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International Air Transport Association response on proposed Reduction Obligation - SOU 2019:11

This paper refers to the public consultation on the Inquiry for use of Sustainable Aviation Fuels (SAF) in Sweden. The following items compile the position that IATA holds:

- There is a need for more clarity_on the proposal for the Swedish Energy Agency being tasked with analysing whether investment or operating aid should be developed.
- A target to achieve 100% renewable fuels with low lifecycle emissions by 2045 <u>should not be the only measure to incentivize production and supply</u>.
- Based on the price differential scenario mentioned, the Inquiry states that consumers'
 willingness to pay the additional cost for jet biofuels is not considered to be enough for aviation
 to convert to the use of renewable fuels. That is why <u>IATA asks for the inclusion of concrete</u>
 policy in the text to aid the cost decreases that the Inquiry contemplates.
- IATA would ask for <u>further details on the estimates for projected growth</u> on SAF availability and production
- There needs to be a clear assessment of the risks involved, specifically on possible price distortions that would encouraging tankering. Such a result would severely undermine the environmental benefits of SAF use.
- When it comes to the possibility of jet biofuels being produced in facilities where there is
 production for road transport biofuels, jet biofuels should be given priority. While road transport
 can access alternative decarbonization technologies (electric, fuel cell, etc) this is not yet the
 case for aviation.