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**The significance of
the aviation industry's
sustainable aviation strategy**

KEITH JOWETT: Thank you for inviting me to say something about the sustainable aviation strategy that the industry launched just a couple of weeks ago. The Airport Operators Association is the trade body for British airports, with 72 airports in membership and 150 other associated businesses. I am here to speak not just for the airports sector but for the other partners in the sustainable aviation strategy. The strategy represents a commitment therefore, not just by airports, but also by airlines, aerospace manufacturing and air traffic management through NATS.

[*Slide: Significance of ethical investment.*] The significance of the environmental debate should not be underestimated. It is probably not well known that the market for ethical investment has increased tenfold in the last 10 years, and it is likely to increase further. Thirteen per cent of US funds are now managed according to broadly socially responsible principles, and it looks as if that trend will increase. As the slide reminds you, both Ford and General Motors have now been reduced to junk bond status partly because the vehicles on which they have built their reputation - SUVs in particular - have fallen out of favour for their environmental effects.

[*Slide: White Paper . . .*] The aviation industry in the UK is directly constrained by airport expansion being limited by environmental concerns. The White Paper published just under two years ago explicitly acknowledged the environmental challenges, and called on the aviation industry to live up to them and to commit to environmental credentials. It called for us to work together to come up with real solutions to growth, related to noise and other local airport issues, but also global climate change, which is worrying more and more people these days. At the same time as we in aviation transport sector were beginning to address these issues, the Aerospace Innovation and Growth Team, working with the DTI on future strategy, also identified the need to come up with a genuine sustainable strategy.

[*Slide: Aviation's share of CO₂ emissions is small.*] The commercial aviation sustainable strategy has been written by the four sectors of the industry - the three trade associations and NATS - and a significant number of major players in the industry have signed up to it: eight airlines, 14 manufacturers and 25 of the larger airports. It is based on the four Government principles of sustainability: social and economic progress, high and stable employment, prudent use of natural resources, and environmental protection. The strategy we have developed, according to the Government's published model - we used the established framework for such strategies - includes eight goals. I will not take you through them all today; they are in the brochure you have.

Underpinning those eight goals are 17 indicators to measure progress over time, and 34 commitments. Those are commitments of substance. It is not a rhetorical document; it is not just words. It seeks to show real, targeted, promised commitment and progress, against which we are willing to be measured. Three areas of environmental impact are particularly relevant to the delivery of the White Paper: carbon emissions leading to climate change; noise; and local air quality and related surface access issues.

The slide shows that the UK is responsible for 2% of the world creation of carbon emissions. On the right is the breakdown of the UK emissions by end user: just 0.5% is due to the UK's domestic air transport and a further 5% to international departures and arrivals. So that is a small figure, but it is growing, as we all know. The significance of the growth in aviation's contribution could be dramatised if other industries managed radically to reduce their emissions. As a number of commentators have said recently, aviation might then become a more prominent consumer of carbon dioxide share.

I emphasise the relative smallness of the UK element, as it is important that the UK uses its influence wisely as an opportunity to take a lead in addressing environmental futures. It would be very easy to tax away UK aviation, to self-destruct, but that would do nothing for the global climate

equation. The slack would be taken up by the 98% of aviation that is outside the UK. It might in part address local issues, but it would certainly not address global climate change. However, with the strategy we have put together, we can create leadership in sustainable aviation, and bring the rest of the world aviation industry along with us. That is our aim, and we believe that it is entirely possible.

[*Slide: . . . and historical efficiency trend is good.*] Historically, we have a lot to crow about. Over the last 40 years, the industry has achieved an improvement in fuel efficiency of 70%. The slide shows developments over the last 10 or so years in BA's achievements. But the reduction in fuelburn due to improvements in operational procedures and technology will not keep pace with the expected growth in aviation activities, and additional measures will be needed to address the gap and to mitigate aviation's impacts. The solution is to integrate aviation into the European emissions trading scheme by 2008, or as soon as possible thereafter.

A number of commitments are made in addressing that goal. First, UK aviation commits to publishing its fuelburn by fleet, by revenue tonne kilometre, so that passengers, NGOs and others can see the demonstrable progress, airline by airline, towards the future goals. Manufacturers have committed to bringing into service by 2020 aircraft which, compared with their equivalents in 2000 and using parallel enhancements in the ATM system efficiencies, will produce operations that are 50% more efficient on a per seat kilometre basis. These are strong targets, but we are willing to stand up and be counted against them. Although the early targets concentrate on carbon emissions, other emitters - albeit at the moment less well understood and more transient - are also being addressed.

[*Slide: Technological and operational improvements . . .*] Clearly there is a need for better scientific understanding of the impacts of nitrous oxides on the higher atmosphere, on particulates, water vapour and contrails. Those things are much talked about but little understood at the moment. With Government and colleagues across Europe, we are committed to addressing these issues and bringing a scientific consensus together in time for a package of measures to be integrated into aviation in 2012 or earlier. Beyond that, alongside the 50% fuel efficiency goal being achieved by 2020, we see a goal of no less than an 80% reduction in nitrous oxides over that same period from 2000 to 2020.

This is not rhetoric, but a serious timeline of substantial targets against which our industry can and will be measured. Through continued efficiencies in air traffic management, operation, technology and emissions trading, aviation will, we believe, show that it is fully addressing its externalities relating to climate change. However, we recognise that we are unavoidably part of a global industry, and it is important therefore that we receive continued strong support from Government to ensure that international bodies across Europe and beyond - into ICAO and the global community - are also brought into the process as the years go by.

[*Slide: Number of people affected by noise has declined by 30%.*] Local issues can also be a matter of concern - not unreasonably. Historically, noise has been the most prominent of those issues: it is the most noticeable and the one that you or I at an airport will instantly recognise. Night noise is especially controversial. Aviation has clearly shown what it can achieve: jets are only a quarter as noisy as they were in the late 1960s. This slide shows the last 10 years of progress at the largest six airports in England, during which time the number of people affected by noise has fallen by 30%, despite a 50% growth in activity. We have a lot to be proud of in our past, but the challenge of the future will be even greater.

And there is no doubting the size of that challenge. The goal of our strategy is to limit, and where possible to reduce still further, the number of people affected by aircraft noise. A number of

commitments have been agreed to achieve that goal, involving amongst others both property-related mitigation schemes and improvements in low-noise flight procedures. Continuous descent approach has already been introduced and trialled at a number of airports. Steeper and curved approach paths will follow as science and technology progress. Technological improvements are expected to deliver planes by 2020 that are 50% - 10dB - quieter than aircraft delivered in 2000.

However, those of you with a scientific bent will know that there is a trade-off among these goals (affecting noise, carbon emissions and nitrous oxides) that is not in our favour. Nevertheless, we are committed in seeking to realise all three of these demanding targets by 2020.

If we can reduce the NO_x by 80%, that will bring a dramatic improvement not just in the upper atmosphere but around our airports. Local air quality has increased significantly over recent years as the European Union has introduced more stringent regulations affecting particulates this year and nitrous oxides in 2010. Those of you who are of my vintage will recall that, in the 1960s, aircraft were high generators of carbon monoxide and hydrocarbons. They have been essentially eliminated from today's jets, but we need to go further, with reductions in nitrous oxides.

Since road traffic is a major contributor to nitrous oxides around airports as well as elsewhere, improvements to public transport networks at airports will also be essential. Our industry in the UK has internalised those costs for several years, unlike some other transport industries. Big examples are the Heathrow Express, on which the airport company spent £750 million pounds to get people off the road on the way to the airport. Manchester Airport's integrated transport hub is a major example in the north-west, and there are others around the country. Within the next 18 to 24 months, every major airport in the UK will develop its own surface access strategy, with money behind it where appropriate, committed to improving modal shift from the private motor car to public transport.

[*Slide: Sustainable aviation governance concept.*] It was recognised that sustainable aviation would need a credible governance structure to enable it to move forward and deliver on its commitments. This chart shows the shape of that governance. It will have a senior level sustainable aviation council, comprising senior members of the industry, meeting twice a year to review progress, and supported by an industry working group. The working group will include those individuals who have been party to the creation of the strategy, broken down into the four elements of implementation, monitoring/reporting, evolution of the strategy, and communications. It is supported by Government and NGO inputs, and inputs from science and stakeholders more widely, in order to inform the debate and support progress. We have a commitment to report biennially, and the first report is due in the autumn of 2006. That swift timetable is necessary in order to feed into the Government's review of the White Paper before the end of next year.

I hope that this presentation has given you a taste of the scale of the sustainable aviation strategy. It includes many other commitments - 34 in total - which are real commitments. I have talked about the timescale: as each two-year period progresses, we expect not just to review and report on achievements against our targets, but, where appropriate, to sharpen up these targets. As science expands and gives us more information, our goals and commitments can be developed further in order to better refine the strategy for the future.

[*Slide: Also other commitments . . .*] The strategy complements and builds on work already being undertaken by many of the UK's larger aviation companies. Those of you who are familiar, for example, with the environmental reports published by British Airways, BAA, Rolls-Royce and others know that they already contain many of these targets, sometimes more. But this is a consensus which has brought together the whole industry, big and small, to develop and commit to a sustainable future. We believe that it give us the tools by which, with appropriate support

from government and other partners, we can truly respond to the environmental challenge. Thank you.
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