



**Remarks by the  
Secretary General of the  
International Civil Aviation Organization (ICAO)  
Mr. Juan Carlos Salazar  
to the 2023 ESG Global Leaders Summit  
13-15 September 2023, Shanghai, China**

**Keynote Speech 1: Taking urgent Measures to address Climate Change and its impact through  
collaboration**

Fellow leaders, distinguished delegates, and advocates for sustainable development,

It is my honour to address you today at this 2023 ESG Global Leaders Summit.

I would like to express my gratitude to the Ministry of Ecology and Environment of China and to the Municipal Government of Shanghai for their efforts to organize this prestigious and important event.

I would also like to express my regret that I am unable to deliver my address in person today. As an aviation professional, I am keenly aware that nothing can replace being there.

This in fact speaks to aviation's critical and unique role in connecting the world and bringing us all together. This decade, we all learned some hard lessons on what happens when we lose air connectivity – when the free movement of goods and people, including vitally important transport is prevented. We were reminded why aviation cannot go away, and conversely reminded why extending the reach of the global flight network is a critical aspect in addressing the imbalance in global development.

These reminders were delivered in the midst of the climate emergency. This means that we have the double task of assuring not just the resilience of the recovery of the global air transport network, but also the sustainability of this recovery. And this is what I will be focussing on today.

With the leadership of ICAO and its Member States, along with crucial industry and civil society partners, the aviation sector has strongly committed to climate action, setting an example for other sectors to follow, and this despite the technological challenges around the decarbonization of flight.

In October 2022, ICAO Member States agreed on a collective global Long-term Aspirational Goal (LTAG) for international aviation of Net Zero carbon emissions by 2050, in support of the Paris Agreement's temperature goal.

This historic decision was supported by ICAO's landmark technical work on the feasibility of an LTAG, published in the 2022 ICAO LTAG report.

Work was based on an open, transparent, and inclusive process, which evaluated the timing, readiness, attainability, and costs of aviation in-sector CO<sub>2</sub> emissions reductions. These avenues for reductions include the accelerated adoption of innovative aircraft technologies, the implementation of efficient flight operations, and the increased production and use of cleaner energies for aviation.

Sustainable Aviation Fuels (SAF), Lower Carbon Aviation Fuels (LCAF), and other aviation cleaner energies are expected to have the largest contribution to CO<sub>2</sub> emissions reduction by 2050.

However, while initiatives to develop and deploy SAF are increasing and accelerating, current production levels of these fuels remain low.

The challenge to finance the necessary scale up in production and distribution of these fuels is enormous.

To address this, ICAO is fostering international partnerships and cooperation, by actively engaging with Member States, industry stakeholders, fuel producers, and financial institutions, including public and private banks and investors, to raise awareness and discuss actions needed to achieve Net Zero carbon emissions by 2050.

Governments also clearly understand the need for greater partnerships and engagement between the aviation and finance communities.

It is in this context that we are now exploring the possibility of establishing an ‘ICAO Finvest Hub’.

This hub would facilitate enhanced access to public and private investment capacities and funding from financial institutions, with a focus on developing countries and States with particular needs.

We envision it potentially comprising several aspects.

- First of these would be a platform to connect projects with potential public and private investors, including a ‘matchmaking’ function.
- It could include information on an innovative funding mechanism adapted to the decarbonisation of aviation, and collaborations with financial institutions, such as development banks, to create pathways for the funding of projects.
- In turn, we would look at a database of funding and financing sources, together with their terms and conditions, and
- The provision of Guidance material to draft project proposals to fund aviation clean energy projects.

This Finvest Hub proposal builds on the success of ICAO's 'ACT-SAF' programme which provides tailored Assistance, Capacity-building and Training for States, such as the conduct of SAF feasibility studies, policy development, and project implementation.

ACT-SAF is already delivering tangible results. To date, more than 120 States and International Organizations have joined the ACT-SAF initiative, and I encourage more stakeholders and organizations to join and be part of this growing movement.

I would also like to take this opportunity to highlight the significance of the third ICAO High Level Conference on Aviation and Alternative Fuels (CAAF/3), which will be held in Dubai from 20 to 24 November this year. It is expected to result in an ICAO global framework toward aviation's cleaner energy transition. Our expectation is that the outcomes of CAAF/3 will accelerate the development of the regulatory and policy frameworks needed to boost investors' confidence.

ICAO Stocktaking and pre-CAAF/3 consultations prior to the event will identify the progress towards the LTAG and help set the stage for States' policy recommendations at CAAF/3.

During these lead-up events, States, industry leaders, and innovators will share their ambitious plans, solutions, and policies for decarbonizing international aviation.

The information to be collected through these processes will also feed the ICAO tracker tools, which we have set up to regularly provide a wealth of information on in-sector measures to reduce aviation's environmental footprint.

I would now like to turn to the subject of offsetting. Although this is not envisioned under the LTAG, it is currently a vital piece in assuring the sustainability of aviation's recovery.

In this regard, it is important for me to highlight the ICAO Carbon Offsetting and Reduction Scheme for International Aviation (CORSA), which is the first global market based measure for a sector ever adopted, and which is already playing an important role in encouraging SAF.

I'm delighted to acknowledge that as of today, 125 ICAO Member States have expressed their intent to voluntarily participate in CORSA from 1 January 2024.

Since States agreed on CORSA in 2016, ICAO ensured the timely launch of the pilot phase on 1 January 2021, despite the extreme impacts of the pandemic on the global aviation sector.

Similarly, we are fully ready for the start of the first phase on 1 January 2024, including the adjustments to CORSA design elements, agreed upon by the ICAO Assembly last year.

This means that CORSA is fully operational for both the use of eligible carbon credits and the use of Sustainable Aviation Fuels, in order to address airlines' offsetting requirements.

Before concluding today, I would also like to briefly mention one of the most visible examples of stakeholders' engagement on environment, namely the ICAO Global Coalition for Sustainable Aviation.

This ICAO Coalition is a forum of stakeholders that aims to facilitate the development of new ideas and to accelerate the implementation of innovative solutions that will further reduce CO2 emissions at source, both on the ground and in the air.

The main objective of the Coalition is to promote a sustainable international civil aviation by close collaboration among global coalition partners – Member States, aviation industry and other stakeholders, toward the sustainable future for aviation system.

In regard to the coalition and the other initiatives I mentioned today, ICAO is proud to fulfil its important multilateral and global coordination role.

ICAO will continue its efforts, in cooperation with its stakeholders, to achieve the International Aviation's 2050 Net Zero carbon emissions goal.

I wish you all a fabulous summit, and I look forward to working with you all in protecting our environment in the actions against climate change.

Thank you.