

## Plenary at the Solutions Gallery

### « Can the aviation sector finance the protection of forests? » Tuesday, December 8<sup>th</sup>, 2015



#### Jane Hupe: Deputy Director Environment at ICAO's Air Transport Bureau

- ICAO is working towards measures that will be decided next September
- Goal: carbon neutral emission for 2020. Difficult to stabilize CO2 emission in the short term
- Decision to embark on a global MBM and offsetting scheme
- Aviation sector: very technology-oriented, so such measures will be a gap filler. Final aim to reduce the emissions inside the sector but while waiting for full technology solutions to do so, commitment to have market based measures to fill that gap.
- Desire to have permanent, reliable units with environmental integrity in a quantity that will be enough to cover the ICAO's scheme, Work to determine eligible emissions units is underway
- Many sources for emissions units may address aviation's demands to offset emissions, including REDD+
- Cooperation and partnerships governments/industry /other organizations = paramount for success
- Tax: lacks environmental integrity and transparency. Usually goes to the government: no way of knowing where this money goes.
- Current state of dvp: a global offsetting will be more efficient than a tax.

#### Kevin Conrad : Executive Director, Coalition of Rainforest Nations

- Need for a global agreement to encourage developing countries in supporting sustainable livelihood and sustain their forests
- Cost covered by several governments who demonstrated outstanding leadership, but how can we bring other sectors?
- Need for aviation and forest to partner to collectively reduce emissions.
- REDD+ = solved issued blocking the financing of conservation of forest. Initial goal: can we reduce the risk of investing in forest, and lower the cost of reducing emissions from deforestation?
- Can a partnership help bridge the gap of the INDCs and bring us closer to 2 degree? 3,5 degree trajectory now.
- Goal: as ICAO sets up its market based mechanism, how can the REDD countries create their own market-based mechanism, keep both of them separate but have them engage directly?
- UNFCCC has to engage in the ICAO process, to ensure that the standards are harmonized
- Need to help achieving the highest quality emission reduction so that the airline industries are proposed a real win/win/win: for the airline industry, for developing countries, and for the environment.
- Need for a national monitoring system to ensure environmental integrity, direct dialogue in a national context between emission reduction/certification at the national level/implementation



#### Per Pharo: Director of Norway's International Climate and Forest Initiative

- Policy of the Norway government= all sectors should have carbon pricing or regulation
- Main hope: that such a system will be as robust as possible, will have the greatest possible climate effect
- Need to focus on several issues for this to work: Environmental integrity is absolutely crucial; Safeguard against negative side effects; Additionality of efforts; Price and quantity issue
- Conviction that tropical forests can provide this: fully dvp framework under the UNFCCC convention
- Monitoring and report = no longer an issue, using technology and on-the-ground checks, applying principles of conservativeness to ensure integrity
- Work remains in setting out the rules
- Exceptional scale, up to 1/3 of reduction of emissions needed over the next 2 decades to stay on a 2 degree pathway
- There is no sustainable dvp without maintaining tropical forests.
- Almost everything is ready, but lack of a sustainable, adequate, and predictable rules-based finance,
- Altering development path from high to low deforestation is a very serious choice for a country to take: there are tradeoffs, political/financial costs, especially in the short/medium terms.
- The ICAO MBM could be a key factor in incentivizing that change by making it much more likely that we will achieve the 2 degree target and better sustainable development



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### Michael Gill: Executive Director of Air Transport Action Group

- ATAG's Approach: find a fundamental balance between economic gains and social benefits of the industry and responsible approach regarding its environmental impact.
- Objectives:
  - In the short term: improve fuel efficiency by 1.5% / year until 2020
  - 2020: stabilization of CO2 emissions: Carbon Neutral Growth in 2020
  - Long-term (2050) have emissions divided by 2 compared to 2005 levels
- Establishment of a clear plan based on four pillars:
- Investment in new technologies including biofuels
- Operations more efficient in reducing CO2 emissions per flight
- Better use of infrastructure
- Economic measures: global MBM in discussions at ICAO
- Work on MBM = ICAO discussions are just one of the pillars of action of ATAG's 4 pillars
- The companies want to have a guaranteed access to a wide choice of units in a future system of compensation, a good definition of such systems, and stakeholder participation in the work discussions.
- REDD + projects could very well be accepted in the context of this global system.



### Lionel Guérin, Chairman and chief executive officer of HOP! Air France and chairman of the board of directors HOP!

- First priority: to reduce emissions at the source
- The air produces 3% of greenhouse gas emissions, but we must also tackle the source of emissions: we must first reduce before implementing offsetting measures, find long-haul aircraft that consume less. A process that was conducted but was too slow
- Compensation = good idea, implying that every time we fly, we help protect the forest.
- We must go beyond neutrality, time matters, and we must be more positive.
- Neutrality is not enough, we must not hesitate to say that if the measures are delayed, we must compensate in a balanced way. We must go much further.



VIDEO