

To: [redacted]@minfin.nl; [redacted]@minfin.nl]; [redacted], [redacted] (FIN/DEELN); [redacted]@minfin.nl]
From: [redacted] (FIN/DEELN)
Sent: Mon 10/26/2020 9:04:34 PM
Importance: Normal
Subject: FW: Further feedback and thinking on Sustainability and Liveability
MAIL_RECEIVED: Mon 10/26/2020 9:04:36 PM
[Sustainability-Hindrances-conditions-cost-estimations.pdf](#)

Van: [redacted]
Verzonden: maandag 26 oktober 2020 21:03
Aan: [redacted], [redacted] (10.2.e) - DGLM; [redacted], [redacted] (10.2.e) (FIN/DEELN)
CC: [redacted]; [redacted] 10.2.e; [redacted] 10.2.e
Onderwerp: Further feedback and thinking on Sustainability and Liveability

Dear [redacted] and [redacted],

It was good to speak earlier, and I'm pleased to set out below a suggestion for how you may wish to proceed with KLM on sustainability and liveability to provide sufficient assurance for your Ministers.

Further information provided that is not included within the Oct 1st RP

As you know, we were asked to work closely with KLM in order to provide further insights into sustainability and liveability for inclusion within our report dated 22nd October (slides 40 to 49). We had a number of meetings and informal conversations with both [redacted] and [redacted] in order to complete the report. I have reviewed the information we received from KLM, and thought that the attached document that we received on 15th October from [redacted] would be useful to you, as it provides KLM's cost estimates against compliance with sustainability objectives, and compares against the original Oct 1st report. It would, I assume, be fairly easy for this to be incorporated by KLM into a report to the Government as an addendum to the Oct 1st report? (see final section of this email below)

"Inter-relationships" and challenges for precision in cost estimates

10.1.c en 10.2.g

Further inter-relationships relating to delivery against the various sustainability objectives will be the operations / airspace regulations, SAF fuel, transference to rail and offsetting – however the cost impact related to a number of these is complex. Issues include:

- Charging mechanisms have not yet been formulated
- Delivery of certain items (timing and cost) is as yet unknown and will be driven by parties outside KLM's direct control (EU policy, LVNL, RSG, Dutch government, other government mandates, SkyEnergy etc)
- Cost of SAF will vary significantly – on one hand it is possible that costs will reduce as supply becomes more readily available. However, it will also be a requirement for suppliers to meet demand – if they are unable to do so, cost differentials to Jet Fuel will remain high.
- Cost is only one side of the equation – [redacted] 10.1.c
[redacted] 10.1.c
- In some areas, cost events will occur outside the window on the RP (ie between 2025 and 2030) so have not been considered.

10.1.c, 10.2.g en 11.1

10.1.c, 10.2.g en 11.1

Evidence to date that KLM is taking “sustainability and liveability” agendas seriously

10.1.c en 10.2.g

There is also clearly active involvement on discussions surrounding night flights, air rail replacement, Lelystad opening, and ensuring progress with operations and airspace improvements.

To summarise, based on our discussions with KLM, and our experience of the handling of this subject by other airlines, we are of the view that KLM is committed to the sustainability and liveability agendas.

Asking KLM to provide addendum to the Oct 1st report to demonstrate compliance

We would recommend that KLM are asked to provide an addendum to the Oct 1st report as follows:

- 1.
- 2.
3. 11.1
- 4.

I hope that this overview is useful, and please feel free to contact me with any questions.

10.2.e

Nyras, now part of PA Consulting
PA Consulting Group | 10 Bressenden Place, London SW1E 5DN, United Kingdom

M: 10.2.e | paconsulting.com | nyras.com

Bringing Ingenuity to Life
paconsulting.com

