P/31 Agenda Item 7



SAFE SKIES.
SUSTAINABLE
FUTURE.





Financing the decarbonization of the aviation sector: a focus on the ICAO Finvest Hub

Juan Carlos Salazar

Secretary General
International Civil Aviation Organization (ICAO)

ICAO's mandate on climate change

Long-term global aspirational goal (LTAG) for international aviation of net-zero carbon emissions by 2050 (Resolution A41-21)

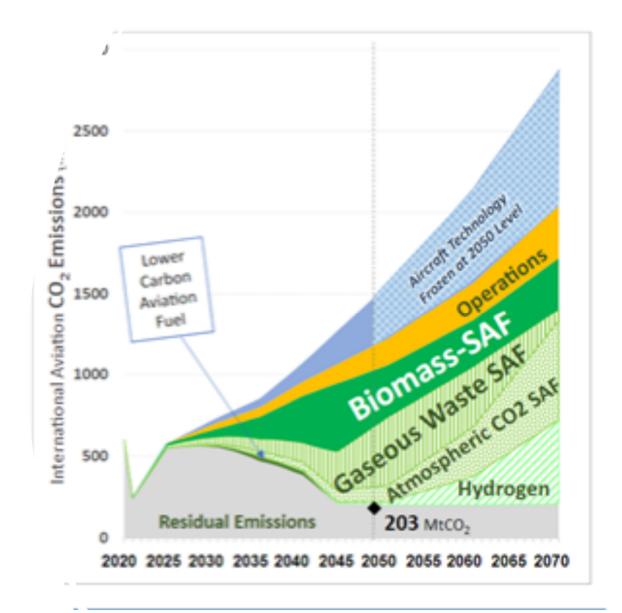
A collective vision to reduce 5% of aviation CO₂ emissions by 2030 (ICAO Global Framework for SAF, LCAF and other Aviation Cleaner Energies)

Aspiring to have cleaner energy production facilities in all regions by 2028 (ICAO Global Framework for SAF, LCAF and other Aviation Cleaner Energies)

Four Building Blocks (BB) (ICAO Global Framework for SAF, LCAF and other Aviation Cleaner Energies)

ICAO's Long-Term global Aspirational Goal (LTAG): how to get there?

The LTAG report shows that SAF has the greatest potential to reduce CO₂ emissions from international aviation.



How to implement ICAO's mandate on SAF, LCAF and other aviation cleaner energy sources?

ICAO Global Framework Implementation Roadmap (adopted by the Council during the 232nd Session)

BB1 BB2 BB3 BB4
Policy and Planning Framework Support Financing

Focus on BB4 – Financing: development of ICAO Finvest Hub

Platform to **connect** aviation decarbonization **projects** with potential **public and private** investors

Explore innovative funding and risk mitigation mechanism adapted to the decarbonization of aviation

ICAO Global Framework on SAF, LCAF and other aviation cleaner energy sources

Collaborate with financial institutions to create pathways for the funding of projects and develop toolkit of templates for SAF, LCAF and other aviation cleaner energies.

Develop a database of funding and financing sources, together with their terms and conditions, for project developers to be able to access

Proposed actions

Advocacy and Outreach

Dialogues with States and stakeholders, regarding financing needs toward the achievement of the LTAG; opportunities to increase public and private capital to aviation decarbonization projects particularly on SAF, LCAF and other aviation cleaner energies.

Facilitate better access to financing

Access private investment capacities, as well as funding from financial institutions such as development banks, in particular the operationalization of the ICAO Finvest Hub.

Study through the services of a third-party consultancy

Establishment of a climate finance initiative or funding mechanism under ICAO, while addressing the possible financial, institutional and legal challenges; support the development of a report by the Council to the Assembly.





Development of Feasibility Studies

Development of Economic Feasibility



Templates



Feasibility studies



Business cases



ICAO Tracking tools

States and stakeholders

Project Proposals



Development of Project Proposals



ICAO to support project

proposal development for States and stakeholders, including proposals based on ACT-SAF feasibility studies and business cases.



Finvest Hub



Submission of Project Proposals Matchmaking projects with finance opportunities

ICAO can ensure technical requirements (e.g. sustainability criteria) in the project proposals, and to monitor the progress of implementation.



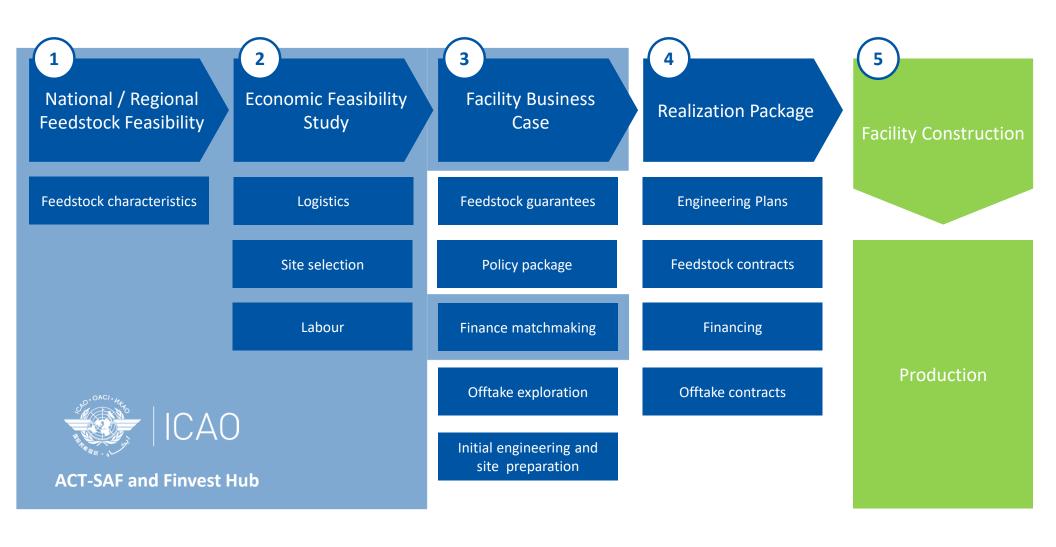
Construction

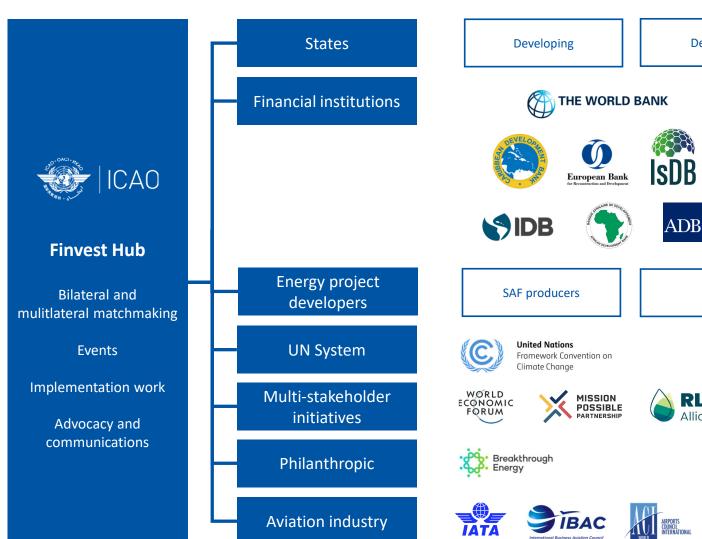
negotiation and

agreement

Production

Simplified example of where ICAO can play a role in SAF development





Developed



Donor funding

Private banks

Institutional investors

Traditional oil and gas (SAF + LCAF projects)







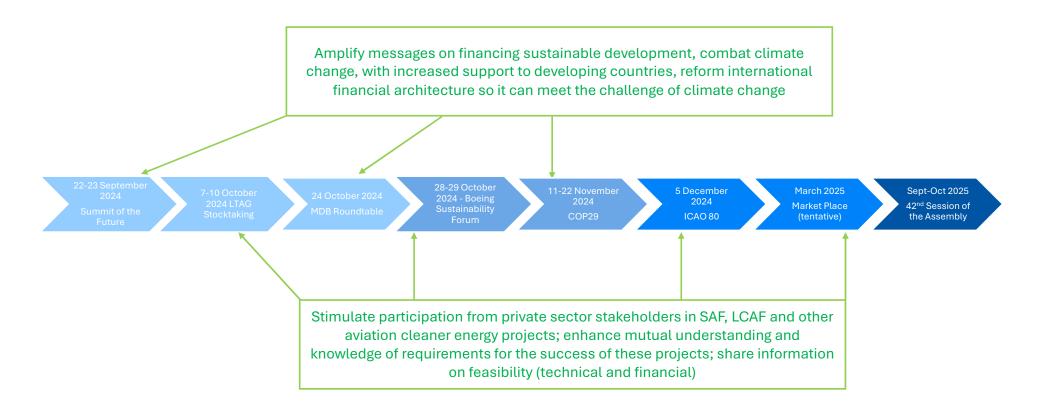








Next steps





Thank you!

SAFE SKIES.
SUSTAINABLE
FUTURE.

