



WORKING PAPER

ASSEMBLY — 42ND SESSION

EXECUTIVE COMMITTEE

Agenda Item 16: Environmental Protection – International Aviation and Climate Change

SUPPORTING THE TRANSITION TO CLEANER ENERGY IN AVIATION

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

EXECUTIVE SUMMARY

The achievement of the long-term global aspirational goal for international aviation (LTAG) of net-zero carbon emissions by 2050 requires extraordinary efforts including solidarity, cooperation and assistance between States. Since the 41st ICAO Assembly capacity building programmes such as ACT-SAF and ACT-CORSIA have significantly improved the support available to States to implement aviation decarbonisation policies. At the same time, the ICAO Finvest Hub initiative will help to facilitate access to necessary finance for aviation decarbonisation projects.

The European region, working in partnership with others, has made significant contributions to work towards the success of these initiatives, and is committed to supporting ICAO to continue scaling up and accelerating technical assistance and breaking down barriers to aviation decarbonisation projects accessing the funding they need, in the enduring spirit of *No Country Left Behind*.

Action: The Assembly is invited to:

- a) recognise the significant scale-up in capacity-building and technical assistance programmes on environment in the last triennium, particularly ACT-SAF and Finvest Hub and, while noting European contributions during the triennium, encourage all ICAO Member States, organizations and industry to contribute to ICAO's environment programmes, aimed at assisting States with particular needs;
- b) request the ICAO Council to further scale up and accelerate technical support for States, recognising the urgent need for the production and uptake of SAF, LCAF and other cleaner energies;
- c) request the ICAO Council and Secretariat to prioritise the continuing operationalisation of the Finvest Hub to support the facilitation of access to financing for aviation decarbonisation projects worldwide through closer engagement with industry, financial institutions and the energy sector, in pursuit of ICAO's role as clean energy financing advocate, facilitator and matchmaker through the Finvest Hub initiative; and
- d) request the ICAO Council and Secretariat to ensure that comprehensive capacity-building and implementation support work under ACT-SAF and financing activities under the Finvest Hub provide seamless support for States from the first step of the process to the last.

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, Moldova, Monaco, Montenegro, North Macedonia, Norway, San Marino, Serbia, Switzerland, Türkiye, Ukraine and United Kingdom.

<i>Strategic Goals:</i>	This working paper relates to the Strategic Goal – <i>Aviation is Environmentally Sustainable</i> .
<i>Financial implications:</i>	The activities referred to in this paper will be undertaken subject to the resources available in the 2026-2028 Regular Programme Budget and/or from extra budgetary contributions.
<i>References:</i>	ICAO Assembly Resolution A41-21 <i>Consolidated statement of continuing ICAO policies and practices related to environmental protection - Climate change</i> . ICAO Global Framework for SAF, LCAF and other Aviation Cleaner Energies. A42-WP/368, <i>European Region Environmental Support to the No Country Left Behind Initiative</i>

1. INTRODUCTION

1.1 The achievement of the long-term global aspirational goal for international aviation (LTAG) of net-zero carbon emissions by 2050 requires unprecedented efforts from every organization involved in international civil aviation. Eighty years after the signing of the Chicago Convention, ICAO’s Strategic Plan for 2026-2050 recognises that achieving net-zero by 2050 is fundamental if aviation is to continue to promote global peace and security, social integration and economic prosperity for future generations. In turn, achieving the LTAG will create new social and economic opportunities in all regions of the world. The development of sustainable aviation fuels (SAF) in particular has the potential to be the key contributor to aviation decarbonisation at the same time as being an economic driver creating new jobs and economic growth essential for developing States.

1.2 Therefore, in the Convention’s spirit of solidarity, cooperation and technical assistance between States is essential for all States to benefit from the environmental, social and economic benefits that net-zero promises.

1.3 In particular, implementation support and access to finance can support a greater geographical distribution of SAF, LCAF and other cleaner energy production around the world. States and industry therefore need to work together to attract investment to where it is needed. This in turn will ensure that No Country is Left Behind in benefitting from the economic growth stimulated by the global pursuit of sustainable aviation.

1.4 This is acknowledged in Resolution A41-21, which recognises that “means of implementation [...] will promote the achievement of the LTAG [, which] requires substantial investments for States”. The Resolution therefore requests the Council to “initiate specific measures or mechanisms to facilitate [...] better access to private investment capacities, as well as funding from financial institutions” and to “further consider the establishment of a climate finance initiative or funding mechanism”. This is to complement “a robust technical assistance and cooperation programme dedicated to LTAG” covering all carbon emissions reduction measures.

1.5 The requests of the 41st Assembly are further developed in the Global Framework for SAF, LCAF and other Aviation Cleaner Energies, adopted by the Third Conference on Aviation and Alternative Fuels (CAAF/3) held in Dubai, United Arab Emirates. The Global Framework acknowledges that “comprehensive capacity-building and implementation support and financing activities, are intended to work hand-in-hand” and encourages “all States and regions [...] to work together in a spirit of solidarity to ensure there is a truly global effort”. The Global Framework highlights the important role that ICAO can play in addressing the challenges of financing aviation cleaner energies, alongside the efforts of industry, member States and other actors.

1.6 This working paper considers progress in these areas over the last triennium and argues that they must be a central focus of the Organization in the next, as we redouble our efforts to achieve the LTAG. As set out in the Global Framework, “support for developing countries and States with particular needs, exists along a continuum, from the first step of the process to the last. Comprehensive capacity-building and implementation support and financing activities, are intended to work hand-in-hand with policy to achieve this outcome and broader aviation decarbonization efforts in a sustainable manner.”

2. ACT SAF - CAPACITY BUILDING AND TECHNICAL ASSISTANCE

2.1 Most activity under the ICAO Assistance, Capacity Building and Training Programme for Sustainable Aviation Fuels (ACT-SAF) took place in the current triennium. While drawing on the experience of the ACT-CORSIA programme, ACT-SAF incorporates a centralised core learning package of open-access webinars featuring experts in the field along with dedicated peer-to-peer support to States interested in SAF production. This includes feasibility studies for those at the earliest stages, business implementation studies for those where feasibility is already demonstrated, support to regulatory development and certification as well as support to build SAF direct supply lines, and advisory support to produce project proposals.

2.2 The European region has worked hand-in-hand with partners from other regions to support capacity building efforts during the last triennium towards achieving the LTAG. This includes funding and in-kind contributions from Austria, France, Germany, Italy, the Netherlands, Spain, Sweden, the UK and the European Union. Information regarding those projects is enclosed in A42-WP/368.

2.3 Through ACT-CORSIA and ACT-SAF, States have access to the best technical assistance to support implementation of two of the four elements of the basket of measures. The smooth interface of ACT-SAF with the Finvest Hub and their greater outreach and deployment is critical. ACT-CORSIA could include a focus in the coming triennium on the needs of host States of CORSIA eligible projects, particularly with regard to authorization of units and making corresponding adjustments, while continuing to support States with implementing the scheme. This capacity building support should be further scaled up, and all States with adequate means are welcomed to contribute to ACT-SAF and other bilateral and multilateral technical assistance initiatives to allow the acceleration of these efforts.

2.4 Implementation support programmes should also consider the wider scope of the LTAG and ICAO basket of measures, to allow States to prepare for new, more efficient aviation technologies and reap the benefits of more efficient operations.

3. FINVEST - FACILITATING ACCESS TO FUNDING

3.1 Access to capital is critical to the success of SAF production projects. It is understood that the resources necessary for this transition are already held by mainly private, but also to an extent institutional, investors. In most cases, private investors will identify the most viable projects, focusing on jurisdictions with the most comprehensive, stable policy support for SAF. States can therefore improve the chances of SAF projects succeeding by putting in place bold, long-term policies to support SAF production. The *ICAO Guidance on Policy Measures for SAF Development and Deployment* provides extensive guidance for States considering SAF policies in line with Building Block 1 of the *Global Framework for Aviation Cleaner Energies*. The overall investment climate is also very relevant, and here governance and wider economic reforms, beyond the aviation and fuels domains, will play an important role.

3.2 However, in some cases additional support such as guarantees, concessional or blended finance may be required to boost confidence and crowd-in private investment. The ICAO Finvest Hub initiative can help facilitate access to all potential sources of financing, including by assisting States to articulate their needs. The recent progress in establishing the Finvest Hub is warmly welcomed and ICAO's partnership with IRENA should ensure that it is built on expertise gained from similar challenges in other sectors. Further outreach and engagement with other sectors and equivalent initiatives will be important to ensure that aviation is factored into wider energy sector priorities. The first Global Sustainable Aviation Marketplace, in Abu Dhabi, is to be noted and the concurrent 2025 ICAO Global Implementation Support Symposium included the signing of an EU-ICAO partnership to support the development of the ICAO Finvest Hub programme and provide expertise on climate finance. Cooperation with multilateral development banks and the various existing UNFCCC climate funds will also be essential to success, according to the stated priorities of recipient States.

3.3 To complement this work, States with adequate means are encouraged to make voluntary contributions to existing funds, in line with A41-21 para 18 e). These contributions can support capacity building, technical assistance, climate finance initiatives and even – with sound governance – fund projects. States may also make voluntary contributions to existing funds outside ICAO and encourage those contributions to be used to support SAF production or make other contributions to the energy sector transformation in which SAF deployment sits.

4. CONCLUSION

4.1 The need to achieve net-zero international aviation carbon emissions by 2050 poses enormous challenges. However, ICAO already has in place many of the necessary tools to undertake this transition and these can and should be scaled up and accelerated in the coming years. Some States have particular needs that necessitate implementation support, and Europe stands squarely in solidarity with all States in its commitment to an increasingly connected and sustainable globe.

4.2 Europe remains committed to working in partnership with all other States and regions to support capacity building efforts in this area, including through ACT-CORSIA and ACT-SAF.