From Policy To Sustainable Implementation

The Regional Airline Perspective

Safety Forum 01 July 2022

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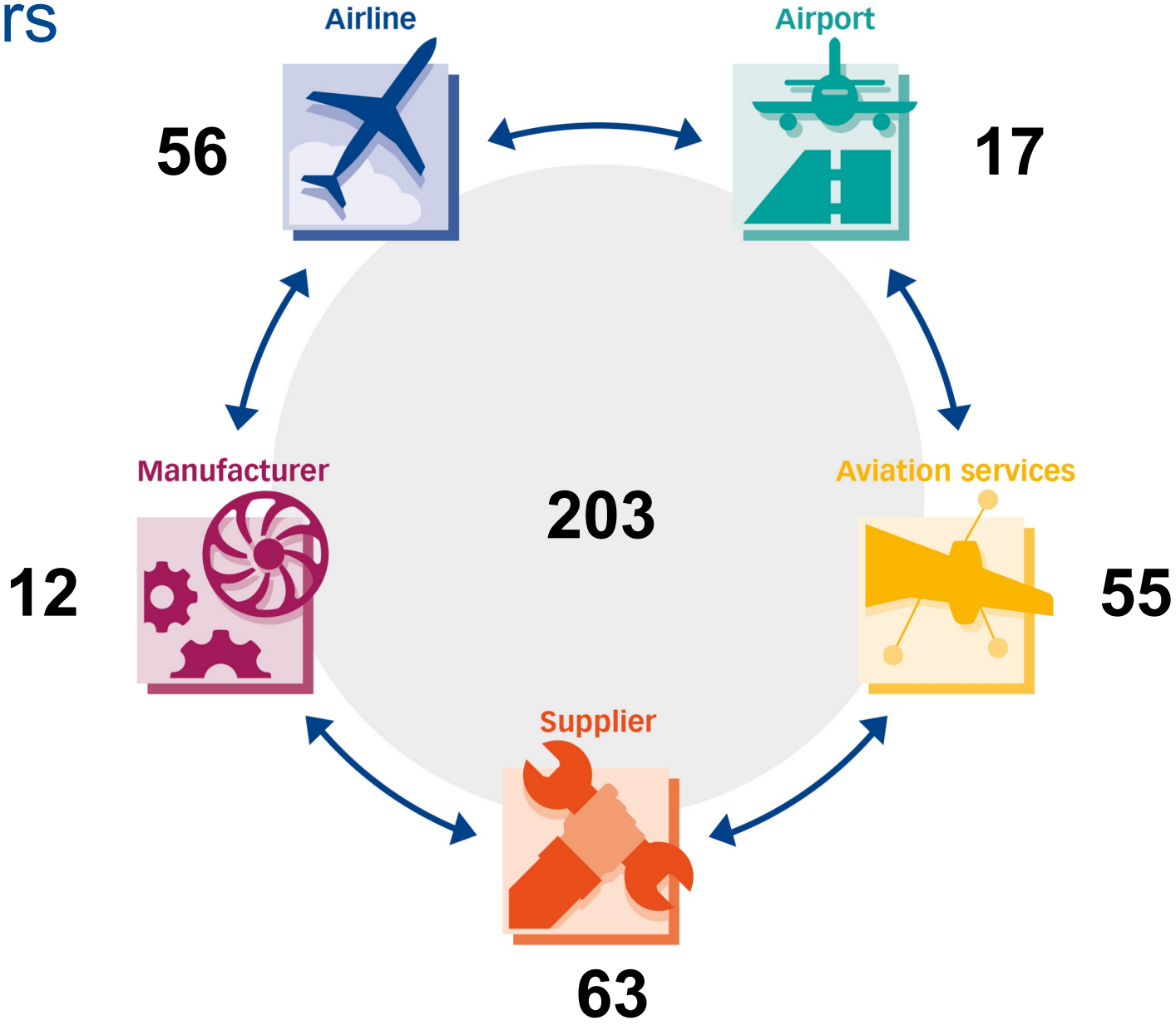
ERA members


Airline
56
Airport
17
Manufacturer
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203
Aviation services
55
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63

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Regional aviation and sustainability pressures

Push for green technology

Aircraft size and range as key drivers of feasibility of the new technologies

REGIONAL AVIATION

Additional taxes are being imposed and short-haul flight bans

Pressure to reduce PAX volume

Regional segment as a testing ground the future green aviation?

Need to justify the very relevance of the regional air connectivity

ERA Sustainability Activities

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Environment

Destination 2050
Fit For 55
Refuel EU
ATM & SESAR
Multi Modality
EASA Eco Label

Social

Sectoral Dialogue
Skills & Talent
Wellbeing
New Business Models

Economic

State Aid
Taxonomy
Crisis Recovery

Focus for Today……..

- Destination 2050
- Refuel EU
- Taxonomy
- Multi Modality
- Skills & Talent
- EASA Eco Label

A ROUTE TO
NET ZERO EUROPEAN
AVIATION

Destination 2050

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- A concrete vision, series of commitments and **pathway**
- **Commitments** include:
  - Reaching net zero CO_2 emissions by 2050 from all flights within and departing from the EU
  - Reducing net CO_2 emissions from all flights within and departing from the EU by 45% by 2030 compared to the baseline
  - Assessing the feasibility of making 2019 the peak year for absolute CO_2 emissions from flights within and departing from the EU

A ROUTE TO
NET ZERO EUROPEAN
AVIATION

Destination 2050 Policy Asks

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- Collaboration is key
  - Industry has come together with an unprecedented plan
  - Now need policymakers and regulators to align with us

- EU & Member States must now play their role
  - We need a supporting and enabling framework
    - **we cannot deliver without it**
  - EU Pact for Sustainable Aviation

Destination 2050 - Regional Challenges

Regional sector likely to be first movers / adopters of new technologies	• Investment potentially problematical due financial risk
Will infrastructure support our operations?	• Airports & Logistical Chains (hydrogen / SAF / electric)
Regulatory Environment	• Cost / Skills / Time

ReFuel EU Aviation Initiative (under discussion)

EUROPEAN COMMISSION

Brussels, 14.7.2021
COM(2021) 561 final

2021/0205 (COD)

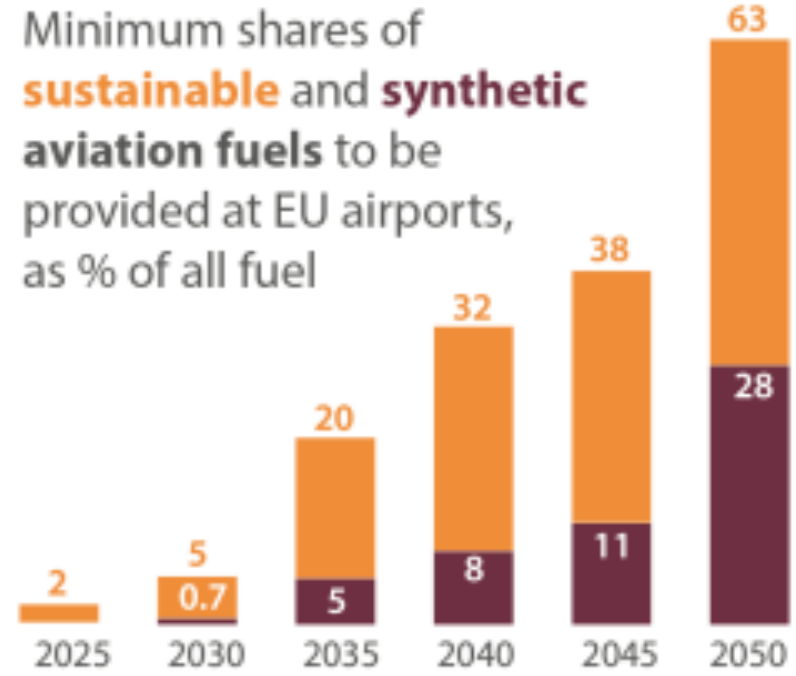
Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on ensuring a level playing field for sustainable air transport

(Text with EEA relevance)

{SEC(2021) 561 final} - {SWD(2021) 633 final} - {SWD(2021) 634 final}



Source: Sustainable aviation fuels, EPRS, March 2022.

- Anti-tankering provision

ReFuel EU Aviation Initiative – ERA Position

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- Ambition level proposed by EC ok
- All interested airlines should have access to SAF
- Anti-tankering provision to be very carefully assessed
- EU approach only
  - ✈ 7 Member States have called on the EU to be able to introduce national mandates as well

Implementing Refuel EU – Regional concerns

- **SAF**
  - Equitability
  - Affordability
  - Availability
- **Anti-Tankering**
  - Operational Requirements
  - Turnaround Processes
  - Accessibility

TAXONOMY

- Sustainable financing criteria
- Report from the Platform on Taxonomy for aviation
  - ✈ Transition activity (after 2032 TBD)
- Screening criteria agreed on:
  - ✈ Scrapping rule requiring proof that an old aircraft was decommissioned to make a new one
  - ✈ Efficiency requirements based on ICAO New Type (NT) CO2 standards for best in class definition
  - ✈ Requirement for 100% SAF certification from 2028
  - ✈ Progressive increase in SAF use by operator

Multi Modality (ERA / Oxera Report)

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Key findings - Environmental benefits and challenges of a modal shift from air to rail

Limits to the substitutability between air and rail means emissions saving potential is up to 3–5% of intra-EU aviation emissions for a ban on flights up to 500km, equal to less than 1% of EU transportation emissions.

A modal shift from air to rail will reduce CO_2 and non-CO_2 emissions of air.

BUT A shift to rail will lead to increased environmental impacts of rail, including from noise, biodiversity impacts and particulate matter.

Connectivity and capacity constraints of railways means rolling stock will have to be added or new railways built to accommodate a modal shift, with large carbon costs.

Shift to road possible.

Potential shrinking of the gap between air and rail emissions as both modes of transport decarbonise

Skills & Talent

- **<u>Regional airlines are feeders to the industry</u>**
- COVID - skillset / experience shortfall
- Proportion of returning experience only part-time
- New recruits entering extended period of disruption
- Perception of aviation has changed significantly
- Pipeline of talent?
- Associated delays & disruption creating significant ATM volatility

EASA Environmental Label

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- Raise public awareness
- 3 labels
  - ✈ Aircraft label
  - ✈ Airline label
  - ✈ Flight label
- Voluntary/testing phase began in 2022
- Concerns regional airlines

CO2 passenger seat per KM metric

Environmental Label – Risk to Regional Airlines

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FLIGHT LABEL IS VERY CONCERNING

EASA proposed metric

CO2 per Passenger Seat / KM

Could mislead the passenger

Drive demand away from regional airlines

Does not take into account different business models

ERA proposed Metric

CO2 per Available Seat / KM

Fair on all business models

Based on accessible data

Would allow for comparison between different transport modes

Safety Conclusions

Risk of
Unintended Consequences

Cost of SAF and EU ETS/CORSIA
Vs
budget allocated to training, software updates

Risk of wrong behaviours
human factors

Anti-Tankering

Operational Requirements
Adverse weather conditions

Pressure to decarbonise asap
Rushing the technology?
Databased risk assessment or experience / knowledge assessment

New energy sources
Currently only 1: jet fuel
Future: SAF, electric, Hydrogen…

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