

ReFuelEU Aviation WTO Working Group on Subsidies

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Policy context: role of SAF

- Aviation is a **hard to decarbonise** sector, its decarbonisation will rely on the basket of measures.
- Sectoral decarbonisation show **large potential of sustainable aviation fuels (SAF)** in the short and long term.
- Several conversion process exist to produce SAF, however, **current SAF production remain low**.
- **ReFuelEU Aviation** to scale up SAF supply and uptake.



Policy context: SAF benefits

Fostering **cross-**

ReFuelEU Aviation initiative: overview

Collaboration

Fostering cross-sectoral collaboration and matchmaking

Renewable and Low Carbon Fuels (RLCF) Alliance

Production

Financing to de-risk SAF production at all technology maturity stages

Horizon Europe, Innovation Fund, InvestEU, Global Gateway, EU taxonomy

Uptake

Financing to narrow down the price gap between SAF and fossils

SAF Allowances, Emissions Trading System, energy taxation

Strengthening global collaboration at ICAO

LTAG, CAAF/3, CORSIA, ACT-SAF

Accelerating qualification of new SAF pathways and permitting of new plants

EU SAF Clearing House, Net Zero Industry Act

Increasing transparency on SAF uptake and supply chain flexibility

Environmental label, EU taxonomy

Long-term market predictability for SAF scale-up

ReFuelEU Aviation Regulation

ReFuelEU Aviation Regulation: objectives



Foster the **ramp-up** of
SAF supply in the Union



Ensure a **level playing field**
in aviation through a
harmonised EU approach

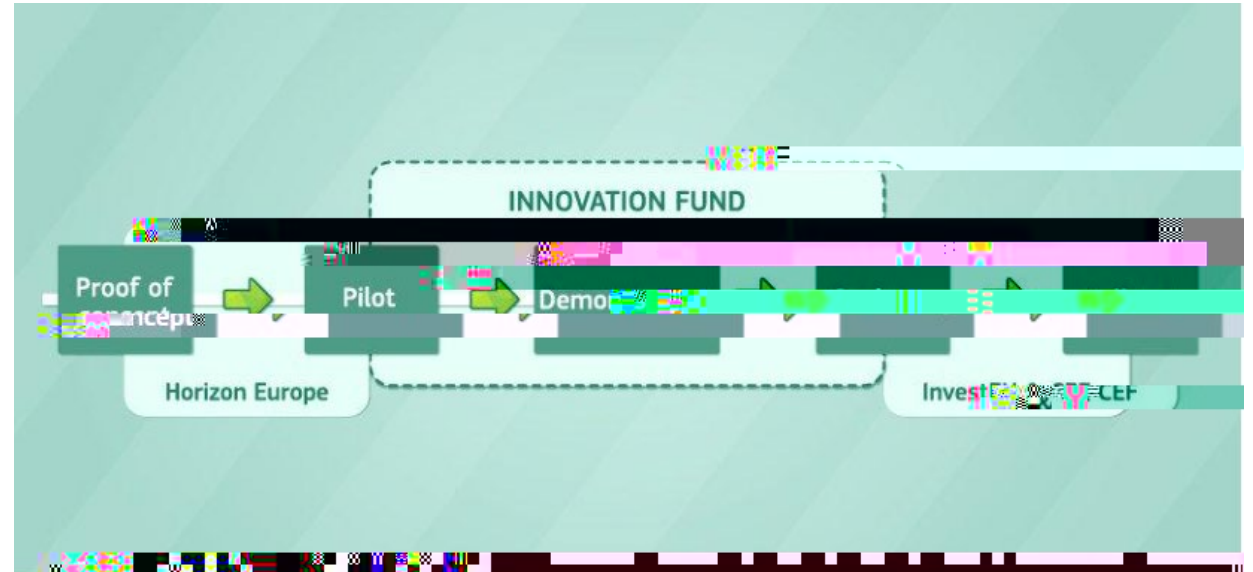
** Regulation (EU) 2023/2405 of the European Parliament and of the Council of 18*

ReFuelEU Aviation Regulation: obligations

Financing production: along project maturity stages

1. Horizon Europe

- **Grants** for research and development.
- Around 120 SAF related projects for nearly €500 million over last decade.



2. Innovation Fund

- **Grants** entirely funded by the EU Emissions Trading System.
- A grant of €167 million for first commercial deployment of solid biomass-and-power-to-SAF in Sweden.
- A grant of €40 million for development of Powwevelo-2 D15 (F in)0tro.012 0.306 0.635 o0.323 0 Td(2 D15 (F in)0tro.012

Financing production: external dimension

Global Gateway

- f* EU strategy to boost smart, clean and secure links in digital, energy and **transport** sectors and to strengthen health, education and research systems **across the world**.
- f* The 45 1ctto

**Fostering cross-sectoral
collaboration and matchmaking**

*Renewable and Low Carbon Fuels
(RLCF) Alliance*

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**Strengthening global
collaboration at ICAO**

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**Accelerating qualification of
new SAF pathways and
permitting of new plants**

*EU SAF Clearing House,
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Increasing

Financing uptake: reducing the price gap

Support to decrease cost of SAF and other cleaner fuels:

- 20 million ETS allowances to cover **the price gap** between fossil fuel and cleaner fuels (2024-2030).
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Thank you!

