73rd IATA ANNUAL GENERAL MEETING

RESOLUTION ON THE COMMERCIAL DEPLOYMENT OF SUSTAINABLE ALTERNATIVE FUEL FOR AVIATION

Whereas at the 66th IATA AGM in 2010, IATA member airlines adopted a Resolution which endorsed three ambitious goals for addressing CO_2 emissions, namely:

- An average improvement in fuel efficiency of 1.5% per year between 2010 and 2020;
- A cap on net aviation CO_2 emissions from 2020;
- A reduction in net aviation CO_2 emissions of 50% by 2050 relative to 2005 levels.

Whereas that same Resolution recognised that success in managing aviation CO_2 emissions depends on governments incentivising technological research and development of better airframes and engines as well as Sustainable Alternative Fuels for aviation (SAF), while also providing modern airport and airspace infrastructure;

Recalling that the 39th Session of the ICAO Assembly in 2016 adopted Resolution A39-3 which decided to implement the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) as part of a broader basket of measures to address aviation's CO_2 emissions;

Recognising that ICAO Assembly Resolution A39-3 affirms the preference for the use of SAF that provide environmental benefits within the aviation sector and requested that a methodology be developed to ensure that airlines' offsetting requirements under CORSIA can be reduced through the use of SAF;

Resolution

The 73rd IATA Annual General Meeting:

1. Strongly supports the broader ambitions within the global community to address climate change and to safeguard sustainable development;

2. Recognises the significant achievements of its member airlines towards the industry's ambitious CO_2 mitigation targets, in particular in surpassing the 1.5% annual fuel efficiency improvement goal since 2010;

3. Recognises the active contribution and commitment of member airlines to the historic ICAO CORSIA agreement in 2016;

4. Renews the industry's commitment to the global aviation sector's three climate action goals;

5. Endorses the continuing efforts of its member airlines and other industry stakeholders to develop, test and deploy into commercial operations cost competitive SAF which conserve an ecological balance by avoiding the depletion of natural resources, as an important element of the industry's overall approach to address CO_2 emissions from aviation;

6. Appreciates the continuing efforts of the manufacturers of airframes and engines to support the international certification processes for SAF;

7. Endorses member airlines' commitments to promote globally harmonised sustainability and accounting standards for SAF;

8. Calls upon governments urgently to develop and implement constructive and supportive policy to remove commercial barriers, reduce the unit cost and accelerate the deployment of drop-in SAF consistent with the industry's environmental objectives, including the creation of the appropriate regulatory framework to assist access to debt and equity capital in order to facilitate the development of necessary production facilities;

9. Sets forth at Appendix I a series of recommended policy approaches for consideration by governments in the development of SAF.

Appendix I

RECOMMENDED GOVERNMENT POLICY APPROACHES TO SUPPORT COMMERCIAL DEPLOYMENT OF SAF

a. Providing loan guarantees and capital grants for production facilities including support for brokering aviation off-take agreements.

b. Allowing SAF to compete on an equal basis with those used for land transport through equivalent or magnified public incentives.

c. Encouraging simplified and streamlined accounting methods for the use of SAF in order to minimise logistic costs.

d. Supporting SAF demonstration plants and supply chain research and development.

e. Implementing policy to de-risk investments into SAF production plants including legislative certainty over a period of time sufficient to attract investment in new production facilities.

f. Developing fiscal incentives for projects and partnerships involved in early stage plant development.

g. Developing a harmonised transport and energy policy including interdepartment coordination, including agriculture, transport, energy and military agencies.