

EUROPEAN AVIATION INDUSTRY STATEMENT – EU ETS REVIEW

Brussels, 1 October 2026: DESTINATION 2050, representing Europe's airlines, airports, air navigation service providers, and aircraft and original equipment manufacturers, reaffirms its commitment to net-zero CO₂ emissions by 2050. Following the European Commission's proposal to review the EU ETS for aviation, we ask that the mechanism becomes a key tool for decarbonisation of the sector in Europe. As highlighted in the Draghi report, aviation is vital to Europe's economic sovereignty, and we welcome efforts to strengthen competitiveness alongside climate action.

Climate ambition must align with competitive reality to achieve meaningful emission reductions without compromising connectivity. Key elements of the current proposal put European competitiveness and meaningful decarbonisation at risk. DESTINATION 2050 calls on EU legislators to ensure investment certainty, foster innovation, ensure that new measures rest on validated science and demonstrated operational feasibility, and prevent carbon leakage by addressing the following priorities in the revised EU ETS.

1. Reform and increase SAF Allowances

Whilst welcoming the recognition that significantly greater support is needed to accelerate SAF uptake, we are concerned about the reduction in support levels for each SAF category, including the phase out of support for waste-based bio-SAF after 2029, and do not support the "Made in Europe" criterion for SAF. The framework must reflect actual market realities and operate coherently with ReFuelEU Aviation and RED III. Additional allowances should be available from the outset, independently of any extension of the geographical scope, without distinction based on the nature or business model of the aviation activity. Sufficient and predictable support must be ensured as ReFuelEU Aviation targets increase.

We call for stronger and longer-term SAF allowance support.

2. Fully reinvest aviation ETS Revenues

Climate policy should not only incentivise emissions reductions; it must also help finance solutions. Although insufficient, we welcome the proposal to secure a share of revenues from the EU ETS for the sectors covered, recognising the importance of ensuring that they contribute to the transition of hard to abate sectors.

We urge the co-legislators to ensure that 100% of the revenues from the auctioning of allowances associated with emissions from our sector are reinvested in the sector to support its decarbonisation, technological modernisation and competitiveness.

3. Maintain current geographical scope & strengthen global solutions

CORSIA is the most appropriate global carbon pricing framework to address international aviation emissions. Unilaterally extending the EU ETS to extra-EEA routes distorts competition, and compromises international efforts, increasing regulatory fragmentation and market asymmetries for operators, while driving carbon leakage, risking retaliatory trade measures and weakening EU's international credibility.

We strongly oppose expanding the geographical scope of the EU ETS and urge to prioritise global mechanisms by strengthening CORSIA, assisting Member States with ICAO's Long-Term Aspirational Goal.

4. Establish a Book-and-Claim Mechanism

The framework must also address the uneven availability of SAF across Europe by enabling verified purchases to benefit from support regardless of where and to whom the fuel is physically supplied.

We call for the introduction of purchase-based attribution to fuel users under the EU ETS to enable an effective European book-and-claim system.

5. Broaden the scope of the Innovation Fund & Industrial Decarbonisation Bank

EU funding instruments must reflect the operational realities of technological development in aviation.

Funding needs to be open for technology maturation, which should include all technologies that deliver emissions reductions, such as more efficient propulsion systems, aerodynamic improvements, advanced materials, hybrid and electric aircraft.

We urge policymakers to include aviation projects in the Industrial Decarbonisation Bank and to adapt the EU Innovation Fund by supporting the technology maturation in the aviation sector, ranging from emissions reductions from more efficient propulsion systems and aerodynamic improvements, over advanced materials to “breakthrough innovative technologies”.

6. Incentivise Carbon Capture & Utilisation (CCU) for aviation

Whilst appreciating the inclusion of carbon removals in the proposal, to further unlock the potential of emerging carbon management solutions, the EU must establish a clear regulatory and financial framework that accelerates breakthrough technologies. We welcome the inclusion of carbon removals and see this as an important element of the decarbonisation framework. It is crucial that EU ETS supports next-generation CCU research and technology through dedicated funding streams, including the EU ETS Innovation Fund, Horizon Europe, and the Connecting Europe Facility.

We call on policymakers to incentivise CCU and carbon removals through R&D, Technology Investment and EU ETS Integration to create a clear market framework and drive widespread adoption across the sector, and by de-risking capital investment in carbon removals with Contracts for Difference (CfD) mechanism.

7. Condition the incentive on validated science and operational feasibility

Forecasting contrails formation skill at the flight-planning horizon is subject to significant scientific uncertainty. A contrail forecast does not make a given trajectory available: the proposal requires operators to incorporate forecasts “if possible,” but weather conditions are highly volatile, and the actual flight path depends on real-time operational constraints. Allowances would be allocated to the adoption of a tool, not to a verified outcome.

The understanding of aviation non-CO₂ effects is still very much evolving and contrail avoidance strategies should be regulated and incentivised when there is mature scientific understanding and demonstrated operational feasibility across the whole aviation system.