

## **Response from the Aviation Environment Federation to the DfT's call for evidence on 'carbon offsetting in transport'**



*26<sup>th</sup> September 2019*

The Aviation Environment Federation campaigns for measures to tackle aviation's impacts including noise, air pollution and climate change. We are responding to this consultation primarily as it relates to the aviation sector.

### **Q1. Do you believe that greater information provision on journeys' carbon emissions would affect consumer behaviours? Would this lead to lower carbon choices? What evidence can you provide?**

Yes, we believe that better information could affect behaviours, but it's important for the information to be consistent, as far as possible from trusted sources, and for the purpose of information provision to be clear. The CCC this week advised the Government that the maximum level of air passenger growth compatible with the UK's net zero target is around half the level currently forecast, and that it should be planning for net zero emissions for the aviation sector by 2050. The CCC's Further Ambition scenario, on which this recommendation was based, leaves around 35Mt CO<sub>2</sub> emissions unaccounted for at an economy-wide level, fails to address aviation's non-CO<sub>2</sub> impacts, and allows aviation to become the largest emitting sector for CO<sub>2</sub> by 2050 (at 30 Mt). We would urge the Government to treat the CCC's advice as the minimum level of ambition, therefore, and to consider more stringent measures for aviation than the CCC recommends.

For the purpose of this consultation, what is clear, however, is that aviation demand growth will need to be limited. This is likely to require Government policies along the lines suggested by the CCC, but cultural change among the public will also be important. The primary aim of information provision as proposed in this call for evidence, therefore, should be to help people understand the potential impact of a flight on their carbon footprint with a view to them considering how they use aviation, including whether they should fly less often, fly shorter distances (with lower carbon impacts), or use an alternative transport mode – choices that can all help cut CO<sub>2</sub> emissions. Encouraging people to choose a more efficient carrier over a less efficient one or to choose economy class over business or first class seats could be secondary aims with potentially more limited but valuable CO<sub>2</sub> reductions. Since coaches and trains are low-carbon forms of travel it makes no sense in our view to focus information provision on these modes, particularly as there is currently no plan to present the same information to drivers. Climate policies should be encouraging modal shift where possible away from the problem areas of driving and flying.

Many people in the general public have a poor understanding of the impact of flying on climate change. A poll in November 2018 by YouGov of 1,750 British adults for 10:10 Climate Action found a widespread lack of awareness about the level of damage air travel inflicts on

the climate. When asked to select one or two actions from a list that would have the biggest impact on reducing an individual's carbon footprint, only 15% correctly identified taking one fewer transatlantic flights, whereas 37% correctly identified "going car free" as effective. The most frequent flyers ranked "upgrade to more efficient light bulbs" above "reducing air travel". The poll found that support for policies to tackle the climate change impacts of air travel is much higher amongst people who are aware of the damage to the environment caused by flights.<sup>1</sup> A separate study from Censuswide Scotland found that 31% of people interviewed did not know that travelling by plane was contributing to climate change. 79% of Scots said they wanted more education on the issue, with 78% and 72% looking to the UK and Scottish Governments respectively to raise awareness.<sup>2</sup>

This year has seen a massive change in the amount of media coverage on climate change following protests from Extinction Rebellion and Fridays for the Future, together with national and local declarations of climate emergency. The increase in public awareness of, and concern about, climate change as a result is marked. Better public information at a broad level may well explain the contrasting findings of the National Travel Attitudes survey 2017<sup>3</sup>, which found that under half either agreed that they were willing to reduce their flights to combat climate change or said they already do this or that they never fly, compared with the a survey commissioned by the CAST centre this year which found that as many as two thirds of people say that to tackle climate change we should 'definitely' or 'probably' limit the amount we fly<sup>4</sup>.

There is currently little evidence that people choose their airline based on its efficiency, but most will be unaware of the analysis in this area (for example the detailed airline rankings produced regularly by the International Council for Clean Transportation<sup>5</sup>). As noted in the consultation, the Civil Aviation Authority has a duty under the Civil Aviation Act 2012 to publish information about the environmental effects of civil aviation in the UK, and there has been some discussion in the past about potential use of these provisions to provide the public with carbon information specific to airlines. It appears that industry resistance around costs has prevented this work from progressing however.

Accurate information needs to begin with Government publications. The consultation states that the UK "reduced its emissions by 42% while growing the economy by more than two thirds" without making clear that this statistic does not include emissions from international aviation and shipping, and similarly that "The transport sector accounts for the greatest share of UK greenhouse gas emissions, rising to 27 per cent in 2017" without noting that this figure would be higher still if international aviation and shipping emissions were included.

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<sup>1</sup> [http://files.1010global.org/documents/Aviation\\_briefing\\_Jan2019\\_FINAL.pdf](http://files.1010global.org/documents/Aviation_briefing_Jan2019_FINAL.pdf)

<sup>2</sup> <https://www.belfasttelegraph.co.uk/news/uk/scots-want-more-education-on-causes-of-climate-change-survey-suggests-38198156.html>

<sup>3</sup> [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/724855/british-social-attitudes-survey-2017.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/724855/british-social-attitudes-survey-2017.pdf)

<sup>4</sup> <https://cast.ac.uk/wp-content/uploads/2019/09/CAST-Briefing-02-Public-opinion-in-a-time-of-climate-emergency-1.pdf>

<sup>5</sup> <https://theicct.org/spotlight/airline-fuel-efficiency>

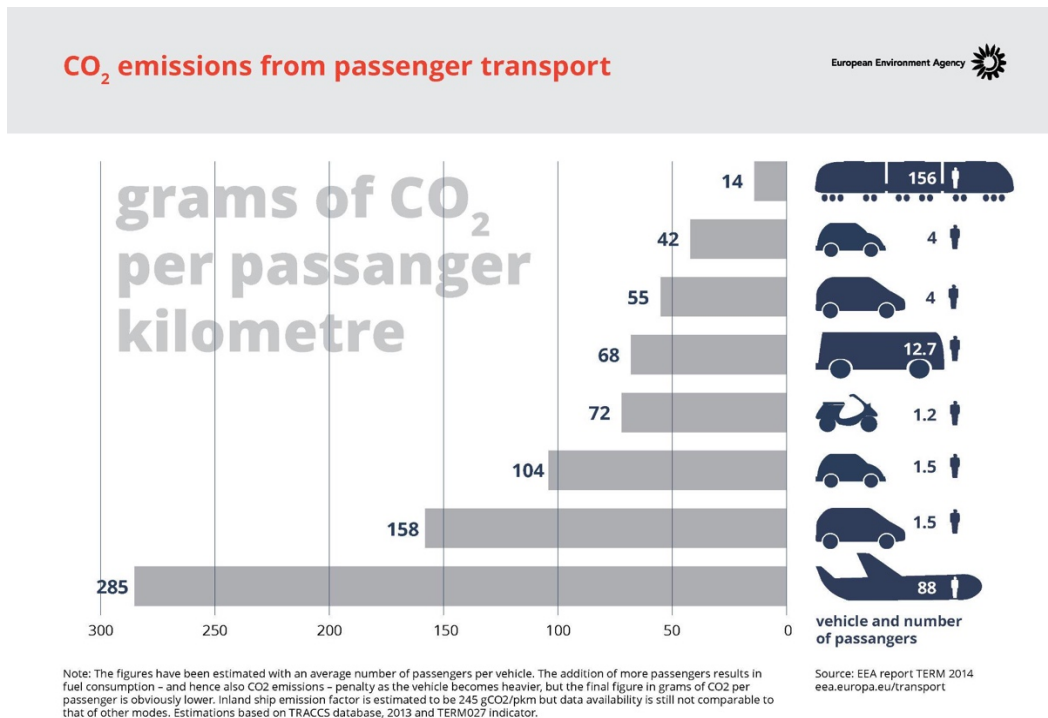
**Q2. What information regarding carbon emissions do you believe consumers should be provided with? How should this be provided? Where/when in the customer booking process should this be provided? Do you have evidence to support your view?**

Information to be provided to air passengers should be a single figure for the total climate change impact of their flight.

An appropriate carbon calculator should be developed or adopted for this purpose, to be used by all ticket providers, taking account of:

- a) CO<sub>2</sub> for a single/return journey
- b) Impact of seat class (as per BEIS carbon reporting guidelines, split between economy, premium economy, business and first class)
- c) non-CO<sub>2</sub> impacts (a 1.9 multiplier should be applied in line with Government company reporting guidelines<sup>6</sup>)
- d) Airline specific efficiency data, given the large differences in operating efficiencies between different airlines, compared to the UK industry average.

A link should then be included for more information, which could consist of a simple webpage or pages written by a trusted third party such as the CCC or Environment Agency, setting out the need to cut aviation emissions, how emissions from flying compare with other aspects of an individual's personal carbon footprint, and how flying compares with other modes of transport in terms of emissions per km, akin to this EEA graphic from 2014.



A league table of airline efficiency ranking maintained by the CAA under its information duties could also be included.

<sup>6</sup> <https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2019>

This CO2 and 'more information' link should be provided up front, alongside the pricing information, rather than on the final booking page in order to meaningfully influence choice.

**Q3. Are travel providers already collecting information on the carbon emissions associated with journeys? If so, how is this information collected and reported? Does this vary across modes of transportation? Are they providing this information to passengers?**

Many airlines report annual CO2 emissions in their CSRs, but this is usually available on the corporate pages of their website and isn't visible to consumers. Some airlines do offer an estimate of carbon for the purposes of voluntary consumer offsets but this is usually post-booking so does little to influence behaviour. Other travel providers such as Eurostar and The Trainline also provide carbon information, but not as a standard part of the booking process.

We are aware that some airlines provide carbon information to consumers in a way we consider unhelpful. Ryanair for example, has a flyer that states "Aviation is the most efficient form of mass point-to-point transport, accounting for just 2% of EU man-made CO2 emissions. (Road transport is 26%). The fuel burn per passenger km for a Ryanair aircraft is 0.019l, 44% less than the fuel burn per passenger km of a typical family car of 0.034l."<sup>7</sup> This leaves out information about, for example, the total CO2 impact of a flight (which facilitates much longer journeys than most people would take by car), the likely number of passengers per car (the figure quoted assumes that it has only a driver and no passengers), the options for decarbonisation (for example through electrification) of planes versus road vehicles, and the relative non-CO2 impacts of the two modes. In terms of emissions covered by the EU ETS, meanwhile, Ryanair is now among Europe's top ten biggest emitters<sup>8</sup>. This underlines the importance of providing information in a way that is not influenced by commercial self-interest (or indeed campaign group agendas).

**Q4. To what extent are current energy use and emissions reporting and audit requirements sufficient in ensuring that travel companies have the right data to provide journey (and product) specific emissions information? Where they are not, what would be required?**

N/A

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<sup>7</sup> <https://corporate.ryanair.com/wp-content/uploads/2018/03/Enviromental-Policy-Doc.pdf>

<sup>8</sup> <https://www.telegraph.co.uk/travel/news/ryanair-joins-list-of-europes-top-carbon-emitters/>

**Q5. Do you agree that offsetting journeys could play a role in tackling emissions, whilst transport is decarbonised? Can you provide evidence supporting your view?**

We agree with the CCC's view that the UK should not plan to meet its climate change obligations using international offset credits<sup>9</sup>, and with the EU's decision to exclude international offsets from its Emissions Trading System.

There are well-established problems with offsetting that the EU Reporting Guidelines go some way towards addressing, though in practice it can be hard to find good offsets. A European Commission review in 2016 of the Clean Development Mechanism, for example, found that only 7% of the projects that could be eligible for use by EU states in complying with climate obligations had a high likelihood of delivering carbon reductions beyond what would have happened anyway<sup>10</sup>. But more fundamentally, in a net zero future every country and every sector will need to get emissions to zero – there will be no room for offsetting. UNEP's position, that carbon offsets be seen only as "a temporary measure leading up to 2030"<sup>11</sup> reflects this.

What is needed for aviation is a national policy designed to cut in-sector emissions through a combination of technology incentives, demand management measures and carbon removals. The carbon offsetting proposal set out by DfT appears instead to shift responsibility for tackling emissions on to consumers and give them the option of whether or not to take action on climate change. While voluntary offsetting by individuals may help to finance worthwhile low-carbon projects, it is not an effective policy approach to reduce emissions and is likely, in our view, to distract from the implementation of meaningful measures. Consumer offsetting should not under any circumstances be included in the accounting methodology for UK aviation CO<sub>2</sub> emissions. The cheap cost of offset credits at present could, meanwhile, actively undermine an ambition to ensure the public is better informed about the scale of challenge needed to rein in aviation growth in line with the UK's net zero commitment.

We dispute the implication in the question that air travel is in the process of decarbonisation. While aircraft are gradually becoming more efficient, they are not on pathway to zero carbon. A recent report<sup>12</sup> co-commissioned by DfT and CCC found for example that no fully electric aircraft are likely to be in service for commercial routes until after 2055 – too late for achievement of net zero. For this reason we accept the view of the CCC that to the extent that we are flying by 2050, carbon removals – by way of technologies that have yet to be rolled out – will be required to balance aviation's CO<sub>2</sub>. The alternative would be the production of synthetic 'e-kerosene using renewable energy, though CCC regards this as a more costly option. Afforestation is not an appropriate carbon removal for

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<sup>9</sup> We note that the Government has said that while it has not legislated to exclude international offset credits under the Act, it does not intend to use them.

<sup>10</sup> [https://ec.europa.eu/clima/sites/clima/files/ets/docs/clean\\_dev\\_mechanism\\_en.pdf](https://ec.europa.eu/clima/sites/clima/files/ets/docs/clean_dev_mechanism_en.pdf)

<sup>11</sup> <https://www.unenvironment.org/news-and-stories/story/carbon-offsets-are-not-our-get-out-jail-free-card>

<sup>12</sup> [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/785685/ta-potential-and-costs-reducing-emissions.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/785685/ta-potential-and-costs-reducing-emissions.pdf)

the aviation sector since its potential is limited in geographical scale in the UK and will be required for other sectors. Carbon removals of the kind CCC recommends cannot currently be purchased as carbon offsets however.

For these reasons we don't support the DfT's proposal for provision of voluntary offsetting options for air passengers.

Without prejudice to this view, should the Department decide to proceed, we have made some comments on the remaining questions on methodology.

**Q6. Do you agree with the offsetting principles outlined in the 'good quality' criteria within the UK's Environmental Reporting Guidelines? Are there any further elements - for instance with respect to geographic origin, eligible project types or the date that the offset was generated - that should be included to further strengthen the environmental integrity of any future scheme?**

The criteria cover the main considerations that determine the effectiveness of offset credits. However, AEF has been closely involved in the development of the ICAO CORSIA eligibility criteria and continues to have concerns about how they may be applied and interpreted in the assessment of programme applications. In particular, offset credits would need to demonstrate they have not been double counted, and guidance and restrictions on the vintage of offset credits would be needed.

**Q7. How should any future carbon offsetting scheme correspond with existing schemes under which carbon emissions are accounted for, or reported, such as CORSIA or the EU ETS?**

We believe that consumer-orientated offset schemes should be kept separate from CORSIA and EU ETS as the latter place legal compliance obligations on airlines that shouldn't be confused with consumer actions.

It is currently unclear how CORSIA should sit alongside EU ETS. As the EU is waiting for all the details of CORSIA to be finalised before assessing it against the EU ETS, a recent BEIS consultation on the future of carbon pricing set out the challenge but did not seek views on the topic. AEF nevertheless submitted our thoughts on this topic<sup>13</sup>. In particular we argued that:

Policy developments in the EU ETS have sought to limit and subsequently exclude international offset credits as a means of compliance. This protects the climate ambition and avoids the cap being weakened. Similarly, the CCC has also advised that the UK's own net zero target should be met through domestic effort without reliance on international offset credits. The Government has indicated that it is minded to formally

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<sup>13</sup> <https://www.aef.org.uk/uploads/2019/07/AEF-response-to-future-of-UK-carbon-pricing-FINAL.pdf>

include the UK's share of international aviation and shipping emissions in carbon budgets at a future date. If the UK ETS permits the use of international offset units from CORSIA, these should not be counted for compliance purposes with carbon budgets.

Furthermore, any future consideration of CORSIA offset units should be undertaken in conjunction with the European Commission and EU member states. With EUAs currently trading at over 25 Euros per tonne, and CORSIA offset units likely to command a price below 5 Euros per tonne, any unilateral decision by the UK to include CORSIA offset units in the UK ETS would produce a significantly lower compliance cost for airlines when compared with the EU ETS. Given our earlier comments about the importance of maintaining an effective carbon price, such a move would clearly represent less ambition, and would certainly be seen as a backward step compared to today's carbon prices.

Trying to account for voluntary offsets in addition, when flight ticket prices will already be incorporating EU ETS/CORSIA compliance costs, would be an unnecessary complication in our view, with airline booking sites potentially adding a further complication if these partner with or recommend third party offset providers.

**Q8. What reporting requirements would be needed for any future scheme? How can these be designed so as to minimise additional burdens? Who should be in scope of requirements?**

To ensure that carbon calculators remain up to date, the CAA should collate and publish airline carbon and efficiency data on a monthly basis as currently happens with reporting requirements for airline performance and financial data.<sup>14</sup>

**Q9. How should any future carbon offsetting scheme be designed in order to support the objectives and requirements of the Paris Agreement, including the requirement to avoid the double counting of emission reductions?**

N/A

**Q10. What examples currently exist to offset emissions from travel at the point where tickets are purchased? Can you provide examples of where this works well and where it does not?**

Uptake rates for airline offsets are currently very low: less than 1% and more likely 0.1%<sup>15</sup>. Unpublished work by ICAO revealed that an Australian airline achieved a relatively higher rate of success, up to 8%, by including the cost in the ticket and offering passengers the opportunity to opt out rather than in.

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<sup>14</sup> See for example <https://www.caa.co.uk/Data-and-analysis/UK-aviation-market/Airlines/Datasets/Airline-data/>

<sup>15</sup> <https://www.bbc.com/news/science-environment-48133365>

**Q11. To what extent is there a role for Government in increasing the uptake of/mandating ticket providers offering offsets?**

We don't support the Government having a role in this area. We do think, however, that airlines should be required to give emissions information to customers, linked to a trusted third party, as set out in response to earlier questions.

The Government needs to take responsibility for addressing CO2 impact of aviation including by considering how to incorporating the cost of greenhouse gas removals into ticket prices (following CCC's advice to ensure industry leads investment in this area) and raising the level of tax as a means to help limit demand.

**Q12. More generally, how can the proportion of consumers taking up the option to offset emissions from their travel be maximised? Are there any other models for offsetting that should be considered?**

On uptake rates please see our response to question 10.

We suggest that rather than providing an option to offset, alongside the climate information provided, consumers could be given an option to contribute towards climate adaptation funds in developing countries, which are chronically under-funded.

**Q13. What role could behavioural insights have in improving the uptake of carbon offsetting options by passengers?**

N/A

**Q14. How could the mentioned potential issues of new carbon offsetting schemes be addressed? Are there any other issues in implementing the provision of carbon offsetting options at the ticket sale point? Please provide evidence.**

N/A

**Q15. Do you have views or evidence on the provision of carbon emissions information for non-ticketed travel? Do you have views or evidence on offsetting non-ticketed travel?**

It is essential to provide carbon information (as opposed to offsets) to drivers since road transport emissions remain high. This should be either at point of sale (on pump/receipt) or through a public information campaign.