Ladies and Gentlemen,

Thank you for inviting me here. It is a great pleasure to address you today. The European Commission recognises the vital role that IATA plays in ensuring the safety, efficiency, and sustainability of air transport around the world. We appreciate the technical and operational expertise that you bring to the table, as well as your advocacy for policies that benefit the aviation industry as a whole.

The past three years have been hard for all of us, but your industry has been one of the hardest hit. We have taken numerous measures to support the airline industry during these years of crises, including enabling state aid during COVID and the war in Ukraine, providing flexibility for public service obligations, ensuring slot relief, and providing significant funding for decarbonisation. Our measures, as well as global economic growth, have resulted in a major recovery for the international aviation sector.

As we move forward, it is critical that we work together to keep global markets open and ensure that aviation can continue to play a vital role in connecting people and businesses in Europe and around the world. This will require cooperation and collaboration between governments, airlines, and other stakeholders in the aviation sector.

Long term challenges and short-term capacity issues are causing concern for the summer 2023 air travel season. We are determined to avoid last year’s travel chaos, and with EUROCONTROL are taking steps to ensure that this season will proceed as smoothly as possible.

The challenge is great – given the positive developments in the recovery of demand, the summer 2023 travel season will see up to 15% more traffic than 2022. However, increased civilian air traffic will need to be accommodated within only 80% of the full European airspace, a consequence of the Russian invasion of Ukraine.

We are also concerned about the impact of staff shortages and the potential for industrial action and strikes, which could significantly disrupt the aviation network. We are already seeing capacity constraints imposed in some airports and airlines ahead of summer and addressing this requires a concerted effort from all stakeholders in the aviation sector, including IATA, to ensure that we can maximise capacity and minimise delays.

We, the entire aviation ecosystem, must work together in a transparent, flexible and trustworthy manner to ensure that the best connectivity and service is delivered to our citizens.

Our overarching priority that guides our actions and policies within the EU as well as globally is making transport more sustainable.
• We are certainly in agreement on the way forward – the aviation sector must decarbonise, and the European Commission must support you in this endeavour. We have outlined an ambitious path towards **sustainable and smart EU aviation**, and my service is working hard to deliver on this. We will achieve this through a basket of measures, including Sustainable Aviation Fuel (SAF), market-based measures, ATM optimisation and green aircraft technologies.

• **Our ReFuelEU Aviation** legislative proposal will ramp up production and use of SAF in European air transport. The scope is on all flights departing from EU airports. If the ReFuelEU mandate for sustainable aviation fuels is met, net CO2 emissions could be about 50% lower in 2050 than in 2019.

• We all agree on the importance for aviation decarbonisation in the conclusion of the ReFuelEU Aviation proposal, and I welcome the support of IATA to this proposal. Now it is in the hands of the Swedish Presidency who have committed to continuing the good progress made so far. In this context, I welcome IATA’s membership in the Renewable and Low Carbon Fuels Value Chain Alliance. I further encourage IATA to prepare a proposal for a quantitative target for SAF for the third Conference on Aviation Alternative Fuels (CAAF/3) in November, in line with Integrated Scenarios 2 and 3 of the LTAG Report.

• We must also address the **non-CO2 climate impacts** of aviation, such as contrails and emissions of nitrogen oxides. This will require a multi-faceted approach, including the deployment of new technologies and the adoption of operational measures to minimize these impacts. We will also require monitoring and reporting of non-CO2 effects from airlines from 2025 onwards under the ETS. I strongly encourage IATA to work towards identifying ways to address the non-CO2 climate impacts of aviation, beyond increased use of SAF.

• I also want to welcome the recent political agreement on **ETS Aviation**. Market-based measures are an important tool in our basket. Within this agreement are approximately EUR 2 billion in SAF Allowances for airlines, an important layer of support for aviation.

• Let us not forget that we are in an international context. Carbon neutrality by 2050 is since last year the **long-term goal of international aviation**, adopted by ICAO’s 41st Assembly. The vast majority of reductions will be in-sector. This is an extraordinary achievement. We, your industries, my institution, and the international community, are all in agreement. Aviation will become carbon-free.

• We are implementing **CORSIA** in the EU, which will generate requirements on airlines as of 2024. This means that not only the emissions on intra-EU flights are priced, but also on the flights to and from third countries. This contributes further to a level playing-field. I encourage IATA to consider options beyond CORSIA (i.e. post-2035) for out-of-sector measures based on certified carbon removals and sequestration.
• An additional important tool in our basket of measures for decarbonisation is reforming air traffic management (ATM). We need an ATM system that is efficient, scalable, and resilient that ensures affordable connectivity and that can reduce the environmental footprint of aviation. Completing the Single European Sky will be vital here.

• We see new and emerging technologies as an important enabler of decarbonisation. Specifically, through the Clean Aviation Joint Undertaking, we have allocated significant research and development funding to the development of ultra-efficient hydrogen-powered and hybrid-electric aircraft, where we expect by 2035 to see commercially viable aircraft in Europe and globally.

• Over EUR 1.8 billion in private and public funding will be spent for the development of disruptive technologies for sustainable aviation in line with the European Green Deal. While SAF is a way to reduce emissions starting already now, these technologies will play a significant role in ensuring a carbon neutral economy by 2050 and beyond.

• One of the most exciting developments in aviation is the rise of drones. Drones are changing the way we transport goods and people, and they offer enormous potential for reducing traffic congestion and pollution. The EU was the first to adopt regional legislation on the operation of unmanned aerial vehicles in July 2020. Just last December, we released the Drone Strategy 2.0 which presents a vision for the development of aerial and innovative air services until 2030 including both drones and electrical Vertical Take Off and Landing vehicles.

• In conclusion, I believe that the future of aviation is bright, but it will require a concerted effort from all stakeholders in the aviation sector to address the challenges and capitalise on the opportunities that lie ahead. By working together, we can build a more sustainable and resilient aviation industry that will continue to play a vital role in connecting people and businesses in Europe and around the world.