



## EU climate target for 2040

Europeans for Fair Competition (E4FC) is a coalition of European airlines and unions representing airline employees, fighting for fair competition and high social standards with the objective of safeguarding European aviation, European jobs, and sustaining connectivity for European citizens.

The EU has set ambitious targets for achieving net-zero carbon emissions by 2050, and the EU network airlines and their employees are fully committed to the decarbonization goals of the industry. However, as aviation is a global sector, the EU's environmental aspirations must take into account the international and intercontinental nature of the industry. EU network airlines and their employees operate within a highly regulated legislative framework in the EU, while at the same time facing fierce competition from non-EU carriers.

Moreover, the transition towards a more sustainable European aviation sector requires substantial resources and investments, which significantly add to the costs of European airlines. A study by SEO Amsterdam Economics shows that the road towards net-zero emissions requires premium expenditures of 820 billion over the 32-year period, encompassing areas such as fleet renewal, R&D, and alternative aviation fuels (SAF)<sup>1</sup>.

Therefore, in discussions regarding EU climate targets for 2040, it is crucial for the EU to carefully assess the potential impact, both within the EU and globally, on the competitiveness of the European aviation sector. Ignoring this perspective will lead to distorted competition, putting European network airlines at a significant disadvantage compared to non-EU airlines and jeopardising jobs in the aviation industry. Additionally, such oversight could result in carbon leakage and undermine the effectiveness of measures aimed at combating CO<sub>2</sub> emissions.

To ensure the success of decarbonisation efforts, the EU aviation sector requires a consistent regulatory environment that promotes fair competition and supports the industry in its transition.

The EU regulatory framework should ensure that the European aviation sector remains attractive for private investments and can benefit from green funding opportunities. Furthermore, the EU should address carbon leakage for aviation to reduce or eliminate the distortion of competition. For instance, the inclusion of aviation in the scope of the Carbon Border Adjustment Mechanism, when it will be revised in 2026, could level the financial burden of EU carriers with that of their non-EU competitors. Another measure that would

---

<sup>1</sup> Report on the Price of Net Zero, SEO Amsterdam Economics (SEO) and Royal Netherlands Aerospace Centre (NLR)

contribute to a level playing field in aviation is the integration of strong, binding and enforceable environmental provisions in EU and EU Member States air transport agreements with third countries.

Finally, before introducing new rules within the European framework, the EU must conduct a comprehensive impact assessment examining the effects of the Fit For 55 package on the European aviation sector, notably assessing the impact on the competitiveness of the EU airlines vis-à-vis non-EU carriers and the potential for carbon leakage towards non-European airport hubs.

If the EU regulatory framework fails to support European network airlines in achieving their decarbonisation goals, the consequences for the entire industry would be severe. Inability to secure green investments and acquire state-of-the-art technologies due to cost disadvantages would place EU carriers at a competitive disadvantage. This would grant an advantage to non-EU carriers, who can offer lower prices thanks to state aid and tax support, pushing EU-carriers out of the market, risking connectivity to EU regions, and ultimately endangering European jobs.

E4FC members therefore emphasise that successful decarbonisation of the European aviation industry can only be guaranteed by establishing and maintaining a strong global level playing field.

## Contact

For further information please contact [info@e4fc.eu](mailto:info@e4fc.eu).