

EXECUTIVE SUMMARY: THE CLIMATE PARTNERSHIP FOR AVIATION



Vision

Domestic and international aviation burns fossil fuels and contributes to CO₂ emissions and adverse climate effects. Therefore, aviation needs to become sustainable.

The ambition of the Danish Climate Partnership for Aviation is to be a driving force for sustainability. Accordingly, an ambitious strategy with a master plan for the transition towards sustainability has been developed. However, it is also vital that the strategy can deliver to the Danish economy and welfare. Economic growth and investments are imperative for the transition to become a success.

The overall vision for the climate partnership (and Danish aviation as a whole) is to achieve climate neutrality no later than 2050. One important milestone is to contribute to the fulfilment of Denmark's overall climate objective of 70 per cent CO_{2e} reduction by 2030 compared with 1990. The master plan delivers that. The plan will enable CO_{2e} emissions from domestic aviation to be reduced by 75 – 80 per cent, thereby exceeding Denmark's overall 70 per cent reduction objective. The plan delivers even more: a 30 per cent reduction of CO₂ emissions from outbound international flights from Danish Airports (including projected growth until 2030) and, not least, a robust pathway to achieve a net-zero emissions target before 2050.

"The Partnership delivers a full and tangible plan for reducing emissions from domestic aviation with more than 70 per cent by 2030. We do even more. Based on 33 concrete initiatives we will create a market for sustainable aviation fuels that will enable Denmark to become world leader in sustainable aviation."

*Simon Pauck Hansen, SAS,
Chairman of the Climate Partnership.*



What is the climate partnership for Aviation?

The Climate Partnership for Aviation is one of 13 climate partnerships initiated by the Danish government in 2019 in cooperation with the business community. The overall purpose of the partnerships is to establish a 2030 vision and a plan for the sector to contribute to the national 70 per cent CO₂ reduction target.

The Climate Partnership for Aviation is headed by Simon Pauck Hansen, COO, SAS (Chairman), and Thomas Woldbye, CEO, Copenhagen Airports (Vice Chairman), supported by a secretariat headed by Danish aviation in the framework of the Confederation of Danish Industry – DI.

Other partnership members stem from the aviation industry (airlines, airports), unions, NGOs, universities, consultancies etc.

”The climate impact from aviation has increased constantly over many years without any substantial counter-measures on global or EU-level. Therefore, it is very positive that the Danish aviation sector takes the lead in order to reduce the climate impact.”

*Jeppe Juul,
Senior Advisor,
Green Transition Denmark*

The sector

The aviation sector is more than airlines and airports. It is a complete value chain ranging from airlines and airports to pilot schools, aircraft maintenance, ground handlers and catering, airport shops and restaurants and many more supplying services. In total, there are more than 500 individual companies, employing more than 50,000 people. However, in terms of CO₂ emissions, airlines are clearly the primary source. Total CO_{2e} emissions (domestic plus outbound international 2018) account for approximately 3.1 million tonnes.

Approximately 35 million passengers passed through the Danish airports in 2018. 33 million passengers on international routes and 1.8 million on domestic routes. International routes thus account for approximately 95 per cent, and around 80 per cent of all passengers in Danish airports pass through Copenhagen Airport.

Danish aviation is estimated to contribute with up to DKK 100 billion to the Danish economy.



One industry



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Initiatives and recommendations

The targets set and the plan laid out by the Aviation Climate Partnership are probably the most ambitious ones within the international aviation industry. It is easy to set an ambitious long-term target, but a lot more demanding to make it. The climate partnership has therefore focused on the idea of delivering a full master plan for its realization. The plan deals with various steps of technology, financing and regulation.

The proposed instruments are technological and operational, such as aircraft renewal and, not least, a process of establishing a supply chain for sustainable aviation fuels (gas-to-liquid and P-t-X). Sustainable Aviation Fuels come at a price 2 – 3 times higher than fossil jet fuels. Financing and regulation are key enablers to overcome such a barrier in a very competitive aviation market.

The five key initiatives and recommendations should be seen in that perspective.

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Of national focus:

1. National climate fund for aviation

The overall purpose of the fund is to create a market for sustainable aviation fuels by financing the price gap between conventional jet fuels and sustainable aviation fuels. This will create a demand and a robust platform for investors to engage in production facilities, including wind power facilities (for green H₂). The fund is to be financed by a small climate contribution (DKK 20 – 30) from each passenger departing from Danish airports.

2. National master plans for green power and carbon capture

The government must create national master plans for expanding green power production capacity for hydrogen production, the allocation of biogas as interim carbon source and, overall, for carbon usage and storage as feedstock for P-t-X.

3. A national blending requirement for sustainable aviation fuel

Setting national blending levels at specific milestones will support the speed and effectiveness of the transition towards sustainability. Levels must be aligned with developments of the climate fund.

Of international focus:

4. Global (or at least EU-based) CO₂ aviation tax

The most optimal instrument is a global (or an EU) emissions-based tax, where funds are directed back to finance the transition. It is recommended that the Danish government gives priority to this initiative. But it is complicated, and it will take time. But in turn, and when in place, funds should take over the task of funding the aviation climate fund.

5. It is time to deliver on Single European Sky (SES)

Many years ago, SES was advocated with the promise of delivering fuel cuts of 10 – 12 per cent by a more efficient air traffic management. Very little has happened on establishing a context for fulfilling this goal. The partnership recommends that the Danish government puts pressure on the EU and the other member states.