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INFORMATION NOTE

From:	General Secretariat of the Council
То:	Delegations
Subject:	Union reply to the State letters sent by ICAO to the Member States on the CORSIA package

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With a view to the Aviation Working on 19 February 2018, delegations will find attached the additional elements for the CORSIA State letter.

ANNEX

I. <u>ATTACHMENT B to State letter AN 1/17.14 – 17/129</u>

Agreement with comments

Comments:

1. <u>Use of Sustainable alternative fuels under CORSIA</u>

- In the absence of comprehensive sustainability criteria, emissions from the use of Sustainable Aviation Fuels should be counted as conventional fuels.
- The provisions for the accounting of Sustainable Aviation Fuels currently included in the "CORSIA Package" are only suitable in a context where alternative aviation fuels are expected to represent a very small proportion of total aviation fuel consumption (significantly less than 1%).
- As volumes increase, a more comprehensive system to account for their use will be required so as to improve traceability and to prevent that the same batch of Sustainable aviation fuel is claimed several times.
- CAEP should continue to review SARPs provisions relating to the use of Sustainable Aviation Fuels in the CAEP/11 and CAEP/12 cycles, with the objective of strengthening monitoring, reporting and verification of sustainable aviation fuels use.

Annex 16 Vol. IV	Current text	Proposed text
Part II. Chapter 3. CO ₂ offsetting requirements from international flights and emissions reductions from the use of sustainable aviation fuels, 3.3.1 Emissions reductions from the use of sustainable aviation fuels	$ER_{y} = FCF * \left[\sum_{f} MS_{f,y} * \left(1 - \frac{LS_{f}}{LC} \right) \right]$	$ER_{y} = FCF * \left[\sum_{f} MS_{f,y} * \left(1 - \frac{LS_{f}}{LC} \right) \right]$ for y = 2021 to 2023

2. <u>Eligible emission units</u>

 As with all other Annex 16 Standards relating to the environment, the best place for ensuring the unequivocal legally binding nature, stability and the environmental stringency is in the SARPs text. Therefore, the CORSIA emission unit eligibility criteria should also be included in Chapter 4 of Annex 16 Volume IV, in addition to their placement in the Implementation Elements.

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3. <u>Transparency</u>

- Basis for the assessment of environmental integrity and avoidance of distortion of competition.
- Just as for any compliance measure, public access to information on its functioning is central to building trust in the measure and in its overall credibility.
- Information on compliance at the level of each accountable entity is critical.CORSIA Package should be adjusted for the CORSIA Central Registry to publicly provide information, attributed to each Aeroplane Operator, as it becomes available, on the offsetting obligations and the extent to which these obligations have been met.

Annex 16 Vol. IV	Current text	Proposed text
Appendix 5, Table A5-8, Note 2	a) Information at a State and Global aggregate level for a specific compliance period: 1) Total final offsetting requirements over the compliance period; 2) Total quantity of emissions units cancelled over the compliance period to reconcile the total final offsetting requirements; and 3) Consolidated identifying information for cancelled emissions units included in Field 5 of Table A5-8.	a) Information at a <u>n Aeroplane</u> <u>Operator</u> , State and Global aggregate level for a specific compliance period: 1) Total final offsetting requirements over the compliance period; 2) Total quantity of emissions units cancelled over the compliance period to reconcile the total final offsetting requirements; and 3) Consolidated identifying information for cancelled emissions units included in Field 5 of Table A5-7 8 .

II. <u>VOLUNTARY RESPONSE FORM FOR STATES WISHING TO COMMENT ON THE</u> <u>DRAFT ICAO CORSIA IMPLEMENTATION ELEMENTS</u>

4. Use of Sustainable Aviation Fuels under the CORSIA

ICAO CORSIA Implementation Elements	Current text	Proposed text
2.3.2.4 CORSIA Methodology for Calculating Actual Life cycle Emissions Values, para. 9	The feedstocks in these three categories shall all receive an ILUC value of zero in the fourth column of the table in 2.3.2.2.	The feedstocks in these three categories shall all receive an ILUC value of zero in the fourth column of the table in 2.3.2.2 <u>3</u> .
	Paras. 2.3.2.5, 2.3.2.6, 2.3.2.7, 2.3.2.8 and 2.3.2.9 are incorrectly numbered.	Delete "LCA Methodology" from titles and change to become subsections of 2.3.2.4.

- Along with other options to address uncertainties in ILUC estimates, a higher threshold [– of 30% –] for minimum GHG emission reductions, should be considered for alternative fuels which are not derived from waste and residues.
- The ten themes that were recommended to Council by CAEP and were deleted from Sustainability Criteria for Sustainable Aviation fuels urgently need to be refined and reinstated.

Proposed text for ICAO CORSIA Implementation Elements, section 2.3.2.2 CORSIA Sustainability Criteria for Sustainable Aviation Fuels

This ICAO document entitled, "CORSIA Sustainability Criteria for Sustainable Aviation Fuels" will include the criteria described in the table below.

Themes	Principles	Criteria
1. Greenhouse Gases (GHG)	Principle: Sustainable alternative jet fuel should generate lower carbon emissions than conventional kerosene on a life cycle basis.	Criterion 1: Sustainable alternative jet fuel shall achieve net greenhouse gas emissions reductions of at least 10% compared to fossil jet fuel on a life cycle basis.
2. Carbon stock	Principle: Sustainable alternative jet fuel should not be made from biomass obtained from land with high carbon stock.	Criterion 1: Sustainable alternative jet fuel shall not be made from biomass obtained from land converted after 1 January 2008 that was primary forest, wetlands, or peat lands and/or contributes to degradation of the carbon stock in primary forests, wetlands, or peat lands as these lands all have high carbon stocks. Criterion 2: In the event of land use conversion after 1 January 2008, as defined based on IPCC land categories, direct land use change (DLUC) emissions shall be calculated. If DLUC greenhouse gas emissions exceed the default induced land use change (ILUC) value, the DLUC value shall replace the default ILUC value.
3. Water	Principle: Production of sustainable alternative jet fuel should maintain or enhance water quality and availability.	Criterion 1: Operational practices shall be implemented to maintain or enhance water quality. Criterion 2: Operational practices shall be implemented to use water efficiently and to avoid the depletion of surface or groundwater resources beyond replenishment capacities.

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4. Soil	Principle: Production of sustainable alternative jet fuels should maintain or enhance soil health.	Criterion 1: Agricultural and forestry best management practices for feedstock production or residue collection shall be implemented to maintain or enhance soil health, such as physical, chemical and biological conditions.
5. Air	Principle: Production of sustainable alternative jet fuel should minimize negative effects on air quality.	Criterion 1: Air pollution emissions shall be limited.
6. Conservation	Principle: Production of sustainable alternative jet fuel should maintain or enhance biodiversity, conservation and ecosystem services.	Criterion 1: Sustainable alternative jet fuel shall not be made from biomass obtained from areas that are protected for their biodiversity, conservation value, or ecosystem services unless evidence is provided that shows the activity does not interfere with the protection purposes. Criterion 2: Low invasive-risk feedstock shall be selected for cultivation and appropriate controls shall be adopted with the intention of preventing the uncontrolled spread of cultivated non-native species and modified microorganisms. Criterion 3: Operational practices shall be implemented to avoid adverse effects on areas that are protected for their biodiversity, conservation value, or ecosystem services.
7. Waste and Chemicals	Principle: Production of sustainable alternative jet fuel should promote responsible management of waste and use of chemicals.	Criterion 1: Operational practices shall be implemented to ensure that waste arising from production processes as well as chemicals used are stored, handled and disposed of responsibly. Criterion 2: Operational practices shall be implemented to limit or reduce pesticide use.
8. Human and labour rights	Principle: Production of sustainable alternative jet fuel should respect human and labour rights.	Criterion 1: Sustainable alternative jet fuel production shall respect human and labour rights.

9. Land use rights and land use	Principle: Production of sustainable alternative jet fuel should respect land rights and land use rights including indigenous and/or customary rights.	Criterion 1: Sustainable alternative jet fuel production shall respect existing land rights and land use rights including indigenous
		peoples' rights, both formal and informal.
10. Water use rights	Principle: Production of sustainable alternative jet fuel should respect prior formal or customary water use rights.	Criterion 1: Sustainable alternative jet fuel production shall respect the existing water use rights of local and indigenous communities.
11. Local and social development	Principle: Production of sustainable alternative jet fuel should contribute to social and economic development in regions of poverty.	Criterion 1: Sustainable alternative jet fuel production shall strive to, in regions of poverty, improve the socioeconomic conditions of the communities affected by the operation.
12. Food security	Principle: Production of sustainable alternative jet fuel should promote food security in food insecure regions.	Criterion 1: Sustainable alternative jet fuel production shall, in food insecure regions, strive to enhance the local food security of directly affected stakeholders.