



Monsieur François Fillon
Premier Ministre
Hôtel de Matignon
57 rue de Varenne
75007 Paris

Cc
President Barroso;
Vice President Kallas;
Commissioner Hedegaard;
Commissioner De Gucht;

8 March 2012

Consequences of EU Emission's Trading Scheme Applied to International Aviation

Dear Prime Minister,

We have always been very committed to further increasing the sustainability of worldwide aviation by reducing our environmental impact. Furthermore we support market based measures as one important means of achieving reductions in greenhouse gas emissions. As such we remain strong supporters of Emissions Trading Schemes (ETS) applied to global aviation.

There is strong and steady opposition of non-European states to the enforcement of unilateral EU-ETS. That is why Airbus, Air France, Safran, the Association of European Airlines (AEA) and the International Air Transport Association (IATA), have, for several months now, been drawing the attention of your government, the European Commission and the European Parliament, to the growing threat of potential international retaliation against European aviation-related businesses.

These threats are now becoming very real and are being translated into concrete action, which is starting to have serious consequences on the European aviation business.

In many of the countries opposed to EU-ETS, countermeasures and restrictions on European airlines are in preparation. In China, US\$12 billion worth of Airbus orders have been

suspended. Airbus estimates that this will jeopardise more than 1,000 Airbus jobs in Europe and at least another 1,000 in the supply chain, as well as on foreign trade.

We fully expect this list of suspensions, cancellations and punitive actions to grow as other important markets, including most drivers of growth, continue to oppose ETS. The situation is becoming intolerable for the European aviation industry. A situation that we can ill-afford in the current economic climate.

We would therefore ask you to urgently request consultations at level of the EU Council and, most importantly, with the States taking this trade retaliatory action. The aim must be to find a compromise solution and to have these punitive trade measures stopped before it is too late.

A compromise solution must be found if we are to avert a major trade conflict and air traffic disruption. We have always believed that only a global solution would be adequate to resolve the problem of international aviation emissions from what is by its very nature, a global market. This solution can only be found in the International Civil Aviation Organisation (ICAO), which has recently appointed a high level dedicated group to propose a global framework for international aviation emissions by the end of this year.

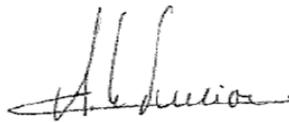
We request that you use your influence in the ICAO Council to find an acceptable solution within a the shortest possible time frame and we would be happy to assist you in providing resources to make this possible. Until then, we would ask you to consider a compromise solution acceptable to third countries.

We look forward to discussing this with you at the earliest opportunity and to working with all European aviation industry players to find a solution.

Yours sincerely,



Tom Enders,
Airbus President & CEO



Alexandre de Juniac,
Chairman and CEO Air France



Jean-Paul Herteman,
Chairman & CEO Safran