under the scheme. The registry also tracks operator's emissions offsetting information.*
- b) Where necessary, system linkages to the International Transaction Log (ITL), domestic offset schemes, voluntary schemes, etc. are established to facilitate transactions.*

### **5.2 Eligible Emission Units**

*To be defined.*

## **6. SCHEME TOTAL COST SAFEGUARD**

- a) The total cost of the scheme for each compliance cycle, as defined in paragraph 9, is limited by setting a maximum value for the average price of emission units to be purchased by operators during the compliance cycle.*
- b) The maximum value is set by the ICAO Council prior to each compliance cycle, in order for the estimated total obligations under the scheme not to exceed a given proportion of the estimated total revenue of operators during the compliance cycle.*
- c) If the actual average price of emission units purchased by operators is higher than the maximum value, then the obligations of each operator are reduced proportionally.*

*Quantity of offsets with safeguard =*

*Quantity of offsets without safeguard × P<sub>max</sub> / P<sub>act</sub>, if P<sub>act</sub> > P<sub>max</sub>*

*where*

- P<sub>max</sub>: maximum value for the average price of emission units to be purchased by operators during a compliance cycle*
- P<sub>act</sub>: actual average price of emission units purchased by operators during the compliance cycle*

**7. MONITORING, REPORTING & VERIFICATION (MRV)**

- a) *Details of the MRV process and the corresponding standards are to be developed by CAEP GMTF.*
- b) *Operators report data on emissions between (TBD\*) to establish the reference year.*  
*\*Note: Suggested language: "2006 and 2016".*
- c) *Monitoring and reporting of emissions by operators is based on actual fuels consumed, with a distinction between conventional and alternative fuels.*
- d) *Each year, aircraft operators report their emissions for each route to a single State authority (the authority that issued the AOC).*
- e) *Small operators [TBD] are allowed to use a simplified reporting format (to be proposed by CAEP GMTF).*
- f) *States compile and transmit emissions information of their operators to ICAO each year (date to be determined). ICAO calculates the total emissions by the sector each year based on submissions.*
- g) *ICAO collects and stores compliance data reported by States and verifies that the global goal is met.*

**8. ENFORCEMENT AND LEGAL INSTRUMENTS**

- a) *States are responsible for enforcement of the compliance of operators with the global scheme in line with ICAO standards.*
- b) *ICAO enforcement standards are the following: (TBD).*

**9. COMPLIANCE CYCLE**

- a) *The compliance cycle, within which operators must reconcile their obligations under the scheme, is every (TBD) years, while operators annually report the required data to a single State authority. Operators are provided a 6 month "window" to demonstrate compliance to States (that is, the deadline for compliance is 6 months after the obligation under the scheme).*

**10. DURATION OF SCHEME**

- a) *The scheme will cease to apply if the global emissions are going below the level of 2020.*
- b) *The design elements of the scheme will apply until the end of 2035. A review of the design elements will be made prior to any extension of the scheme beyond 2035. A review will be undertaken by the end of 2033.*

— END —

**Item 10.c of the agenda referred to emissions from fuel used by international aviation and maritime transport (Joint statement)- 43<sup>o</sup> SBSTA- delivered on 1<sup>st</sup> December 2015**

Thank you very much Madame Chair.

In relation to item 10.c of the agenda referred to emissions from fuel used by international aviation and maritime transport, Argentina has the honour to deliver this statement with the support of the African group countries, the League of Arab States, Argentina, Bolivia, Brazil, China, Cuba, Ecuador, El Salvador, India, Iran, Malaysia, Nicaragua, Pakistan, Uruguay, Venezuela, and Vietnam.

Firstly, we would like to express our support to the statement delivered by the G77 and China on this agenda item.

We appreciate the reports presented and submitted by the ICAO and IMO about their recent work in this area.

As expressed previously, we reaffirm that the following elements should be duly considered by the ICAO and IMO when addressing climate change:

- Article 2.2 of the Kyoto Protocol, by which Annex I Parties shall pursue limitation or reduction of emissions of greenhouse gases of international maritime and aviation working through the ICAO and IMO, and by which both organizations are mandated by the UNFCCC -as primary fora on climate change- to address the issue
- Full respect to the principles and provisions of the Convention, in particular the principles of equity and common but differentiated responsibilities, as well as that measures should not constitute disguised restrictions on international trade
- Comprehensive assessment of the possible social, economic, technical and environmental implications of the measures under discussion for developing countries, taking into account that international aviation and maritime transport play a vital role in the facilitation of world trade, and therefore on social and economic development in developing countries
- Respect to the consensus rule, and to the promotion of an inclusive and transparent process and a multilateral approach consistent with the principles and provisions of the UNFCCC, in opposition to unilateral measures
- Promotion of transfer of financial resources, technologies and know-how from developed countries to developing countries, in accordance with the developed countries' obligations under the Convention

Madame Chair,

In relation to the IMO work, it should be taken into account that international maritime transport is only a modest contributor to climate change, while it is fundamental for trade and economic and social development. We reaffirm the importance of the progress made in the IMO's Marine Environment Protection Committee with the recognition in its Resolution on Promotion of Technical Co-operation and Transfer of Technology relating to the Improvement of Energy Efficiency of Ships to the UNFCCC principles, in particular the principles of common but differentiated respon-

sibilities and equity. The work that is being undertaken on further measures for energy efficiency of ships and data collection should be consistent with those principles.

We also acknowledge the work of the Ad Hoc Expert Working Group on Facilitation of Transfer of Technology for Ships (AHEWG-TT), and we look forward for the adoption of its results at MEPC 69. We would also like to express our support for multilateral discussions, in opposition to unilateral measures. In this sense, we reiterate our concern about the approval by the EU of a unilateral measure on measuring, reporting and verification of shipping emissions that undermines the spirit of multilateral cooperation and that is inconsistent with the principles and provisions of the Convention, in particular the principles of equity and CBDR.

With respect to the ICAO report, and with a view to the next ICAO assembly, we would like to recall the mandate coming from Resolution A38-18, in the sense that ICAO State Members should work on the technical aspects, environmental and economic impacts and modalities of the different possible options for a global market-based measure for international aviation, including its feasibility and practicability. It is worth to note the current discussion of proposals by different ICAO Members, that should be further technically analyzed by the ICAO, in particular in terms on how they take into account the special circumstances of developing States and address the concerns presented by parties before taking further steps forward, following Resolution A38-18. The work in the ICAO should also remain Party-driven, transparent and inclusive.

We also wish to reaffirm the importance of the recognition in the Resolution A38-18 that market-based measures should be implemented only after bilateral and/or multilateral agreement and on the basis of mutual consent. Therefore, we call on countries to respect ICAO decisions and not resort to unilateral action. In addition, it is worth to note the acknowledgement and the need for operationalization in the ICAO of the principle of common but differentiated responsibilities in any possible design of market based measures. There is a need to ensure the provision of financial resources, technology transfer and capacity building support to developing countries for them to be able to voluntarily undertake specific action plans and measures. In this way, the ICAO discussions should not prejudice UNFCCC principles and provisions.

Finally, we request this statement to be included in the records of these sessions and we entrust that the ICAO and IMO will take these matters under consideration in their work and in their reports in future SBSTA sessions. In this respect, we look forward that those Organizations continuing provide information to SBSTA about their activities and labour in the area of international aviation and maritime transport emissions.

Thank you very much Madame Chair.