Joint Letter to:
Commissioner for Transport Vălean,
Commissioner for Energy Simson,
Commissioner for Agriculture Wojciechowski,
Commissioner for Internal Market Breton,
Commissioner for Climate Action Timmermans

[Brussels, 26 October 2022]

ReFuelEU Aviation Regulation: producers and distributors of SAFs, airlines, and biofuels producers urge EU policy-makers to adopt a dedicated sub-target for Advanced Biofuels to achieve GHG reduction targets, while fostering green growth and the bioeconomy

Dear Commissioners,

The undersigned organizations would like to reiterate their support to ambitious climate and energy policies and the need to defossilize air transport as an integral part of these ambitions.

We welcome the proposed ReFuel Aviation Regulation – and the proposed obligation to gradually phase-in Sustainable Aviation Fuels (SAFs) – as a key initiative to make aviation more sustainable, while reinforcing the level playing field in the internal market and the competitiveness of the sector.

While we regret that other biofuels meeting RED sustainability and performance criteria have been discarded from the scope of the draft Regulation proposal despite their potential of having low risk of indirect land use change (ILUC) and high GHG emissions savings as compared to fossil fuels, there is a consensus that advanced biofuels can bring an important contribution in supporting the transition to cleaner mobility, in particular in the aviation sector. The Commission’s impact assessment on the ReFuelEU Aviation Regulation clearly recognizes RFNBOs and advanced biofuels as the sustainable pathways with the greatest potential to contribute to the new SAFs obligations.

However, industry is very concerned that the current proposed SAF framework does not sufficiently incentivize the use of the feedstocks listed under the RED II Annex IX part A (‘advanced biofuels’), and that the legislators have not considered including a dedicated sub-mandate to support the ramp-up of highly sustainable technologies alongside RFNBOs.

Accordingly, we believe the approach taken by EU authorities under the RED should also be applied under the ReFuelEU Aviation regulation, namely by establishing a dedicated Annex IX part A fuels sub-mandate, including intermediate milestones and trajectories.

Why adding a sub-mandate is key to create investor confidence?

Production of advanced biofuels is growing1 but requires long lead times and billions of euros of investment. A longer planning horizon, beyond 2030, like the 2050 roadmap proposed for synthetic fuels, and more legal certainty are vital to provide decisive signals to investors, incentivize the build-out of large-scale projects and to avoid stranded investments.

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1 In 2020, Annex IX A contributed 1.22 Mtoe of energy to the transport sector, accounting for 0.36% of total transport sector energy requirements, and registering a + 26% growth since 2019 (Eurostat- SHARES database). These figures demonstrate the important role strong regulatory incentives, such as the inclusion of a dedicated sub-mandate for Annex IX A under REDII, can play. Annex IX A feedstocks offers a significant potential that remain to be exploited and with sufficient long-term incentives their potential could be realized via different technological routes that can utilize abundant regional feedstocks.
Because aviation needs to address its carbon footprint already by 2030, the role of sustainable drop-in fuels will be essential. Other low or zero-emission aircraft technologies such as RFNBOs, electric- or hydrogen-powered aircraft are promising but not expected to be mature soon enough to play a significant role in commercial aviation in the coming years.

An Annex IX A sub-mandate in the aviation sector is key to provide visibility beyond 2030 and support investments, and to spur the market uptake of the most innovative and sustainable fuel technologies. This allows to scale up production capacity and lower production costs over time.

A mandate for Annex IX A fuels ensures a consistent path and helps to realize their full potential, considering the feedstock availability and technological readiness levels. Such a measure is becoming even more evident in the light of the European Parliament position calling for a significant increase in the level of ambition (SAFs share to increase from 63% to 85% by 2050).

**Diversification is wise**

A dedicated mandate would be a boost to the needed investments in Europe in relevant (Annex IX Part A related) technology pathways.

Finally, while Annex IX Part B biofuels should play a role to decarbonize aviation, their potential is limited, due to feedstock availability constraints. Accordingly, it is expected that EU fuel suppliers will have to increasingly rely on the availability of SAFs Annex IX A feedstocks.

The lack of a specific sub-mandate could significantly delay the needed investments in Europe and it seems wiser to hedge against a potential lack of supply by promoting, next to RFNBOs, also advanced biofuels.

**In conclusion, the undersigned organizations call the European Commission to support the inclusion of a minimum sub-target under the ReFuelEU Aviation Regulation for Annex IX A advanced biofuels, as an important measure to meet future aviation demand and contribute to achieving defossilization objectives.**