

- ➔ the quantification of the emissions benefits of CNS/ATM, starting with the development of a quantification methodology;
- ➔ increased liaison with ICAO's planning and implementation regional groups to help maximize emissions benefits of regional CNS/ATM implementation plans; and
- ➔ identification and development of operational best practices on the ground and in the air to reduce fuel burn.

In addition, at the request of the Council of ICAO, the Secretary General recently drew the attention of States to the environmental benefits that would accrue from early implementation of satellite-based CNS/ATM systems, in terms of reducing fuel consumption and avoiding unnecessary emissions.

Market-based options

ICAO is also considering the use of market-based options as a potentially attractive means of limiting greenhouse gas emissions at the lowest possible cost.

In April 1998, CAEP established another new working group to "identify and evaluate the potential role of market-based options, including emission charges, fuel taxes, carbon offsets, and emissions trading regimes." The focus of this group's work would be to evaluate the possible role that market-based options could play in responding to Article 2.2 of the Kyoto Protocol.

CAEP has traditionally adopted technology-based standards for controlling emissions. Market-based options offer a potentially cost effective approach to achieving environmental objectives. However, their use raises a number of important economic, legal and administrative issues that must be fully evaluated.

The working group has received briefings on:

- ➔ existing programmes related to various market-based options, notably regarding emissions trading ;
- ➔ the past work by CAEP on emission levies (charges or taxes) and on similar recent analyses conducted by the European Commission and others; and
- ➔ flexible mechanisms in the Kyoto Protocol.

In the light of these briefings, the working group has identified and begun to define a range of specific market-based options including: fuel and en-route levies; emissions trading; and voluntary regimes.

It has also begun to develop an evaluation framework which will allow for a transparent comparison of the strengths and weaknesses of these options.

In view of the importance attached to this work by the ICAO Assembly², the goal of the working group is to complete its technical evaluation by late 2000, prior to a policy review by CAEP.