Ambassador Peter Witt Deputy Permanent Representative of Germany to the European Union Rue Jacques de Lalaing, 19-21 1040 Brussels

Dear Ambassador Witt:

Our governments share with the Member States of the European Union an interest in finding approaches to limit the impact of aviation greenhouse gas emissions on global climate. As you know, the member states of the International Civil Aviation Organization (ICAO), including the EU Member States, agreed to broad goals in this area at the triennial ICAO Assembly in 2004. We believe that success in addressing this matter lies in constructive consultation with international partners, a foundation of the international aviation system.

From this point of view, we want to convey our deep concern and strong dissatisfaction with the December 20, 2006, European Commission proposal to include international civil aviation in the European Union (EU) Emission Trading Scheme (ETS). Inclusion of our airlines in the EU scheme without the consent of our governments would potentially violate EU Member State international obligations under the Convention on International Civil Aviation, as well as bilateral aviation agreements.

Moreover, the proposal runs counter to the international consensus that ICAO should address international aviation emissions. ICAO is in fact doing so now. The ICAO Assembly in 2004 urged "States to refrain from unilateral environmental measures" and the ICAO Council echoed this in November 2006, urging Contracting States to "refrain from unilateral action to implement an emissions trading system". We are disappointed that the Commission has ignored the strong objections from the international community and is bypassing ICAO by issuing this proposal.

We support ICAO's current work to develop guidance on emissions trading for use by countries that wish to pursue this market-based approach based on mutual consent. We also believe real opportunities for addressing emissions exist in broader cooperative approaches to aviation operations, including energy efficiency and traffic management. In addition, some developing countries believe that the EU's unilateral inclusion of developing country airlines is also of concern in relation to the Framework Convention's principle of common, but differentiated, responsibilities and respective capabilities. Obviously, Europe is free to include emissions from European aircraft in its trading system. However, the Commission proposal to include third-country carriers unilaterally would significantly undercut rather than support international efforts to carry out improvements to better manage the impact of aviation emissions.

We urge you to consider fully the concerns of the international community and to exclude operations of non-European aircraft from the scope of the EU Emission Trading Scheme, unless they are included on the basis of mutual consent. If the EU insists on moving forward unilaterally, we reserve our rights to take appropriate measures under international law.

We ask EU Member States and EU representatives to participate continuously and constructively toward finalizing ICAO guidelines on aviation emissions, and to reconsider the Commission's unilateral proposal. It is our hope that by these efforts we can move forward in a manner that will lead to a successful global solution to address aviation emissions.

Sincerely,

Alan Thomas

Ambassador of Australia to the European Communities, Belgium and Luxembourg

Ross Hornby

Ambassador of Canada to the European Union

Yu Xuzhong

Deputy Head of the Mission of the People's Republic of China to the European Union

Takekazu Kawamura

Ambassador of Japan to the European Union

45 Shory

Woo-seong Chong

Ambassador of the Republic of Korea to the European Union and Belgium

P. Michael McKinley

Chargé d'Affaires

Mission of the United States of America to the European Union

cc: Klauss Gretschmann, Directorate-General C, Council Secretariat Kerstin Niblaeus, Directorate-General I, Council Secretariat Walter Grahammer, Deputy Permanent Representative of Austria Louis Mouraux, Deputy Permanent Representative of Belgium Roussi Ivanov, Deputy Permanent Representative of Bulgaria George Chacali, Deputy Permanent Representative of Cyprus Jana Reinišová, Deputy Permanent Representative of the Czech Republic Jeppe Tranholm-Mikkelsen, Deputy Permanent Representative of Denmark Tiit Naber, Deputy Permanent Representative of Estonia Nina Vaskunlahti, Deputy Permanent Representative of Finland Christian Masset, Deputy Permanent Representative of France Dimitris N. Iliopoulos, Deputy Permanent Representative of Greece Egon Dienes-Oehm, Deputy Permanent Representative of Hungary Kenneth Thompson, Deputy Permanent Representative of Ireland Alessandro Pignatti Morano di Custoza, Deputy Permanent Representative of Italy Lelde Lice-Licite, Deputy Permanent Representative of Latvia Romas Švedas, Deputy Permanent Representative of Lithuania Georges Friden, Deputy Permanent Representative of Luxembourg Theresa Cutajar, Deputy Permanent Representative of Malta Peter W. Kok, Deputy Permanent Representative of the Netherlands Dariusz Sobkow, Deputy Permanent Representative of Poland Pedro Nuno Bartolo, Deputy Permanent Representative of Portugal Marius Hirte, Deputy Permanent Representative of Romania Juraj Nociar, Deputy Permanent Representative of Slovakia Mary Veronika Tovšak Pleterski, Deputy Permanent Representative of Slovenia Cristóbal González-Aller Jurado, Deputy Permanent Representative of Spain

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Anne Lambert, Deputy Permanent Representative of the United Kingdom Miroslav Ouzký, Member, European Parliament Peter Liese, Member, European Parliament Matthias Groote, Member, European Parliament Holgar Krahmer, Member, European Parliament Caroline Lucas, Member, European Parliament Roberto Musacchio, Member, European Parliament Johannes Blokland, Member, European Parliament Paolo Costa, Member, European Parliament Georg Jarzembowski, Member, European Parliament Jacques Barrot, Vice President, European Commission, Commissioner for Transport Stavros Dimas, Commissioner for Environment Benita Ferrero-Waldner, Commissioner for External Relations Matthias Ruete, Director-General for Energy and Transport, European Commission Mogens Peter Carl, Director-General for Environment, European Commission

Eneko Landaburu, Director-General for External Relations