

EU and US heading towards trade war over airplane emissions

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By Valentina Pop | EUobserver

The US is heading towards a trade war with the EU over greenhouse gas charges for airlines flying into Europe, after the House of Representatives rejected the obligation for American carriers to comply with EU law.

On Monday evening, the lower house passed a bill allowing airlines to disregard an EU law obliging all airlines, from 1 January on, to buy carbon permits when they fly in and out of Europe. Pending approval by the Senate and by President Barack Obama, the law asks for US operators to be "held harmless" from the plan, as it is estimated airlines will lose \$3.1 billion between 2012 and 2020 if they abide by the EU requirement.

"This appropriately named EU scheme is an arbitrary and unjust violation of international law that disadvantages US air carriers, threatens US aviation jobs, and could close down direct travel from many central and western US airports to Europe," transport committee chairman John Mica, a Republican from Florida, said after the vote.

"Congress and the US government will not support this ill-advised and illegal EU tax scheme," he stressed.

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