

Information

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AIRLINES DISAPPOINTED WITH “PURELY POLITICAL APPROACH” TO AN ENVIRONMENTAL ISSUE

The Association of European Airlines, representing 33 major European network airlines, has warned passengers and politicians alike that the political deal struck yesterday between the EU institutions on the inclusion of aviation into an Emissions Trading Scheme (ETS) will have grave implications for the European industry in the coming years, but not necessarily beneficial ones for the environment.

“In agreeing a compromise between widely diverging positions, the Council, Commission and Parliament have solved a political dilemma”, said AEA Secretary General Ulrich Schulte-Strathaus, “but by pulling figures from a hat – such as an arbitrary 15% of permits to be purchased through auctioning – without any assessment of how they will affect the air transport system, the travelling public or the environment, they have opened a Pandora’s Box of unintended and unwelcome consequences for employment, services to regions and Europe’s international credibility”.

European airlines, he said, had consistently supported ETS as a global approach to a global challenge, taking into account the specificities of aviation. “Moreover, we have supported the initiatives taken within the EU to establish European leadership in this area. In doing so, we have established ourselves in the forefront of the drive to make aviation more sustainable”.

“While other regions are considering ways of supporting the sector, with this proposal, Europe seems to be keen to penalise its aviation. It contains restrictive and punitive elements which will find no support in the rest of the world, although non-European airlines will be pleased to see this burden fall on the shoulders of their European competitors..The effect of this regulatory compromise will be to shift market share and greenhouse gas emissions from European carriers to their non-European rivals”.

Considering that the process of incorporating aviation into ETS had been evolving since 2005, it was a somewhat bizarre situation, said Mr Schulte-Strathaus, that the outcome should be decided by hasty and ill-considered political compromise. Especially so at a time when the industry’s economic parameters were changing dramatically. Weakening demand in the face of looming recession, coupled with soaring oil prices, means that airlines are unable to recover their increasing costs from the marketplace. With more and more routes becoming unprofitable, many major airlines are planning to cut capacity and ground aircraft – an unprecedented situation in Europe.

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- Jat Airways
- KLM
- LOT
- Lufthansa
- Luxair
- Malev
- Olympic Airlines
- SAS Scandinavian Airlines
- Spanair
- SWISS
- TAP Portugal
- TAROM
- Turkish Airlines
- Ukraine International Airlines
- Virgin Atlantic Airways

“The European airline industry will see profits plummet this year, 2009 may well be a year of losses for European airlines. Adding a cumbersome and punitive European administrative monster to sky high fuel prices is not the way to resolve environmental issues, indeed it will reduce our ability to continue to invest in more efficient aircraft”.

Meanwhile, the airlines continued to wait for the long-promised but still unrealised environmental improvements linked with the Single European Sky rationalisation of air traffic management. “Now it becomes essential”, Mr Schulte-Strathaus said, “that any remaining resistance to this hugely important project is swept aside. It is unacceptable that we should face the prospect of having to buy permits to purchase fuel – at grossly inflated prices – to zigzag our way around Europe’s patchwork airspace”.

The industry also called upon national administrations to rethink their approach to proliferating ‘environmental’ taxes and charges. “In the context of emissions trading schemes, airline passengers have a right to question why they should continue to pay levies and duties which were presented as environmental measures”, said Ulrich Schulte-Strathaus.

“Within the next few days”, he concluded, “desperately important decisions are going to be taken on measures which will affect the shape, size and sustainability of the European airline sector, and its position in the global industry. The decision-makers should ask themselves if they have really weighed up the consequences of their actions. We certainly need assurances that the impact of this Directive will be reviewed and necessary changes made as soon as possible”.

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Note to the Editor: The Association of European Airlines (AEA) brings together 33 European established service and scheduled network carriers. These collectively carry 346 million passengers and 6 million tonnes of cargo each year, operating 2,540 aircraft serving 605 destinations in 161 countries with 11,115 flights a day. They provide around 375,600 jobs directly, and generate a total turnover of €75 billion.