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To Whom It May Concern,

Response to Aviation tax reform consultation

I am writing on behalf of the Mayor of London further to the Government's consultation on aviation tax reform. I welcome the opportunity to respond on this vital issue.

Aviation plays a key role in supporting London's and the UK's economy, through the connectivity it provides and the jobs it supports, directly and indirectly. The sector has suffered disproportionately during the pandemic and could take a number of years to recover.

At the same time, there are widely held, significant concerns about the environmental impacts of aviation, including noise, air pollution and carbon emissions. It is essential that when aviation does return, it must do so on a more sustainable – and sustained – trajectory.

How we reconcile these challenges and secure a green recovery is the fundamental policy conundrum that aviation faces. With COP26 fast approaching, it is disappointing that the Government's consultation on aviation's contribution to net zero carbon is yet to be published. It is essential that we work together to put in place a credible, coherent strategy for decarbonisation of the aviation sector with clear, time-bound targets.

The absence of a clear Government policy on aviation and carbon means the strategic framework within which this consultation should sit is lacking. Nevertheless, it is clear that the focus must be on reducing the carbon impacts of aviation. The core proposal of this consultation – to reduce the effective Air Passenger Duty (APD) applied to domestic flights – runs counter to this aim. Domestic flights constitute the majority of flights which could realistically be

substituted by more sustainable modes, notably rail. At a time when we should be encouraging the shift from air to rail in support of our net zero carbon objectives, such a proposal is entirely counterproductive.

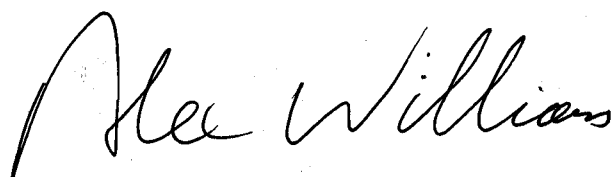
Other countries have understood this and in recent months, both France and Austria have taken steps to eliminate domestic flights where rail offers a competitive alternative. By contrast, a reduction in domestic APD works to undermine the new Great British Railways from day one.

As the consultation cites, there is already a mechanism in place – namely Public Service Obligations (PSOs) – to safeguard commercially unviable but essential routes, on a targeted basis. The main beneficiaries of an across-the-board APD reduction will be the busiest (and most profitable) domestic trunk routes – and their growth also risks being at the expense of valuable international connectivity at slot-constrained London airports.

The consultation also proposes an increase in the number of international APD bands. In principle, the 3-band approach would appear to be better aligned with carbon objectives whilst avoiding some of the unintended consequences of the original 4-band approach (where, for example, Caribbean-bound passengers paid a higher APD than those flying a longer distance to the US West Coast).

Changes to aviation taxation need to form part of a coherent strategy for addressing the climate impact of aviation and pave the way for a green recovery. I urge Government to publish its aviation carbon consultation without further delay and refrain from pursuing a policy which runs so clearly counter to the UK's commitment to net zero carbon.

Yours sincerely

A handwritten signature in black ink that reads "Alex Williams". The signature is written in a cursive, flowing style.

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