

## HOUSE OF COMMONS

LONDON SW1A 0AA

SAF Mandate Team Low Carbon Fuels Department for Transport Great Minster House 33 Horseferry Road London SW1P 4DR

By email: LowCarbonFuel.Consultation@dft.gov.uk

Our reference: BS27495

22 June 2023

Dear Sir/Madam,

# Response to the Department for Transport's Pathway to Net Zero Aviation: Developing the UK sustainable aviation fuel mandate

I write as the MP for Runnymede and Weybridge in response to the Department for Transport's above-referenced consultation.

My constituency has excellent transport links by air, rail and road, which have contributed to the fantastic communities, investment and opportunities which are enjoyed by the area. Proximity to Heathrow contributes to the prosperity of Runnymede and Weybridge; it is one of our largest direct and indirect employers. A result of this prosperity and connectivity, however, is the impact of air pollution on the health and wellbeing of constituents.

I was pleased to visit Heathrow last year to discuss issues that affect constituents in Runnymede and Weybridge, such as employment in and around the airport, noise and air pollution, and the challenges facing the aviation industry. I have had many discussions on the topic of sustainable aviation with a wide range of stakeholders including but not limited to Sustainably Aviation Fuel manufacturers, engine and aircraft manufacturers, and carriers.

In the medium to long-term the biggest challenge for aviation is achieving net zero emissions. I have been a strong supporter of the development of our Sustainable Aviation Fuel (SAF) industry as a principal means of meeting the Government's commitment to reach net zero aviation in the UK by 2050. I spoke with Rolls Royce at the COP 26 summit in November 2021 to discuss their development of engines adapted to burning SAF. I also attended the launch of the Jet COP-26 Declaration: International Aviation Climate Ambition Coalition, which kick-started the Government's ambition for zero emission aviation and the new opportunities for clean growth, green jobs, and improved air quality this will provide both domestically and across the globe.

I am a strong advocate of reaching net zero and doing so in a way that doesn't just protect our environment, but also improves our national and local economy. Technology will be at the forefront of our efforts to combat climate change and I am proud that Runnymede and Weybridge is already home to a number of businesses working to make our transport system greener, including Octopus EV and several Tesla sites.

Therefore, I welcome the Government's second consultation on the proposed timetable towards the implementation of an SAF mandate. This commitment will mean that industry is more able to secure the investment and infrastructure needed to grow our SAF industry at pace. This presents a significant economic opportunity while, at the same time, reducing emissions and strengthening our energy security.

### International cooperation

I am strongly supportive of the UK taking a global leadership role in developing SAF and achieving net zero aviation. I am hugely encouraged that the International Civil Aviation Organization (ICAO) has also committed to a goal of net zero CO2 emissions from international aviation by 2050.

International cooperation is crucial for sustainable aviation as planes using SAF will need to refuel abroad. As with all things in aviation, there will need to be joint agreements and common standards on how this operates. It will be especially important to ensure that airlines cannot opt to use tankering, that is taking on additional fuel for inbound trips to the UK to cover the outbound trip in order to avoid having to pay the additional SAF costs from refuelling in the UK. Alignment in the introduction of both the UK and EU mandate from 2025 will reduce the incentive to tanker between these regions, but will not deter the practice for shorter haul flights originating just beyond EU and UK borders.

It is concerning that the independent analysis of the EU SAF mandate indicates that tankering could reduce the emissions savings by 27% in 2035 if no provisions to reduce this practise are introduced. Reduced demand for SAF in UK airports as a result of tankering could deter industry growth. I therefore welcome the consultation's call for evidence to facilitate further analysis on whether the risk of tankering as a result of the SAF mandate justifies the introduction of a minimum fuelling requirement in UK airports.

## Timetable for implementation

I welcome the measures set out in the consultation to create secure and growing demand for SAF in the UK.

The requirement for at least 10% of UK aviation fuel to be made from sustainable sources from 2030 will stimulate investment and innovation in the short-term. Clearly, where the bar is set when the mandate comes into effect in 2025 will be crucial for ensuring the balance between ambition and deliverability.

The UK's SAF industry is in its relative infancy, but examples such as Brooklands in my constituency highlight the UK's capacity for ground-breaking technological innovation in the face of external pressures, specifically in the aviation industry. I am confident that organisations such as Brooklands will be at the forefront of supporting the development of our SAF capability to meet the generational challenge of climate change.

Further, events such as the covid pandemic, where the UK led vaccine development and

deployment, demonstrate the world-leading innovation that can be achieved at speed with Government support and buy-in from industry. I am encouraged by the Government's investment in early-stage development of eight UK SAF plants through the Green Fuels, Green Skies competition. I also welcome the announcement that several projects will receive a share of the £165m Advanced Fuels Fund with the aim of at least five commercial-scale SAF plants being under construction in the UK by 2025.

One concern is the current lack of information on reliability and quantity of the raw materials used to make SAF. In the medium term, this uncertainty makes it more challenging to be definitive about the mandate for 2025. However, based on current information, I support the balanced aims set out in the central trajectory, where the level of the mandate as a proportion of UK aviation fuel use begins at 2% in 2025. The fact that this is in line with proposed 2025 uptake targets in other similar international schemes means that there is scope for cross-border cooperation in development and standard setting, which has been vital for many aspects of regulation in the aviation industry.

### **Buy-out scheme**

I appreciate that there is a sound rationale for including a buy-out mechanism in the UK SAF mandate as a way for suppliers to discharge their mandate obligation in unforeseen or exceptional circumstances. Measures that avoid passing on disproportionately high costs to consumers are important for ensuring the ongoing vitality of our aviation industry. This is especially important for Runnymede and Weybridge, which benefits from the direct and indirect employment and business opportunities offered by a thriving Heathrow.

However, in principle I have concerns with such schemes, as I also set out in my response to the consultation for the framework to deliver the ZEV mandate. Any scheme must ensure this cannot be seen as a means for companies to buy a way out of engaging with the SAF mandate and our net zero aims. This would hinder industry investment and delay progress towards the Government's essential SAF and net zero targets.

### **Decarbonising SAF**

I strongly support the requirement set out by the consultation that fuel suppliers must be able to demonstrate that their SAF achieves the minimum carbon intensity saving threshold.

The detailed analysis proposed will take into account the direct greenhouse gas impacts (including CO2, CH4 and NO2) of fuel production in line with the approach already taken under the Renewable Transport Fuel Obligation scheme. I welcome the requirement that, where hydrogen is used as a source for SAF, it must be low carbon. The potential use of blue hydrogen should be treated with caution, because it derives from natural gas. I strongly support incentives/regulation to encourage SAF produced from green hydrogen (extracted by using low carbon electricity) and pink hydrogen (extracted using nuclear energy) as cleaner alternatives to blue hydrogen.

Certification of the carbon saving value of SAF will be key to ensuring the success of the mandate scheme in contributing to the UK's net zero commitments. I therefore welcome the Government's plan to set up a UK Clearing House to support testing and certification. The UK already has a robust accreditation industry which promotes standards and confidence across our vital industries, including in the field of cleaner energy.

As set out above, a successful and sustainable aviation sector is vital to both our local and national economy. I welcome the progress made and the proposals in this consultation that will help ensure the UK not only benefits from, but leads efforts to deliver net zero emissions from our aviation sector.

Please do not hesitate to contact me if you require any further information on the issues addressed in this response.

Yours faithfully,

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Dr Ben Spencer MP Runnymede and Weybridge