

## Draft Resolution

### **1 European Aviation must be greener and fairer – and not lead to social and environmental dumping.**

The aviation industry is a significant sector that contributes over 700,000 jobs to the European economy, with airlines and airports alone generating €140 billion annually. In 2013, some 840 million passengers departed from or arrived at EU airports, a number that is expected to grow over the coming decades.

Yet at the same time, European aviation is increasingly contributing to climate change. With extra- and intra-EU aviation activity expected to grow by over 80% between 2010 and 2030, it is essential that effective measures are implemented to ensure that aviation emissions and fossil fuel demand do not increase in line with sector growth.

While the liberalisation of the EU aviation industry created opportunities for EU companies to operate freely within the entire European aviation market, the emergence of “social dumping” – linked to “shopping around between different countries’ rules” – has put considerable downward pressure on employment conditions in the sector. Today, there are many examples of employment models and forms of recruitment that tend towards the deliberate exploitation of unintentional differences in the rules and their implementation in Member States. This development must be reversed and proper working conditions for airline personnel must be ensured.

In order to avoid an environmental and social race-to-the-bottom, the upcoming review of European aviation legislation – the so-called “Aviation Package” – must address these important challenges for the aviation sector and not only focus on the competitiveness of the aviation industry, as does the European Commission’s Work Programme 2015.

The European Greens demand that the “Aviation Package” include the following proposals for improving the competitiveness of the aviation sector:

#### **1) Phase out environmentally harmful subsidies in European aviation**

Despite being by far the most carbon intensive form of transport, aviation continues to benefit from a range of fossil fuel subsidies. Every year international airlines benefit from exemptions from kerosene tax and Value Added Tax that amount to more than €30 billion. Not only are these subsidies economically inefficient, as they serve as a disincentive to greater fuel efficiency, but they cause significant distortion of competition vis-à-vis other modes of transportation, including railroads.

These environmentally harmful subsidies must be phased out.

#### **2) All aviation emissions within the EU must be covered by a market based mechanism**

Currently only intra-European flights are covered by a market based mechanism – the EU Emission Trading System (ETS) – which partly internalises the external cost of CO<sub>2</sub> emitted. International flights to and from the EU are excluded from this trading system. The International Civil Aviation Organization (ICAO) has an obligation to agree to an effective global market based mechanism at its Assembly next year. Only a cap-and-trade scheme that does not make use of offsets can ensure that the sector delivers real emissions reductions.

## Draft Resolution

50 The EU ETS should be extended to cover flights within, to and from Europe, in case the ICAO does not  
51 manage to agree on an effective global market mechanism at its 2016 Assembly.  
52

### 53 **3) Develop a common approach to limiting social dumping in EU aviation**

54  
55 Unfair commercial pressure from several market players through social dumping, such as bogus self-  
56 employment, lower employment protection rights, disrespect for labour unions and collective bargaining  
57 is changing the landscape of the European aviation business. The means of limiting social dumping must be  
58 strengthened, amongst other things by introducing a rule stating that an airline must directly employ a  
59 mandatory average of 75% of pilots and cabin crew members. At the same time, the European  
60 Commission should be requested to survey the development of social dumping in European aviation and  
61 take action to ensure a push towards better working conditions and fair wages for all employees in the  
62 sector.  
63

64 The “Aviation Package” is a key opportunity for ensuring that European aviation meets the challenges of  
65 the 21<sup>st</sup> century. The European Greens call on all parties involved to ensure that respect for genuine  
66 social and environmental standards is upheld in future European legislation.