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TOWARD THE 2050 VISION FOR
SUSTAINABLE AVIATION FUELS



SPAIN AND THE *BALANCED COMPROMISE*: Towards use of Sustainable Aviation Fuels through a regulator - industry dialogue

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Spanish background: 2010 – Spanish Bioqueroseno Initiative

bioqueroseno.es

Iniciativa española para la producción y consumo de bioqueroseno para la aviación



Iniciativa Española de bioqueroseno

INICIATIVA ESPAÑOLA
DE PRODUCCIÓN Y
CONSUMO DE BIOQUEROSENO
PARA AVIACIÓN
27 octubre 2011



EU ITAKA Project (2012 - 2016)



EU CORE jet-fuel Project (2013 - 2016)



CURRENT EU CONTEXT

**Social environmental
pressure is driven towards
aviation environmental
taxation**



Ending aviation's tax holiday

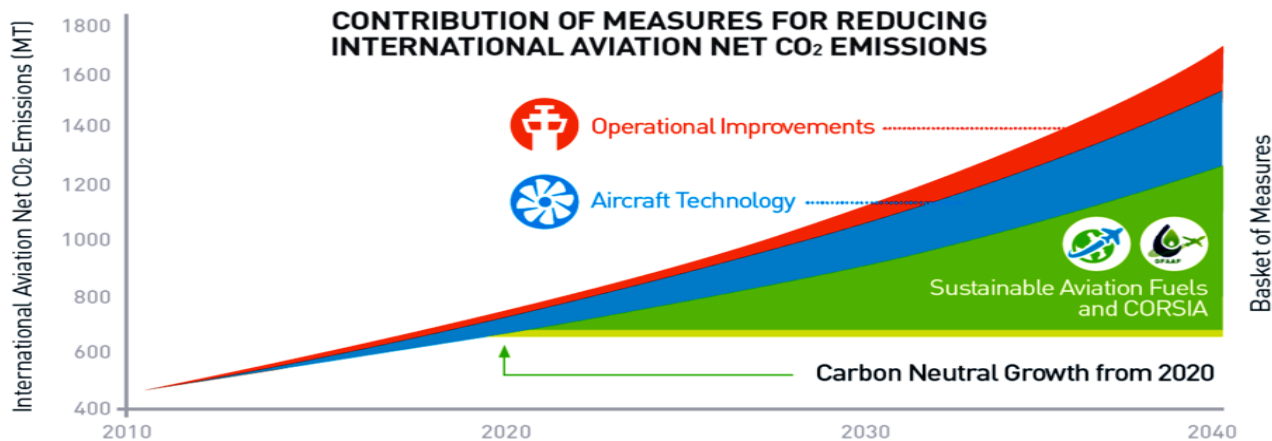
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One billion. That's how much in euro that Germany's tax on airline tickets generates every year. A billion is about a quarter of what trucks pay in Maut every year, or about 35 times less than the motor fuel tax.





- Introducing ambitious LONG-TERM measures to reduce CO2 emissions beyond ICAO CORSIA such as sustainable aviation fuels (SAF), it is foreseeable that we will face less effective measures, such as taxes, in different formats: airports, fuel, etc.
- The introduction of SAF **NEEDS A MATCH** between supply & demand.





THE BALANCED COMPROMISE: BACKGROUND

- Establishing supply objectives would create a SAF market, which should create competitiveness and lower SAF prices in the mid-term.

Requirements to create a market

- ✓ The offer by producers must guarantee the return of investments
- ✓ The demand by airlines has to assume an extra cost,
- ✓ But fair competitiveness shall be ensured and extra cost be small enough to avoid creating any markets distortions



THE BALANCED COMPROMISE



- The Spanish Ministry of Transport proposes the concept of "*balanced compromise*" between regulators and industry for the promotion of sustainable aviation fuels.
- It proposes **establishing a national SAF supply target in to be defined through a dialogue between the regulator and the industry.**

REGULATORY PROPOSAL

- ✓ **Establish a national supply of SAF in 2025** under the EU RED II .
- ✓ Initial objective for the case of Spain: **2% of total supply**



THE BALANCED COMPROMISE

- The supply percentages in 2025, to be determined through a compromise with the industry, ensuring it does not introduces fair competition distortions.

Current regulatory Initiatives:

- Draft new Climate Change Law (under parliamentary process)
- Energy/Climate Plan for implementation of EU RED II (under consultation)

INITIAL OBJECTIVE

2% TOTAL NATIONAL JET A1 SUPPLY

2025

FINAL % OBJECTIVE TO BE DETERMINED AFTER A FEASIBILITY STUDY



THE BALANCED COMPROMISE IN SPAIN

- Incorporating **2 % SAF in 2025** is considered a reasonable objective to be implemented through a dialogue between the regulator and industry.

Quantification of such objective in SPAIN for ICAO stocktaking:

- Approximately **150.000 Tons of SAF supply in 2025**
- Expected to develop national supply capacity by then



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Other EU actions for “stocktaking”



- EASA is working on the development of a process to **monitor the total use of SAF in the Europe and its associated emissions reductions.**
- Data would be periodically reported through the European Aviation Environmental Report (EAER) – www.easa.europa.eu/eaer/.



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Other EU actions for “stocktaking”



- Any other States / Regions taking a similar stocktaking action?
- Exchanges are welcome!





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