

PRESS RELEASE

Europe's sustainable aviation fuel targets are ambitious - Turning Europe's SAF Mandates into Action

Berlin, 27 March 2025: European airlines face a legal obligation to blend increasing shares of sustainable aviation fuel (SAF) into their tanks. Starting now, then rising to 6% by 2030 and to 70% by 2050. The problem at hand is that commercial-scale production of the most future-proof category of SAF, so-called eSAF made from green hydrogen and captured CO₂, remains very limited. In a new position paper, the eFuel Alliance identifies the regulatory and financial bottlenecks blocking investment in eSAF production and proposes concrete fixes.

The numbers tell the story. eSAF is currently between four and six times more expensive than conventional jet fuel. Producers cannot secure the long-term supply contracts they need to attract financing, because airlines typically procure fuel on short cycles. And the EU rules governing how eSAF must be produced are, in their current form, so restrictive that they are actively reducing the number of viable production sites across Europe.

None of this is inevitable. The eFuel Alliance identifies targeted changes to EU production criteria, funding mechanisms and the competitive framework that, taken together, could reduce the cost of meeting Europe's aviation climate targets by up to €160 billion between 2030 and 2050. At the centre of the paper is a call for a double-sided auction mechanism - similar to the H2Global model – that would match producers and buyers at a guaranteed price while bridging the gap between their respective contract horizons. Alongside this, the Alliance proposes channelling aviation ETS revenues and non-compliance fines directly back into SAF deployment and introducing a passenger- and destination-based climate levy to generate a stable funding base.

The paper also addresses a design flaw with direct consequences for EU airlines' competitiveness: a flight connecting via Frankfurt is subject to SAF blending requirements on both legs; the same itinerary via Istanbul is not. The eFuel Alliance calls for rules that apply equally regardless of which hub a passenger transits.

CEO of the eFuel Alliance, Ralf Diemer stated: We have the targets. We have the technology. What we are missing is the market architecture to connect the two. If we do not fix the regulatory and financial plumbing now, we will arrive at 2030 with binding obligations that the fuel industry simply cannot meet – and airlines and passengers will bear the cost. That is a preventable outcome.

>>>The eFuel Alliance e.V.<<<

The eFuel Alliance is an interest group committed to promoting political and social acceptance of eFuels and to securing their regulatory approval. We represent more than 160 companies, associations and consumer organizations along the eFuel production value chain. We stand for fair competition and equal competitive condition for all relevant emission reduction solutions. We are firmly committed to further climate change mitigation and seek recognition for the significant part eFuels can play in sustainability and climate protection. Our aim is to create the conditions for the industrial production and widespread use of CO₂-neutral fuels from renewable sources of energy.

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