

22.4.08

CANSO Environment Summit Speech – Alexander ter Kuile, CANSO Secretary General

- Ladies & gentlemen, Good Morning. It's an honour to address this third Aviation Environment Summit.
- It is two years since the Aviation Industry last met here in Geneva for an Aviation & Environment Summit. It is two years since CANSO stood here questioning whether aviation's environmental problems are perhaps bigger than just Noise and Emissions. I remember some of you were appalled when I hinted that our industry might be in danger of becoming a social outcast, a pariah of society, the next "tobacco industry". At that time I posed a difficult question, whether we – the aviation industry – were confident that we had permission from society to proceed with our growth strategies. I posed this question, as above all, aviation **must** maintain public confidence and trust if politicians are to permit our industry to grow & develop. Thus far, governments have supported the growth of air transport, but increasingly public sentiment about climate change is making politicians think twice.
- Today it is perhaps time to take stock. To review what we have achieved in the past two years, and to be blunt about what we have not done well. It is time again to hold the mirror in front of us all.
- I am happy to say that - as an industry - we have started to communicate with the general public through ATAG. And I must congratulate Anna & Philippe here for their success in coordinating the industry message. On their success in building a broad coalition of industry supporters, thus returning some balance, or at last accuracy, into an increasingly harsh and often ill-informed debate. I am happy to see that we **have** started a dialogue with society, showing clear responsibility for our actions while explaining the role and benefits of aviation. We **have** started the long road of seeking public approval for **our** desire to grow.
- But a tough question remains, "Is it enough". Are we – the aviation industry - doing enough to maintain public confidence in aviation's continued development, or is it all just veneer – "Are we into window dressing?" I am convinced that we are not but does the public know it?
- If we are to maintain public trust, we will have to be highly ethical, fully transparent and very honest with ourselves. We will have to admit that, today, our industry is still increasing CO2 production. Therefore we **must** ask ourselves "Can we do more." And the answer can only be, "Yes, we can do more."
- As ANSPs we recognize that the fundamentals of aviation are currently changing for ever. Life will never be the same again, and all of us must adjust to a new reality. For in addition to the clear signs of climate change, world prices for fossil fuels, energy, raw materials and food are shifting. Most likely for ever. Changing the basic ground rules of our society, but especially for our industry.
- CANSO has recognised this. In March our association hosted an Extraordinary General Meeting where our Members unanimously approved a project named IMAGINE 2010. This project places safety, the Environment, and business

transformation as one of the top three priorities for our organisation. CANSO members recognise that **fundamental** change is required across aviation's entire institutional, regulatory and operational set up, if we are to adapt to the new reality that is rapidly appearing around us.

- If we, all of us here in this room today, wish to see continued growth of the aviation industry, we will have to face up to some hard facts. Hard facts we will all have to face together.
- In CANSO we recognise that global Air Traffic Management has shortcomings. Yes, our sector faces some serious issues. But, as clearly demonstrated in the infrastructure workshop yesterday, we are doing our darndest best to address a multitude of highly complex and conflicting institutional and operational issues. In CANSO we are very much aware that we can not deliver CO₂ reductions by ourselves. And we fully accept that we will have to build bridges with all of you, to try and cross some major philosophical divides.
- In CANSO we recognise that ATM's environmental performance is largely a by-product of efficient airspace design and optimised aircraft performance across all phases of flight.
- To address some of the most pressing airspace inefficiencies we will have to address basic airspace **allocation**. It is the States that are responsible for the allocation of airspace to civil & military users. ANSPs are there to **optimise** the pieces of airspace allocated to them within strict confines. So we are very much aware that ANSPs must work with Governments, Politicians and the military, airlines, airports and local communities to resolve the existing allocation of airspace.
- Similarly to optimise aircraft operations in all phases of flight, ANSPs must work with regulators, aircraft manufacturers, airlines, airports, pilots and engineers to optimise ground and flight operations to improve **overall** aircraft performance.
- In CANSO we are also very much aware of the careful balance and trade-offs between the many **legitimate** but often **conflicting** interests; civil vs military, safety versus economy, efficiency versus capacity, noise versus emissions, industry versus society. There are endless variables that must be judged and weighed. ANSPs cannot undertake this by themselves, nor should they. We must face these difficult questions together.
- We – that is all of us here in this room – have to accept that we can not minimise the environmental impact of aircraft operations by ourselves. Solving our problems requires a careful balancing act between the diverse interests of the many different players in this room. No one is king, and no issue overrides all others.
- Minimising aviation's impact on the environment, therefore, must be achieved by all players working together. As states, airports, airlines, ANSPs and manufacturers, we must focus on one thing - optimising the performance of the entire aviation **system**. To achieve this, in a new economic reality, we will have to change our ways, and start to think and act as **one system**.
- Today aviation continues to be **regulated** and is still in many places **operated** as a series of independent sectors. This drives a mindset of "us versus them".

Our aviation value chain is fragmented at every level – institutional, regulatory, strategic, managerial, technical and operational. We live in separated worlds that do not understand each other very well. We live in independently managed silos that are entirely focused on **individual** sector performance. We have lost sight of the greater good – aviation **system** performance.

- On self-reflection, we spend too much time complaining about others, other sectors, other regions and other political views, instead of showing joint and united industry leadership and action, in an aviation industry council.
- Let me clarify why we believe industry unity is of greatest importance at this time. With a new economic reality currently taking hold, it is no longer unthinkable that somewhere in the not too distant future, aviation growth could well stop. Ridiculous as this may sound to many of you, it could well result from a combination of record oil prices, an extended credit crunch, increased taxation, market saturation, and negative customer experiences due to the **system** breaking down, capacity shortfalls in the air and on the ground, and ever increasing security measures. But most importantly, **growth in demand** could slow as a result from a change in **public sentiment on climate change**.
- We are threatened on two sides: our own ability to maintain system reliability and performance at all times, and public sentiment on climate change.
- We must address the first issue ourselves, and for the second, we need to have a debate with society about the future size and shape of the aviation industry. We must bypass governments and regulators and the pressure groups and talk to the only people that matter to us – the flying public. We need to be humble and say: “We are an efficient infrastructure, a global highway that connects markets and unites families & friends. We try to do this as safely, efficiently and environmentally friendly as possible. We know you are concerned about climate change, what we can do to make aviation sustainable in your eyes?”
- But for us to approach the flying public in this way, we should have an agreed and coordinated environmental strategy and action plan in place. That brings me back to issue number one – our own system performance. The aviation industry requires a plan in which airlines, airports, ANSPs and manufacturers all have an equal commitment and agree the various trade-offs in sector interests. Though we can agree on the urgent need to address emissions, we lack an industry wide, multi-sector **integrated** project management approach for our environmental performance. And, we lack a detailed overview of who is doing what on aviation and the environment. We have to invest in and expand the role of multi-sector organisations, such as ATAG, if we are to deliver maximum environmental benefit.
- For consider how we operate today. We are brilliant at launching hundreds of local environment projects. And, even though we may feel these are the best initiatives, it does not result from an overall strategy, from a globally coordinated **vision**, or overall strategic management. It just happens.
- As an industry we prefer to invest in lots of different associations that each promote a sector’s self-interest, leading to a multitude of voices. This can only result in sub-optimal system performance.

- In parts of the world, we face an increasingly uncertain future. If we wish to maintain our growth scenarios, we can no longer afford to operate in such an uncoordinated way. It is imperative that we maintain public confidence in our **ability to manage** this industry, thus regaining full political support for it.
- To achieve this, it is time that we collectively consider how we jointly manage the future of one of the world's most strategic and enabling industries in an increasingly globalised society. We must change our mindset and see aviation as a single global system.
- I am convinced we can raise our environmental performance, if we regard aviation as an integrated system, jointly setting priorities on our overall performance, based on agreed targets and sound cost benefit analysis.
- We will need to transition from a 1940s institutional, regulatory and operational environment to a 21st Century network centric industry.
- We need to transition to the latest regulatory and management practices, where we mutually agree targets, and jointly manage our commitment to carbon neutral growth and a carbon-free future.
- To maintain public trust we will need to agree a timeline for clear targets and "hard" commitments. We can not wait for Governments to resolve their political disagreements; we **must** show clear industry leadership.
- Ladies & Gentlemen our mindset still appears to be "old School". We are perfectly content to sit and wait for governments to agree and tell us what to do, while the **fundamentals** of our industry are rapidly changing for ever, and our role in society is challenged. This Summit must be a platform for pro-active and visionary leadership, for taking charge of our own future. We owe this much to the health of global society, our industry, and to the 32 million men and women who work day and night to operate our system.
- Let's face it – aviation's greenhouse gas emissions **will** continue to increase, though we are only a relatively small contributor of emissions, and grow **less fast** than others. Aircraft will remain dependent on fossil fuels for the foreseeable future.
- Therefore, we must unite and stand ready to commit on measures and targets that will help us achieve a carbon neutral future. More importantly, **we – all together - must** be ready to make this commitment to society. Only then can we be confident that we may gain society's permission to proceed with the growth of our beloved aviation industry.
- Thank you.

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