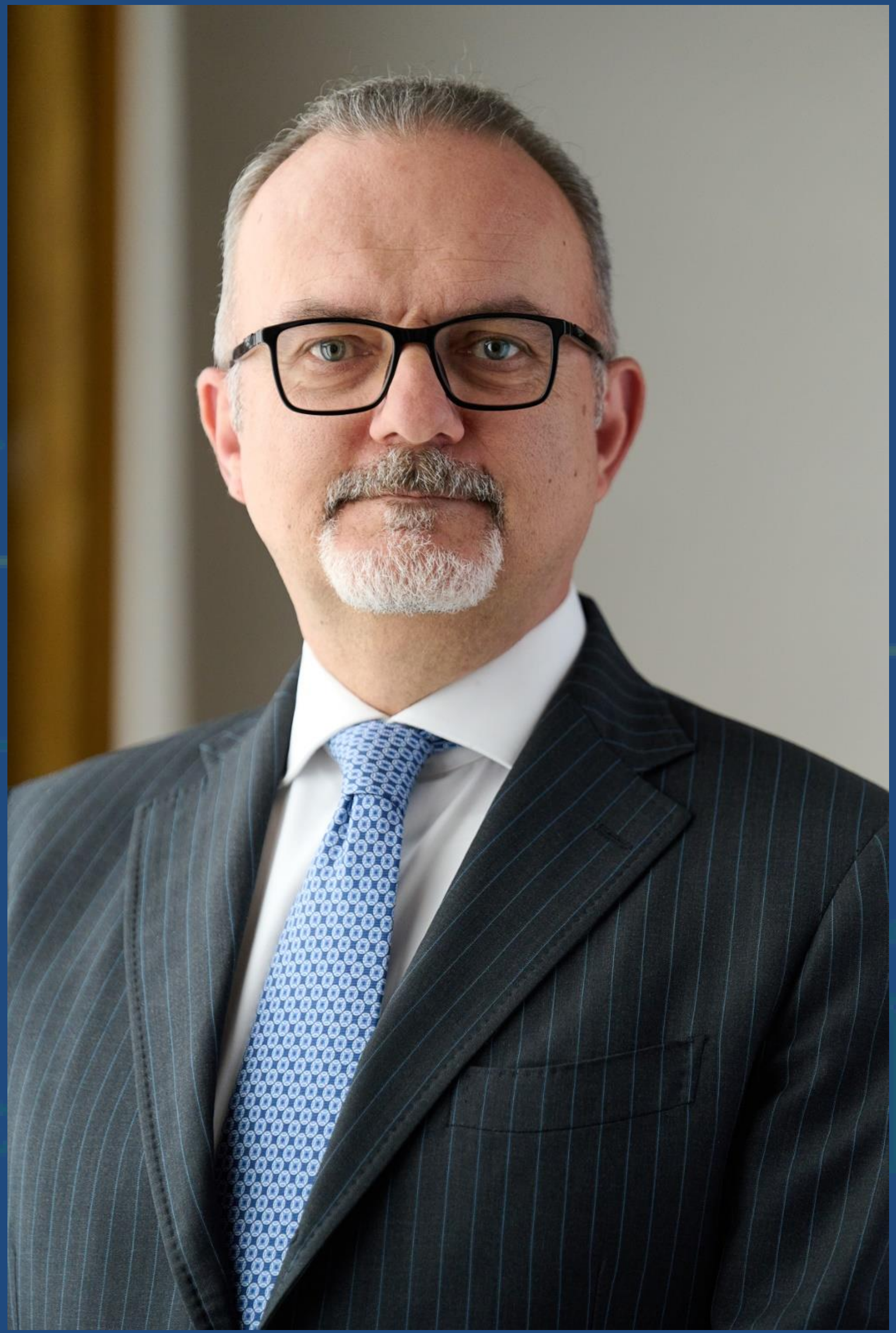
ICAO ENVIRONMENT

2023 ICAO STOCKTAKING AND PRE-CAAF/3 POLICY AND FINANCE CONSULTATION

11 to 13 July 2023
Montréal, ICAO Headquarters



SAF Bancability

RICCARDO DUTTO
Managing Director
Head of Infrastructure Coverage
IMI CIB – Intesa Sanpaolo

Chair of RLCF Alliance
RoundTable „Access to Finance"

RLCF Alliance

ICAO 2023 STOCKTAKING

RLCF Alliance at a glance

Members

- Set up in 2022 by the EU Commission
- Accelerate Aviation and Shipping decarbonization
- Industries under the new ETS perimeter
- Mandatory blending quotas:
  FuelEU Maritime
  RefuelEU Aviation
- +224 members: from powertrain producers to start ups in the e-fuel sector, from renewable player to certification bodies, from legal to financial etc.
- External support: EIB, EBRD for blending finance & risk mitigation support

Tools

- 4 Roundtables
- Workstreams
- Workshops
- Database of projects and Matchmaking initiative
- On–line platform

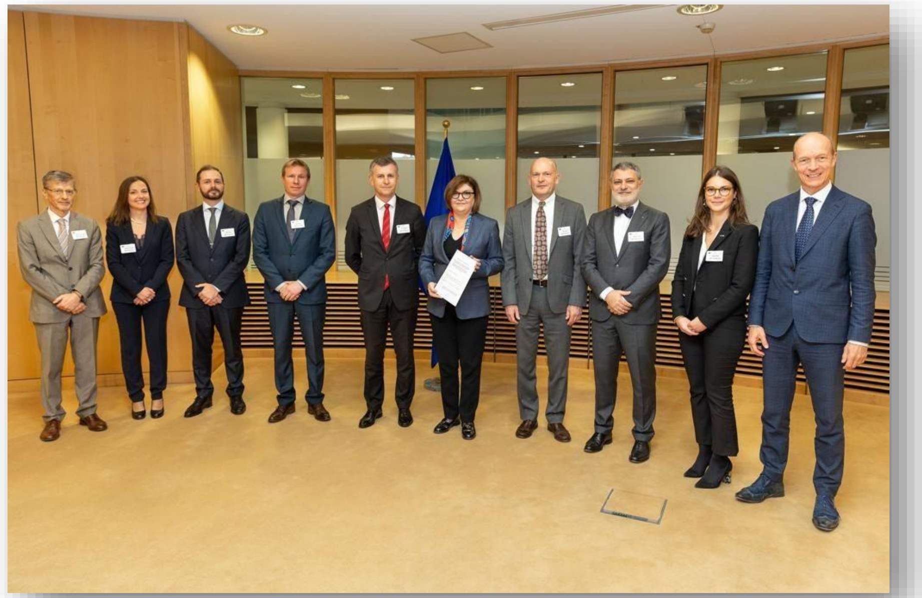
OPENESS

Alliance is open to:

- **any company** (regardless of ownership or location)
- EU Member States
- All stakeholder groups registered in the transparency register

Deliverables

- Funding Guide
- Eligible pathways benchmark
- Fuel demand models
- Business Model Archetypes
- Build up a project pipeline
- EH2Bank auctions
- Create opportunities for JDA among members
- Improve FID ratio



RLCF bankability playground

THE ENERGY TRANSITION

- First industrial revolution led by policies not by technology
- Technologies not yet @ break even
- Experience curve expected to drive costs down significantly
- Limited leverage on public budget
- Need to crowd-in private sector
- New schemes of PPP or blended finance are needed

KEY ISSUES FOR BANKABILITY

- Regulation evolution
- Feedstock availability and price elasticity
- Arbitrage risk (food, energy, fertilizer, fuels, plastics etc.)
- Technological reliability
- Displacement from technological breakthroughs
- Lack of LT market for green fuels
- Logistic bottlenecks vs existing infrastructure use
- Competition between different jurisdictions
- Scalability not yet tested
- Lack of standardization
- Lack of liquidity/size

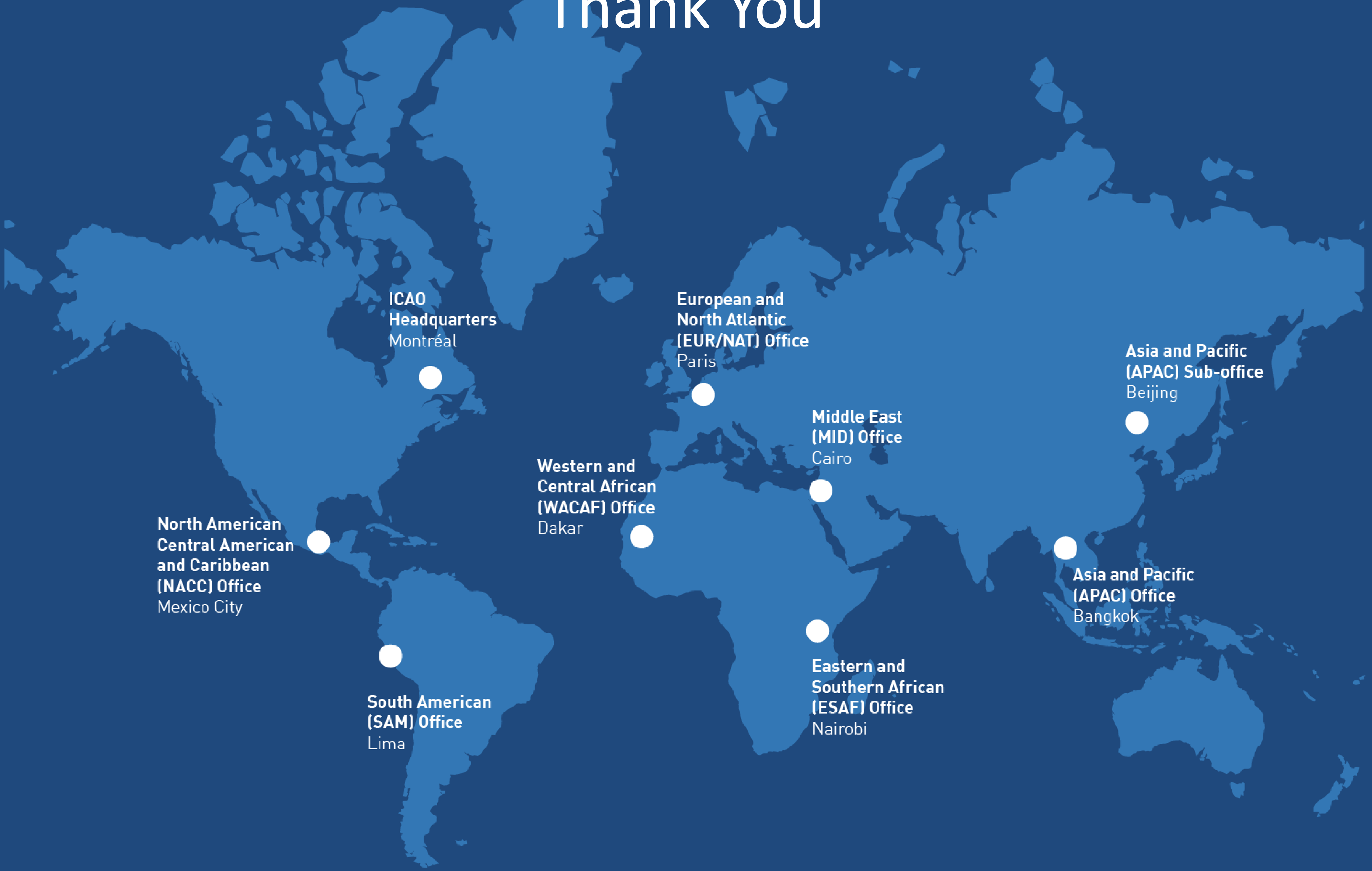
KEY MITIGANTS

- Grants, mandatory blending quotas, opportunity cost of fossil alternatives
- Level playing field policies & tools
- Vertical integrated, offtake-pulled supply chain
- Intermediation to bridge different offtake maturities on demand and production side
- Demand pooling
- Counterparty risk mitigation
- Warranty bonds
- Grandfathering

Potential Q&A

- What do you mean when you make referent to a vertical integrated, offtake driven, supply chain?
- How you handle the reputational risk of these projects?
- What do you mean for arbitrage risk and how this risk can impact a SAF project?
- Which kind of technological risks can put at risk lenders support to a SAF project?

Thank You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