

Scene setter

You will meet [REDACTED]
[REDACTED] and [REDACTED] You last met them on 16 September 2020.

The key topic for discussion is post-COVID recovery. The Boeing Confident Travel initiative has led to an event in March 2021, following by the publication of a modelling study about quarantine and tests in April 2021. Since then, MOVE has not seen any other deliverables.

They may, however, also want to discuss our initiative for Sustainable Aviation Fuels (SAF). Boeing supports the decarbonisation of aviation through increased use of SAF. They show mixed feelings about our proposed blending mandate, and prefer incentives (such as a tax credit system – see background) instead of obligations.

EASA ([REDACTED]) updated you recently on latest developments regarding B737 MAX and B777X. An update from Boeing could be requested.

Key Messages

Post-COVID recovery

- While re-establishing consumer trust and confidence in flying, the full re-opening of borders both within the EU and with third countries is indispensable to further help travel and tourism to recover. The Commission has issued several recommendations in that sense.
- In the first 3 weeks of May, passenger traffic across the European airport network finally started to slowly improve at -79% (compared to 2019). We are now somehow seeing a reversal of the trends observed since the beginning of the year, which constitute a partial and slow recovery.
- The accelerated delivery of vaccines will be a key asset in this regard, although vaccination should not become a precondition for travelling. There is an increasing amount of scientific evidence proving that a vaccinated person does not represent any risk of contagion, and consequently vaccinated persons should be relieved from having to undergo other measures such as testing or quarantine.
- Political agreement on the legal text of the “EU Digital COVID Certificate” was a crucial step in the roll-out of such tool. We now need to focus on managing implementation before the summer season kicks off.
- The success of the system will however depend Member States effectively implementing and applying the tool, thus delivering its benefits to citizens. This includes also operational aspects, such as ensuring adequate staffing to check digital certificates to avoid queues and chaos at airports.
- The revision of the EASA-ECDC Health Protocol will be very useful. As in summer 2020, we hope to see a continued good implementation of the Protocol, both in the EU but also in neighbouring countries. The objective is to update the document in view of the current epidemiological situation and EASA-ECDC to consult relevant bodies to have an updated Protocol by the end of June.

- In this context, I had previously been briefed on Boeing's 'Confident Travel Initiative', and I would certainly appreciate an update on its status.
- In dealing with COVID and Recovery, the Commission has eased the existing State aid rules to enhance the access to financing. A number of entities active in the sector have thus benefited from various State aid support measures based on the State Aid Temporary Framework. The damage compensation provisions and the Temporary Framework allowed to deal with immediate damage and liquidity shortages. The validity of the Framework has been extended until the end of 2021.
- Equally, 2021 will be a year of wide consultation for the revision of the Commission's Guidelines on State aid for environmental protection and energy, which will also contain provisions relating to aviation sector. The aviation sector is therefore invited to let its voice heard to propose adequate reforms in this field.
- The Commission has also proposed a comprehensive recovery package that contains an array of provisions for transport under the €1,100 billion MFF and the €750 billion Next Generation EU. The transport sector will be an important beneficiary as one of the sectors most severely affected by COVID-19. The financing is based on national plans developed by the Member States in line with the Commission's overall framework. This includes amongst other the development of sustainable transport as one of its priorities. These plans have been consulted with the Commission now. Other potential sources of financing are e.g. Horizon Europe (R&D&I projects) or InvestEU (R&D, deployment of sustainable infrastructure, SMEs).
- A key challenge in the coming years will be to ensure that both private and public capital can support our vision of sustainable, smart and resilient aviation. This is why the Commission is working on green taxonomy criteria that will set conditions for what can be considered "green investment" to enable aviation to tap into green funds.

Sustainable Aviation Fuels

- SAF is a very strong pillar for the coming years/decade to decarbonise aviation. In July, the Commission will propose, as part of the 'Fit for 55' package, a SAF blending mandate. This will aim to boost SAF production and uptake. Targets need to be ambitious but realistic. Around 5% by 2030 and up to 60% by 2050 would allow meeting EU climate goals.
- As announced in Smart and Sustainable Mobility Strategy, we are working on setting up a strategic industry alliance for renewable and low carbon fuels. As for other alliances (batteries, hydrogen), this would be steered by the industry and aim to boost production of SAF, among others.

Digital

- Digitalisation will become an indispensable driver for the modernisation of the entire transport system, making it seamless and more efficient. Mobility patterns and consumer behaviour are changing. These changes are being reinforced by the COVID-19 pandemic and are being largely facilitated by digital solutions.
- Europe also needs to use digitalisation and automation to further increase the levels of safety, security, reliability, and comfort, thereby maintaining the EU's

leadership in transport equipment manufacturing and services and improving our global competitiveness through efficient and resilient logistics chains.

- In aviation, digitalising air traffic management (ATM) holds great potential for modernisation and sustainability, helping to cut excess fuel burn and CO2 emissions caused by flight inefficiencies and airspace fragmentation.
- Proactively shaping our future mobility by developing and validating new technologies and services is key to staying ahead of the curve.
- In this context, the deployment of drones and unmanned aircraft, and the development of unmanned traffic management services, called U-space in Europe, are fit for enhancing safe and sustainable mobility. U-space is a system of digital services and a laboratory for the future of ATM.
- The Commission will also adopt in 2022 a 'Drone Strategy 2.0' setting out possible ways to guide the further development of this technology and its regulatory and commercial environment.
- When developing its Drone Strategy 2.0, the Commission will also identify possible synergies between civil, defence and space industries in this critical technology area.
- Boeing is invited to contribute to development Drone Strategy 2.0 by participating to the forthcoming consultations.

Defensive Points

What is the EU digital COVID certificate? How will it work with aviation?

- The EU digital COVID-19 certificate is an interoperable proof of health, digital or paper based, to show that a person has been vaccinated against COVID-19, has been tested or has recovered from the COVID-19. This tool is to adequately support the lifting of travel restrictions within the EU and is to be used only for the duration of the pandemic.
- From the entry into force of the Digital COVID-19 certificate Regulation, Member States will be able to issue secured and protected QR Code, containing minimalistic medical dataset laid down by the Regulation. Protection of personal data is a fundamental right in the EU and the design of these certificates has been built in this respect.
- Being seamlessly integrated in the passenger journey, this digital COVID-19 certificate would facilitate the verification of tests by transport operators for instance. This should also help swift and quick lifting of quarantine and testing for vaccinated passengers. However, and as MSs will be responsible of the verification side, we should avoid in the EU having such certificates being checked multiple times, we do not want to see this tool generating huge queues at airports during the summer.

- Transport, including air transport, will be an important such use case which should be able to work seamlessly with other solutions that are currently being developed outside Europe. The Commission is therefore working closely with international organisations, such as ICAO or the World Health Organization (WHO) to ensure global interoperability.

ReFuelEU Aviation: What will be the level of ambition? Should we aim higher?

- We need to set targets that are ambitious and realistic. The Commission just concluded an economy-wide analysis to determine how far each sector needs to decarbonise for the EU to meet its newly adopted climate targets. This should be the basis for our target setting.
- I would like to stress that the transition to Sustainable Aviation Fuels is feasible but will require major investments. It will not be achieved in one day. Let's remember that today, SAF use in the EU is around 0.05%. We need to (1) provide sufficient lead-time for the industry to scale-up and (2) start with realistic objectives, to give the market time to kick-start. We should not set unrealistic expectations.
- Balanced targets are key! Starting with too high targets could have unintended, undesirable consequences, such as imposing heavy penalties on our industry for non-compliance, or relying too much on imports, whereas we aim to develop value chains in the EU.

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Background

Adoption of the DCC regulation and next steps

On the 20 May, the Council and the Parliament found a compromise on the Digital COVID-19 Certificate Regulation, aiming at providing digital proof of health (for vaccination, test and recovery) within the EU. The Regulation is to be voted in plenary session in the parliament on the 7 June, thus aiming for an entry into force

around the end of June. A 6 weeks transition period is foreseen to let MS to be ready to issue DCCs to any citizen requesting it or even automatically.

The work will now continue on the technical side to provide the necessary technical and legal infrastructure to issue DCCs. The Commission will provide an implementing act laying down technical specifications for the issuance of DCCs and is also providing the IT infrastructure for an EU Gateway where MSs will be able to download and upload signatures of Digital COVID-19 certificates. It is important that efforts are made to ensure a smooth rollout of the EU Digital COVID Certificate. For this purpose, the Commission recommends Member States to make use, to the maximum extent possible, of existing possibilities under national law to start issuing EU Digital COVID Certificate already before the entry into application of the Regulation based on the technical specifications developed by the Member States in the eHealth Network[1]. Where national law provides for the verification of COVID-19 certificates, holders of an EU Digital COVID Certificate could make use of them when travelling already before the entry into application of the Regulation.

According to the DCC Regulation, the Commission is to issue guidelines on the verification side, which is of particular importance in the aviation sector. Since 2 months, the Commission has been working with the aviation industry and the E-Health network, to make DCCs acceptable and seamlessly integrated in the passenger journey. Also we are looking at a solution where DCCs would be verified as much as upstream possible, off-airport, i.e at the online check-in process. The technical work is still on-going and should be finalised soon.

Also on the specific implementation of DCCs in the aviation sector, DG MOVE has organised a meeting with aviation, health and border authorities on the 3rd of June to know more about MSs intentions and exchange best practices.

Revision of the Council Recommendation 912 about travel to the EU

On 3 May 2021, The Commission proposed that Member States ease the current restrictions on non-essential travel into the EU to take into account the progress of vaccination campaigns and developments in the epidemiological situation worldwide. This include:

Allowing entry to the EU for non-essential reasons for all people who have received the last recommended dose of an EU-authorized vaccine. This could be extended to vaccines having completed the WHO emergency use listing process.

Raising the threshold related to the number of new COVID-19 cases used to determine a list of countries from which all travel should be permitted, allowing the Council to expand this list.

At the same time, the emergence of coronavirus variants of concern calls for continued vigilance. Therefore as counter-balance, we also proposed a new 'emergency brake' mechanism, to be coordinated at EU level and which would limit the risk of such variants entering the EU.

On the 5th of May, the Council has adopted the revision of the Recommendation. The revision has also been taken into account in the revision of the EASA-ECDC health protocol (further down below).

[1] Available at: https://ec.europa.eu/health/ehealth/covid-19_en

Revision of the Council Recommendation 1475 about travel within the EU

In view of the improving epidemiological situation, as well as the upcoming rollout of the EU Digital COVID Certificate, Recommendation (EU) 2020/1475 should be amended to coordinate this gradual lifting of free movement restrictions. On the one hand, holders of vaccination and recovery certificates travelling within the EU should in principle not be subject to additional restrictions, such as travel-related testing for SARS-CoV-2 infection or travel-related self-isolation or quarantine. On the other hand, the provisions on persons in the possession of a negative test result should be streamlined to limit complexity and confusion for travellers, thus boosting compliance with the measures imposed. For this purpose, the different measures that could be applied to travellers could be linked more closely with the colour code of the place of departure. In particular, a standard validity period for tests for SARS-CoV-2 infection could simplify travel within the EU.

In addition, Recommendation 2020/1475 should be adapted to take into account the adoption of Council Recommendation (EU) 2021/816 amending Recommendation (EU) 2020/912 on the temporary restriction on non-essential travel into the EU and the possible lifting of such restriction^[5], including the increase of the threshold for the 14-day cumulative COVID-19 case notification rate from 25 to 75.

As provided in the rules on the EU Digital COVID Certificate, Member States should be able to re-introduce restrictions on certificate holders, including holders of vaccination or recovery certificates, because, for example, the epidemiological situation in a Member State or in a region within a Member State deteriorates rapidly. This 'emergency brake' is intended, in particular, to prevent the spread of SARS-CoV-2 variants of concern or interest.

The proposal of the Commission will be presented to the next IPCR on the 3rd of June. The revision of this recommendation has also been taken into account in the revision of the EASA-ECDC health protocol.

Revision of the EASA-ECDC health protocol

EASA and ECDC have developed the "Aviation Health Safety Protocol - Operational guidelines for the management of air passengers and aviation personnel in relation to the COVID-19 pandemic"(AHSP) document, first published on the 20 May 2020 and updated on 30 June 2020. Its purpose is to serve as an Aviation Health Safety Protocol and to provide a source of best practice on how airport operators, aeroplane operators conducting commercial and non-commercial passenger transport operations, and national competent authorities can ensure the health and safety of passengers, as well as of the aviation personnel who serve them, by maintaining safe and secure operations whilst minimising the risk of SARS-CoV-2 transmission.

On 28 October 2020, the European Commission issued a Communication on additional COVID-19 response measures, mandating EASA and ECDC to work on guidelines on testing in air travel which could be used by public health authorities, airlines and airports to help the safe arrival of passengers, along with a Commission

^[5] OJ L 182, 21.5.2021, p. 1.

Recommendation on COVID-19 testing strategies, including the use of rapid antigen tests. Consequently, on 02 December 2020 ECDC and EASA published the “Guidelines for COVID-19 testing and quarantine of air travellers – Addendum to the Aviation Health Safety Protocol” providing operational recommendations for Member States and the aviation industry in accordance with Council Recommendation 2020/1475 and the Commission Communication on additional COVID-19 response measures.

In light of the new epidemiological situation, as well as the roll out of vaccination, DG MOVE has tasked EASA to launch the revision of the protocol to make it fit for the summer 2021 travel. The document will now merge the addendum and the Protocol published on the 30 June 2020, where the main parts of the Protocol should remain unchanged as it has proven a good example of harmonisation and implementation across MSs. However the addendum will be modified and merged, to extract only its operational recommendation and leave the scientific evidence to an Annex. The global protocol will then include both travel recommendations and health measures at airports and for airlines, looking for greater harmonisation across the EU, to ensure the health and safety of passengers in the context of a gradual resumption of the traffic.

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US bill on SAF tax credit

- In May, 3 Democrat representatives proposed a bill (*The Sustainable Skies Act*) to the US Congress that would establish the first performance-based U.S. federal tax credit specifically aimed at incentivizing the production and use of low-carbon Sustainable Aviation Fuel (SAF). The US aviation industry is strongly supportive of this proposed bill.
- The tax credit has performance-based structure, in which those fuels that achieve the greatest reduction in greenhouse gases (GHGs) are eligible for the greatest incentive – though only fuels that achieve *at least* a 50% reduction in GHGs are eligible. The incentive ranges between \$1.50/gal for fuels that achieve 50% reduction in GHGs and \$2.00/gal for fuels that achieve a 100% reduction in GHGs on a lifecycle basis.
- From our rough estimates, this could make SAF a bit more economically attractive, i.e. worth 0.80 to 0.90 EUR/Liter, compared to around 0.60 EUR/Liter for fossil jet fuel. The price gap would not be fully bridged, and uptake by airlines would remain voluntary.

Digital - drones

- Smart and Sustainable Mobility Strategy, in particular Flagship 6 – Making connected and automated multimodal mobility a reality – and Flagship 7 – Innovation, data and Artificial Intelligence for smarter mobility.
- ACTION PLAN ON SYNERGIES between civil, defence and space industries
- A Drone strategy 2.0 for Europe to foster sustainable and smart mobility (europa.eu)