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### **AEA, ERAA and IATA highly critical of latest ETS plan**



The Association of European Airlines (AEA) has hit back at the EU saying the latest comments regarding aviation's inclusion in the Emission Trading Scheme are "grossly misleading".

The AEA said that Climate Action Commissioner Hedegaard had stated that airlines will benefit from €20 billion worth of free carbon permits during their first decade in the EU ETS, referring to these free allowances as "revenues" and suggesting operators could use these funds towards their fleet modernisation plans.

"To refer to carbon permits as revenue is totally absurd," said the Association's Secretary General Ulrich Schulte-Strathaus, "This is simply not true. The allocated certificates have to be surrendered; this is not money which airlines can re-invest."

Mike Ambrose, Director General of the European Regions Airline Association (ERAA) also argued "The Commission has got this completely wrong. Far from profiting from the scheme, an average airline will need to acquire 27 per cent of its permits from the market. Contrary to the Commission's statement, this will hamper industry investment in new technologies and biofuels."

Tony Tyler, IATA's Director General and CEO also responded to Commissioner Connie Hedegaard's comment that the issuing of free ETS allowances would enable aviation to invest in clean technologies. "If that were the reality, we wouldn't be complaining! But it's not. The well-known fact is that airlines will be net purchasers of carbon emissions permits for the foreseeable future. The starting cost is \$1.2 billion in 2012. To put that into perspective, the industry's projected 2012 profit is \$4.9 billion. Aviation cannot afford expensive regional mistakes - all parties urgently need to get back around the table to agree a global approach under the leadership of ICAO".

### **LAN says antitrust ruling was based on wrong information**



LAN has said that last week's ruling by the TDLC, Chile's antitrust body was based on faulty information.

Although the TDLC gave its approval for the airline's takeover of TAM, it included a number of conditions. The Chilean carrier said that it "will continue to analyze said measures, their impact

and effects”.

LAN is claiming that the resolution “contains errors regarding the numerical calculation of LAN’s yields (revenues per passenger-kilometer on each route), which result in the TDLC questioning the information delivered by the company to the TDLC as well as to the Junta Aeronáutica Civil, Chile’s aviation authority, in the framework of its self-regulatory fare plan. Such errors led the TDLC to significantly overestimate both the yields and the revenues generated by the routes included in their calculations, questioning the conclusions of specialists’ reports commissioned by LAN and presented to the TDLC to demonstrate the company’s affirmations that its fares on domestic flights within Chile are on average lower than those in the United States domestic market”.

Despite the latest development, the airline is still confident that the merger process will be completed during the first quarter of next year.

### UTair finalises order for 40 B737s



Russia’s UTair and Boeing have finalised an order for 40 B737s previously announced at this year’s Paris Air Show.

The order comprises seven -900ERs and 33 -800s and has a value of \$3.8 billion at list prices.

### Republic of Congo’s new flag carrier begins operations



ECAir (Equatorial Congo Airlines), the new national flag carrier of the Republic of the Congo, began operations last week with a three times daily service between Brazzaville and the port city of Pointe-Noire.

The new airline is using a former KLM B737-306, operated by Swiss company PrivatAir, possibly to avoid being included in the EU blacklist of carriers banned from European airspace.

### Avianca signs up for four A330Fs



Colombian airline group Avianca has purchased four A330-200 freighters directly from Airbus.

The aircraft will be incorporated into the group’s cargo subsidiary Tampa. A decision regarding engines will be announced at a later date.

Avianca will be the first carrier to receive the freighter in South America. It already operates seven A330-200 passenger version aircraft and 81 A320 family throughout its fleet, including those of its subsidiaries. *Image courtesy of Airbus*

### Piece of Aviation History for September 28



**1924** - The first round the world aeroplane flight is completed when Douglas World Cruisers 'Chicago' and 'New Orleans' arrive back at Seattle.

They had left the city on April 4, originally with four aircraft. The other two were named 'Seattle' and 'Boston'. 'Seattle' crashed into a mountain in Alaska on April 30. The crew, survived and made their way through the wilderness to safety. 'Boston' was forced down while crossing the Atlantic, the crew being rescued by the USS Richmond.

The whole flight had an actual flying time of 371 hours 11 minutes and required 57 stops.

### Quote of the Day

It's a funny thing about life; if you refuse to accept anything but the best, you very often get it.  
W. Somerset Maugham (1874 - 1965)

## **A Bit of Light Relief**

I visited my local museum the other day and got on one of those old speaking weighing machine.  
I said, "Right, what do I weigh?"  
It replied "One at a time please"

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