

## Local air quality emissions-related charges

In accordance with ICAO's policies, emission problems at and around airports should be assessed and charges only introduced as part of a broad environmental management program.

## SITUATION

Environmental issues are at the top of the aviation industry's agenda, alongside safety and security. The introduction of improved engine designs over time has gradually reduced the emissions of oxides of nitrogen (NOx) and carbon monoxide (CO) and has almost completely eliminated emissions of unburned hydrocarbons (HC) and smoke. Since ICAO adopted the first international emissions certification standard for aircraft engines in 1981, it has been made 50% more stringent.

In spite of technological and operational advances, many airports have responded to community concerns over local air quality (LAQ) by introducing charges for aircraft emissions. However, the introduction of LAQ emissionsrelated charges is often not an effective means to reduce emissions. LAQ emissions-related charges neither drive the development of new engine technologies nor incentivize the deployment of cleaner aircraft to airports. Funds generated by such charges are also not always dedicated to the prevention and mitigation of LAQ problems. Furthermore, LAQ emissions-related charges are often set without adequate regard to an aircraft's relative contribution to total airport emissions and the additional financial burden they put on airlines and passengers has a negative impact on the local economy.

## IATA POSITION

Local air quality problems in urban agglomerations where an airport is located should be addressed through a broad environmental management program in accordance with ICAO's Airport Air Quality Guidance Manual<sup>1</sup>. The program should include a proper assessment of the local air quality situation, taking into account the respective contribution of all sources of emissions, the agreed air quality objectives, and an analysis of the cost-effectiveness of all possible measures (of which charges are only one). The program should be transparent and accompanied by meaningful stakeholder consultations and dispute resolution mechanisms. If, after conducting the proper analyses and consultations, LAQ emissions-related charges are deemed necessary, the charging methodology should be simple, auditable and harmonized across airports. Additionally, charges should be set in accordance with the ICAO Policies on Charges for Airports and Air Navigation Services<sup>2</sup> and be cost-related, non-discriminatory and fairly distributed amongst all users.

## KEY ELEMENTS TO TAKE INTO CONSIDERATION

ICAO guidance and policies on local air quality and on airport charges should be applied.

- 1. If a comprehensive assessment concludes that aircraft emissions significantly contribute to a problem of local air quality and that emission charges are a necessary and cost-effective measure to address the problem, airlines should be consulted on their scope, costs, duration and charging criteria prior to the implementation. In particular:
  - Airlines should be consulted prior to any decision to introduce new measures to address LAQ problems at an airport and in its vicinity, including emission charges.
  - The decision-making process should be transparent and all relevant information available to consulted parties.
  - If emission charges are deemed necessary, they should be proportionate to the actual contribution of aircraft emissions to the problem.
  - The objective of the charges and the use of their revenues should be defined in agreement with airport users.
- LAQ emissions-related charges should be cost-related, non-discriminatory and fairly distributed amongst all users.

<sup>&</sup>lt;sup>2</sup> ICAO Doc 9082/9 – Section II - Article 9

<sup>&</sup>lt;sup>1</sup> ICAO Doc 9889

- The charging methodology should be simple, auditable and harmonized across airports. Charges should be based on published ICAO engine emissions data<sup>3</sup>. In addition, to further quantify and evaluate the emission data, it is important that the standard practice of "assumed thrust take-offs" is included in the modeling to avoid overstating NOx emissions.
- Any income from LAQ emissions-related charges should be used to mitigate or prevent the LAQ problem. The charging scheme must be revenue neutral for the airport and any unspent sums returned to airlines.
- The financing, implementation and performance of measures applied to the mitigation or prevention of local air quality problems funded through charges should be transparent and monitored through key performance indicators and defined milestones agreed at consultations.
- Charges should not have the effect of distorting competition among airlines.
- As aircraft emissions are one of many contributors to airport pollution, airlines should only be charged for that portion of emissions alleviation costs for which aircraft are responsible.
- As aircraft noise and emissions are interrelated, the emissions charging scheme should be harmonized with that of noise or any other emissions related charges so as to appropriately reflect the overall environmental footprint of an aircraft.
- Charges should not overlap with other national or regional environmental charging schemes.
- Government regulatory guidance at regional level (for example from the European Civil Aviation Conference) should be used where applicable and appropriate.

<sup>&</sup>lt;sup>3</sup> ICAO Engine Exhaust Emissions Data Bank,.