

Consultation document highlights the rising cost of ETS compliance for airlines

- Small airlines will come off worst if the proposals contained in the latest consultation document¹ from the Department of Energy and Climate Change (DECC) are adopted by other member states and three additional countries enter the EU ETS group

23 February 2010, London – The latest list of operators drawn into the scheme contains numerous small airlines and mini corporate operators that use European airspace infrequently. For them there will be no concessions – they will have to submit the same reports as larger operators flying regularly to and from Europe. In addition, the EU ETS member state group is to include three non-EU countries – Norway, Iceland and Liechtenstein.

Expensive regulator

Proposed fees by the Environment Agency for the privilege of being on the UK register have raised eyebrows. Depending on emissions output, fees could range between £2,500 and over £4,000, in addition to the £1,500 already being charged for submitting a Monitoring and tonne-kilometre plans. For small operators the cost of meeting ETS obligations runs into many thousands of pounds – and that is before purchasing any carbon allowances in time for 2012. Another gripe is that the UK's fees for regulation seem substantially higher than that of other member states.

38% non-compliant

According to recent statistics from the UK Department for Transport (DfT), 38% of operators currently on the UK list are still not complying with the requirements. Most are thought to be corporate flight departments plus airlines from outside the European Union zone, particularly the Middle East, Central Asia and the Baltic region.

Reduce drag

Small airlines and business aviation operators, who are facing virtually the same reporting and administrative costs as the big players, are seriously disadvantaged. “The costs keep rising,” says David Carlisle, Managing Director of ETS Aviation, a company formed in June 2009 to address the requirements placed on aviation

¹ The document can be accessed via following link:

http://www.decc.gov.uk/en/content/cms/consultations/euets_aviation/euets_aviation.aspx

operators by the EU ETS and offering the expertise of aviation executives, emissions specialists, sustainability and software experts. “There is a danger that, for all their climate change intentions, the latest CO₂ rules could further hinder recovery in a business sector traumatised by the recent financial crisis. Maybe large airlines can adapt existing departments to limit the investment required – small airlines and micro operators have far less capacity.”

ETS Aviation launches low-cost Aviation Footprinter™

ETS Aviation has already helped over 50 operators meet their ETS obligations and recently launched its *Aviation Footprinter™* software. “We designed *Aviation Footprinter™* to automate ETS data management, improve data accuracy, produce the annual reports in seconds and provide real statistics to run operations more fuel-efficiently. It takes virtually all the pain away at very low cost. Alternatively, we handle all data gathering and reporting via a remote online dedicated ETS department, at a fraction of the cost for an in-house service.

According to one airline source, “the inbuilt cross-check logic is a big upside. It irons out most mistakes in input data or at least flags them for corrective action. Plus it will produce the auditable and submittable annual reports in seconds.”

ETS Aviation offers one month’s use of the Aviation Footprinter™ free of charge

Carlisle says, “We may not be able to reduce the regulators’ fees, but we cut administrative time and the cost involved in complying with the full scope of requirements. Operators can simplify the entire process and meet the regulatory requirements either by subscribing to *Aviation Footprinter™* or outsourcing to our Support Service.”

To register for a free trial or webinar go to ETSaviation.com or call +351 91 580 1007.

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