



WORKING PAPER

**THIRD CONFERENCE ON AVIATION AND ALTERNATIVE FUELS
(CAAF/3)**

Dubai, United Arab Emirates, 20 to 24 November 2023

Agenda Item 2: Supporting policies to promote the development and deployment of cleaner energy for aviation

Agenda Item 5: Reviewing the 2050 ICAO Vision for SAF, including LCAF and other cleaner energy for aviation, in order to define a global framework

**PERSPECTIVE OF CHINA ON THE DEVELOPMENT OF A GLOBAL FRAMEWORK FOR
THE DEVELOPMENT AND DEPLOYMENT OF AVIATION CLEANER FUELS**

(Presented by China)

SUMMARY

Adhering to the principle of common but differentiated responsibilities and providing support, in particular finance and technology by developed countries to developing countries are the cornerstones to ensure the success and effective implementation of the Paris Agreement. ICAO and its member states have recognized the important contributions of SAF, LCAFs and other aviation cleaner energies to addressing the international aviation and climate change. This paper presents China's proposals on the key elements for a fair and feasible global framework to develop and deploy aviation cleaner fuels, based on the experiences learnt from developed countries.

Action by the Conference is in paragraph 4.

1. INTRODUCTION

1.1 The Convention on International Civil Aviation set out as its prime objective the development of international civil aviation "...in a safe and orderly manner", and such that air transport services would be established "on the basis of equality of opportunity and operated soundly and economically."

¹ English and Chinese versions provided by China.

1.2 The Political Declaration adopted at the High-level Political Forum on Sustainable Development (HLPF) endorsed by the 78th Session of the UN General Assembly on 19 September 2023 reaffirms the principles of the Rio Declaration on Environment and Development, including, inter alia, the principle of common but differentiated responsibilities, as set out in principle 7 thereof.

1.3 Ministerial Declaration of the 47th G77 and China Annual Meeting on 22 September 2023 stressed the importance of support, in particular finance as a cornerstone to ensure the success and effective implementation of the Paris Agreement and of the provision of adequate, predictable and sustainable financial resources by developed countries to developing countries, in line with the UNFCCC and its Paris Agreement.

1.4 Since 2007, ICAO and its Member States have recognized the important contributions of SAF, LCAFs and other aviation cleaner energies to addressing the international aviation and climate change.

1.5 More than 80% of the SAF production would concentrate in developed countries by 2030 according to CAEP's assumption.

2. WHAT TO LEARN FROM THE DEVELOPED COUNTRIES?

2.1 An ICAO's guidance material² illustrates the developed countries' have developed national strategies to scale up the domestic R&D and production of the SAFs^{3, 4, 5, 6, 7}. A couple of common points in their strategies are particularly inspiring for States to develop a global framework through ICAO on the development and deployment of aviation cleaner fuels.

2.2 SAF is scientifically and technologically intensive. All the developed countries regard powerful R&D capacity as the critical enabler for the success of SAF industries and they accelerate the investment in the R&D to consolidate their strategic advantage in aerospace, biotechnology, fuels testing and approvals and refining with the aim of be global leader in the growing SAFs market.

2.3 Obligations are mainly placed on productions. Developed countries place the mandate mainly on fuel suppliers and set up their quantified goals on the production based on years of detailed studies of the maturity of domestic technology and industry as well as the potential of global SAFs market.

2.4 The government's adequate grant is a must. Studies by developed countries show that to develop a robust and competitive SAF industry is huge costly. All the developed countries governments pledge to provide billions of US dollars/euros grant funding to business and R&D, and implement a robust outreach program, not limited to their national borders, to solicit private capital to accelerate the development of their SAF industries.

2.5 The autonomous capability to certify fuel eligibility and sustainability is strategically important for the security of SAF industry. With the ownership of the international standards for the

² *Guidance on potential policies and coordinated approaches for the deployment of SAF*

³ *SAF Grand Challenge Roadmap: Flight Plan for Sustainable Aviation Fuel*

⁴ *Sustainable aviation fuels (ReFuelEU Aviation Initiative)*

⁵ *Sustainable aviation fuels mandate: summary of consultation responses and government response*

⁶ *Sustainable Aviation Fuels Road-Map: Fueling the future of UK aviation*

⁷ *Sustainable Aviation Fuel- Review of Technical Pathways*

eligibility and sustainability of the fuels, there is a particularly unique concentration of fuels expertise in the developed countries, which is essential for the success to be a global leader.

2.6 SAF is a high-value industry. Developed countries' research shows that SAF is a high-value industry which could deliver lots of benefit to the balance of their national payments and their domestic SAF production will help grow their export potential. For example, the Grand SAF Challenge shows that the United States has the potential to be an exporter of SAF technology and fuels; and UK Sustainable Aviation fuel roadmap shows that domestic SAF production could generate a value from non-UK fuel production added of up to £1,952 million per year for the UK in 2035 through the export of technology components and engineering services, protected by intellectual property rights and well-aligned with the UK commercial strengths.

3. **KEY ELEMENTS FOR A FAIR AND FEASIBLE GLOBAL FRAMEWORK TO DEVELOP AND DEPLOY AVIATION CLEANER FUELS**

3.1 Vision. A global framework needs to show where to go for the international community to scale up the cooperation to develop the aviation cleaner fuels aiming to decarbonize international civil aviation. Fairness and implementability of such a vision would not be assured without a robust science-based analysis and detailed survey of the different national circumstances of the 193 ICAO member states, particularly practices from the developing countries. For example, to establish quantified carbon emission goal (e.g. carbon intensity criteria) would be tantamount to raising the threshold for eligible SAFs. Pragmatically, the role for ICAO to play is to harmonize States' nationally efforts on SAFs and other aviation cleaner fuels rather than establish top-down uniform goals.

3.2 Principles. Paragraph 2 shows clearly there's a significant gap in the foundation on the R&D and production of SAFs between developing countries and developed countries. Developing countries would face more challenges to be both contributors and beneficiaries to the global framework. To ensure the "equality of opportunity" to develop international aviation and SAF industries, the design and implementation of a global framework to develop and deploy SAFs shall be guided by principles in Rio Declaration on Environment and Development, particularly the principles of common but differentiated responsibilities. Otherwise, discrimination against developing countries would not be avoided in the implementation of the framework.

3.3 Partnership. An ICAO framework for the aviation cleaner fuels would not be successful without partnership among states, particularly between developed and developing countries. Since funding is both the biggest challenge and enabler and provision of financial support to developing countries is the cornerstone for global efforts to address international aviation and climate change, the global framework should set up mechanism to facilitate the provision of grants and other highly concessional forms of finance by developed countries to developing countries.

4. **ACTION BY THE CAAF/3**

4.1 The CAAF/3 is invited to:

- a) ensure the global framework should be developed based on thorough survey of all States' national circumstances and practices, rather than merely those of developed countries and/or preliminary hypothetical assumptions;

- b) refrain from setting up any uniform quantified goals without ensuring that SAFs, LCAFs and other aviation cleaner fuels produced in developing countries account for a fair share in the global production; and
- c) recognize that LTAG 2050 is not endorsed by consensus and any failure to guarantee the provision of financial support and technology transfer to developing countries in the global development and deployment of the aviation cleaner fuels would further undermine the basis of equality of opportunity and enlarge the unfairness and infeasibility of the LTAG 2050.

— END —