



WORKING PAPER

**SEVENTH WORLDWIDE AIR TRANSPORT CONFERENCE
(ATCONF/7)**

Montréal, HQ, 16 to 20 November 2026

**Agenda Item 4: Emerging technologies, new business models and other associated aspects
4.2: Support and economic opportunities of access to aviation cleaner energies**

**THE ECONOMIC OPPORTUNITIES OF ACCESS TO AVIATION
CLEANER ENERGIES**

(Presented by Ireland on behalf of the European Union and its Member States¹,
the other Member States of the European Civil Aviation Conference² and by
EUROCONTROL)

EXECUTIVE SUMMARY

This paper shows how the development of Sustainable Aviation Fuel, Lower-carbon Aviation Fuel (LCAF) and other cleaner energies are essential for helping to improve energy security and aviation resilience. The paper promotes the implementation of the Global Framework agreed at the Third Conference on Aviation Alternative Fuels (CAAF/3) in 2023, and highlights some contributions of EU/ECAC Member States and the EU towards the realisation of the ICAO 2030 Vision for SAF through national, regional and implementation support activities. An important element in this context is to develop environment provisions in bilateral Air Services Agreements by updating the ICAO Template Air Services Agreement.

¹ Austria, Belgium, Bulgaria, Croatia, Cyprus, Czechia, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain and Sweden.

² Albania, Armenia, Azerbaijan, Bosnia and Herzegovina, Georgia, Iceland, Monaco, Montenegro, North Macedonia, Norway, Republic of Moldova, San Marino, Serbia, Switzerland, Türkiye, Ukraine and United Kingdom.

Action: The conference is invited to: a) recall that implementing the Global Framework adopted at CAAF/3 is an opportunity for States to develop their economies and strengthen their energy sovereignty; b) promote SAF, LCAF and other cleaner energies as means to diversify energy supply chains and increase the resilience of the aviation sector; c) recognize that ensuring regulatory stability, predictability and visibility is essential to enable and support investment, to underline the development by ICAO of the Finvest Hub, and to encourage more institutional and private financing entities to join the platform for supporting SAF, LCAF and the development of other cleaner energies - therefore supporting air transport development as a whole; d) call for more voluntary contributions both from States and industry for funding further studies and implementation support, including in relation to ACT-SAF studies and the Finvest Hub; e) call upon ICAO to develop the environmental provisions in the Air Services Agreements (ASA) template especially by introducing provisions to meet LTAG and in line with the ICAO Assembly Resolutions on environment, with options to suit the national circumstances of the parties involved; f) encourage all ICAO Member States to strengthen the provisions on environment, and especially on decarbonization, in their Air Services Agreements (ASA), particularly by introducing provisions in line with the ICAO TASA; and g) invite ICAO Member States and stakeholders to work together in order to prepare the next Conference on Aviation and Alternative Fuels (CAAF/4), with a view to adopting further milestones in line with the objective of net-zero CO₂ emissions by 2050, taking into account market developments in all regions.	
<i>Strategic Goals:</i>	This working paper relates to Strategic Goals: <i>The Economic Development of Air Transport Assures the Delivery of Economic Prosperity and Societal Well-Being for All and Aviation Is Environmentally Sustainable.</i>
<i>Financial implications:</i>	N/A
<i>References:</i>	Assembly Resolutions A42-21 and A42-22

1. INTRODUCTION

1.1 This paper is aligned with ICAO's Strategic Plan 2026–2050, which aspires to zero fatalities, net-zero CO₂ emissions by 2050 and leaving no country behind, and also considers the ICAO Concept Note for this conference (ATConf/7), to “focus on unlocking the economic, regulatory, innovation, and financial tools necessary to make ICAO's aspirations a reality”. It recognizes the importance of this, on the basis that, since the 6th Conference (ATConf/6) in 2013, the industry has faced many developments and challenges, and therefore this conference's aim to “underscore the need to reassess and modernise existing frameworks to ensure the continued growth, resilience, and sustainability of international air transport”, is equally as important.

1.2 In 2022, the 41st ICAO Assembly adopted the long-term global aspirational goal (LTAG) for international civil aviation CO₂ emission reductions, which was reaffirmed in 2025 in Resolution A42-21 on climate change. Alongside improved aircraft technology, operational efficiencies and market-based measures, ICAO and its Member States recognise the role of SAF (sustainable aviation fuels), LCAF (low carbon aviation fuel) and other aviation cleaner energies as fundamental for decarbonizing air transport, and the 42nd ICAO Assembly in 2025 resolved that “*ICAO and its Member States strive to achieve a collective global aspirational Vision to reduce CO₂ emissions in international aviation by 5 per cent by 2030 through the use of SAF, LCAF and other aviation cleaner energies (compared to zero cleaner energy use)*”.

1.3 The unprecedented level of consensus seen at the 42nd Assembly around Resolutions A42-21 on climate change and A42-22 on the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) demonstrates that the world is agreed on the framework for addressing aviation's climate impact by the middle of the century. While the Assembly recognises “that each State's special circumstances and respective capabilities will inform the ability of each State to contribute to the LTAG within its own national timeframe” it is accepted that the future economic growth and success of the global aviation industry rests on its ability to address its impact on the global climate. Indeed, sustainability is vital for ensuring the development of air transport, and ATConf/7 should be an opportunity to strengthen the link between these two topics.

1.4 Moreover, increasing the availability of cleaner energy in aviation will help reduce the sector's CO₂ emissions while meeting the expected growing demand for fuels and energy for air transport worldwide, due to growing global air traffic. Recent global events have highlighted the vulnerability of aviation fuel supply chains, reinforcing the strategic importance of diversifying energy sources to reduce dependencies, enhance energy security and strengthen the sector's long-term resilience. The technological leap needed for the large-scale production of aviation cleaner energy will require concerted research and development efforts, which can also benefit other sectors of industry within States. Sustainability is vital for ensuring the development of air transport, and ATConf/7 should be an opportunity to better associate decarbonization with this.

2. DISCUSSION

2.1 The following describes how ICAO and its Member States can create the conditions for increasing the use of SAF, LCAF and other cleaner energies by both regulatory and financial approaches.

2.2 **Fostering production of SAF, LCAF and other cleaner energies for aviation through the implementation of the Global Framework**

2.2.1 In recent years, the policies to support the production and use of SAF, LCAF and cleaner energies have made progress and are still progressing. This has contributed, for example, to SAF production having more than doubled globally since CAAF/3.

2.2.2 Worldwide, recognised feedstocks and batches of SAF certified under CORSIA, SAF volumes under offtake agreements, and announced SAF production facilities are increasing. They can be tracked by tools such as the ICAO Cleaner Energy Tracker Tools and the new dashboard on the certified CORSIA Eligible Fuels (CEFs).

2.2.3 In Europe, according to the ReFuelEU Aviation Annual Technical Report, published by EASA (European Union Aviation Safety Agency), production capacity assessments indicate that the European Union (EU) is on track to meet the overall ReFuelEU Aviation mandatory SAF blending target (6%) in 2030, in line with the collective global aspirational Vision adopted at CAAF/3 in 2023.

2.3 **Providing implementation support**

2.3.1 ICAO, Member States and the private sector are assisting requesting states in developing SAF, LCAF and other cleaner aviation fuels production chains, with several feasibility studies and business implementation studies completed or under development. Many of these studies have been financed by the EU or by EU or ECAC Member States (The Netherlands, France, United Kingdom, Italy, Spain, and Switzerland), with technical assistance provided through partnerships with other regions, particularly in Africa, Latin America and the Caribbean, and Asia. Europe remains committed to working in partnership, in accordance with the No Country Left Behind initiative, to support capacity building efforts in this area, including through ICAO capacity-building and training programmes: ACT-CORSIA, ACT-SAF, and ACT-LTAG.

2.3.2 The global Finvest Hub initiative is an essential part of ICAO's implementation support for aviation cleaner energies, helping projects that have graduated from the ACT-SAF process, or that wish to apply to receive technical assistance to prepare their business cases for investors. The Hub is also increasingly using the convening power of ICAO to bring together investors and quality SAF projects. The United Kingdom has provided funding worth GBP 450,000 (CAD 840,000), as well as expert consultancy services, to support the operationalisation of the Finvest Hub, but the unit requires further support from other Member States before it can become self-funding in the next triennium.

2.3.3 To foster the deployment of SAF in the aviation sector, funding is provided on a regional scale within Europe. In November 2025 the European Commission published the Sustainable Transport Investment Plan (STIP), to further incentivise the production of SAF, particularly e-SAF (electro-Sustainable Aviation Fuels). Connected to the STIP, the "e-SAF Early Mover Coalition" (Austria, Finland, France, Germany, Luxembourg, Netherlands, Portugal, Spain) was established in 2025, with Germany and Luxembourg having committed more than EUR 2 billion to support the production of e-SAF. The Commission will draw on this initiative to develop an EU financing mechanism to support e-SAF; notably with EU funding. The EU has also reserved EUR 1.6 billion for the uptake of SAF by airlines from 2024 to 2030. The aim is to incentivise first movers by fully or partially covering the price difference between

SAF and conventional aviation fuels. Moreover, the 2025 EU call for projects under the Innovation Fund funded four projects in the EU focused on the production of e-SAF with EUR 153 million attributed. This complements similar efforts by European states, such as the UK, with GBP 219 million (CAD 410 million) Low Carbon Fuels Fund, building on the previous Advanced Fuels Fund (GBP 198 million, CAD 370 million)) to scale up SAF in the UK.

2.4 Expanding the model provisions on the environment in ICAO's Template Air Services Agreement

2.4.1 The ICAO Air Transport Regulation Panel (ATRP) is working on a review of the Template Air Services Agreement (TASA) template, in which currently only one short article deals with the environment: referring only to Annex 16 and its SARPs. This article or section should be developed to cover environment matters more generally, with options to suit the national approaches of the parties involved. As environmental measures could have substantial financial impacts on several stakeholders, the objective would be also to create a level playing field among airlines of both parties to the ASA, by agreeing on common bilateral environmental objectives and, eventually, measures.

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