



**European Business Aviation
Association**

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EBAA Calls PAGODA an Environmentally and Operator-Friendly Solution

Brussels, Belgium – 11 May 2009 – The European Business Aviation Association (EBAA) promotes Eurocontrol's PAGODA model as the best tool for business aviation operators to meet ETS MRV requirements. PAGODA is a Eurocontrol-developed tool that estimates fuel burn and GHG emissions directly from traffic data for all air traffic operating within the airspace overseen by the organisation. EBAA says it should be used to the maximum extent possible within the accuracy requirements of the EU's Emissions Trading Scheme Directive, at least up to 50,000 tonnes (+/- 5%) and up to 500,000 tonnes (+/- 2%).

The business aviation community has consistently demonstrated its commitment to fully offsetting emissions and welcomes the EU-ETS directive as a highly effective means by which aviation can meet its environmental responsibilities. Indeed, although the sector generates less than 1 % of total aviation emissions (while representing 8% of traffic), numerous members of the community are already running full carbon offset programmes, underlining the sector's willingness to fully meet its environmental obligations.

The EU Directive mandates that as of 1 January 2012, the aviation activities of aircraft operators operating flights arriving at and departing from Community aerodromes will be included in the scheme for greenhouse gas emission allowance trading within the Community. However, under the draft guidelines issued by the Commission, operators emitting more than 10K tonnes of carbon a year will have to subscribe to the full panoply of Monitoring Reporting and Verification (MRV) administration, originally designed for installations emitting millions of tonnes of carbon a year.

"We estimate that the administrative cost of managing complex monitoring could be as high as €40,000 per management company per year, a cost most operators would be unable to bear in the current depressed and highly competitive market," says Brian Humphries, President & CEO of EBAA.

Furthermore the business aviation sector comprises whole aircraft charter and unlike the airline industry does not sell seats. As a consequence, passenger loads are determined by the customer not the operator and the sector is unlikely to get significant carbon credits. Complex monitoring will therefore generate minimum benefits for operators and a huge economic burden.

The EBAA is continuing to work with Eurocontrol and designated Members of its Association to prove PAGODA's accuracy.

“We are pleased that the EC has agreed it would be helpful to run a mini-case study with one or more mid-size business aviation operators to demonstrate the costs of actually implementing the complex monitoring and verification,” explains Humphries.

PAGODA does all the work for operators and regulators, and would require once only verification. It meets Tier 1 accuracy requirements (up to 50k tonnes) and, subject to the on-going validation, is most likely sufficiently accurate even up to Tier 2 (500k tonnes). The model will greatly simplify the cost to Member States too and will thus directly reduce red tape.

“If the Commission fails to adopt a simple yet accurate method such as PAGODA in favour of a system that seems to have been designed to fill the pockets of consultants offering MRV services, it is hard to see how ETS will ever be extended to other transport modes – including all those who emit far, far more than business aviation,” Humphries adds.

Whilst the Commission has indicated they might consider a modification in the Guidelines Decision in the medium term - once PAGODA has been validated and the accuracy of the system established - they disappointingly also stated that the only acceptable higher threshold would be 25,000 tonnes of CO₂ per year, in line with the rest of the Directive. EBAA does not agree and believes that there is an excellent model in PAGODA, a tool in which all stakeholders have invested a great deal of money over the years. It should be used to the fullest possible extent.

For more information about EBAA’s position on ETS MRV, PAGODA, the operator timeline for the Emissions Trading Scheme and/or the business aviation community’s environmental activities, please contact Brian Humphries at +44 797 743 7503 or info@ebaa.org.

EBAA

The European Business Aviation Association (EBAA) was founded in 1977 to defend the interests of business aviation. Today, more than 500 business aviation companies (direct members or members of associate organisations) rely on the EBAA to protect their business interests. It is the only voice to represent business aviation among the European institutions. For more information, visit www.ebaa.org.