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BIOENERGY AUSTRALIA SUBMISSION

Singapore-Australia Green Economy Agreement

Bioenergy Australia (BA) is the national industry association committed to accelerating Australia's bio economy. Our mission is to foster the bioenergy sector to generate jobs, secure investment, maximise the value of local resources, minimise waste and environmental impact, and develop and promote national bioenergy expertise into international markets.

BA hosts the Sustainable Aviation Fuel Alliance of Australia and New Zealand (SAFAANZ). The purpose of SAFAANZ is to create a collaborative environment to advance sustainable aviation fuel production, policy, education and marketing in Australia and New Zealand in order to accelerate:

- the development of a new industry in Australia and New Zealand that will create jobs and benefits for the Australian and New Zealand economy
- the availability for a commercially viable and environmentally sustainable supply of low carbon fuels for aviation in Australia and New Zealand

BA and the SAFAANZ thank the Department of Foreign Affairs and Trade for the opportunity to contribute ideas on a Singapore-Australia Green Economy Agreement to facilitate trade and investment in environmental goods and services, strengthen environmental governance, and contribute efforts to build global capacity to address climate change.

Sustainable Aviation Fuel: Turning the Sky Green

Overall, aviation accounts for about [2.5% of global carbon emissions](#) but this ratio is expected to climb as other sectors successfully decarbonise. The recently released [Australian Bioenergy Roadmap](#) has identified aviation as a hard to abate sector where bioenergy is uniquely positioned to provide a solution. Sustainable Aviation Fuel (SAF), made from waste such as cooking oil, municipal

waste and agricultural residues, is a readily available technology that can decarbonise aviation at a time where renewable hydrogen and electrification is out of reach.

The key issue for SAF is affordability, with production costs being substantially higher than production costs of traditional jet fuel. BA will shortly release a report examining the role that can be played by consumers, government, producers, airports and airlines in bridging the price gap between SAF and JET A-1. We will be pleased to share this report with the Department once it becomes available.

Due to the current cost of SAF, a business-as-usual approach is expected to return limited uptake of biojet fuels, contributing to just 12 per cent of Australia's jet fuel consumption by 2050. However, the Bioenergy Roadmap outlines that with increased targeted focus, this market share could grow to up to 45 per cent by the 2050s, making a substantial impact on aviation emissions.

The Bioenergy Roadmap outlines the importance of stakeholder collaboration and co-investment to support the development of commercial scale SAF production.

[SAF: A Green Partnership Opportunity for Singapore and Australia](#)

There is a natural synergy between Australia and Singapore when it comes to SAF. Singapore is one of the leading producers of biofuel and Australia is abundant in feedstock. Whilst not currently the case, there is potential for Australia to become a producer of SAF in the future.

Currently in Australia and New Zealand, the four major airlines with international operations, have all committed to the International Civil Aviation Organization's (ICAO) global scheme; Carbon Offset and Reduction Scheme for International Aviation (CORSIA). CORSIA is a global market-based measure that was designed to stabilise and offset international aviation CO2 emissions from a 2019 baseline (formally revised from 2020 due to the impacts on the industry from the COVID-19 pandemic). Similarly, Singapore is a signatory of the CORSIA agreement.

[Development of a Singapore-Australia-New Zealand \(SANZ\) Jet Council](#)

Following the lead of the UK Government and the Jet Zero Council established in the United Kingdom, the Australian, New Zealand and Singapore Governments should look to establish a SANZ Jet Council to bring together relevant Government and industry stakeholders to guide the ongoing development and evolution of sustainable aviation policies between Australia, New Zealand and

Singapore. The SANZ Jet Council would work with government to provide advice and feedback on policy design, implementation of policies and emerging market trends. It is proposed that, at a minimum, the SANZ Jet Council would be made up of representatives across the SAF value chain, including:

- Government representatives from Singapore, Australia and New Zealand
- SAF producers
- Aviation fuel suppliers
- Fossil based aviation fuel producers
- Airlines
- Airport owners/operators
- Industry bodies and representatives
- Aeroplane manufacturers
- Feedstock collectors/suppliers.

The Council's remit would include the following:

- Provide ongoing advice to governments to help inform the development and evolution of SAF policy
- Work governments and government bodies to support industry to overcome the existing barriers to SAF industry development, including through the provision of government funding
- Support the development pathway for SAF technologies to increase R&D activities within Australia, New Zealand and Singapore

The SAFAANZ is well placed to support the development of such a Council and would be delighted to assist. Members of the SAFAANZ currently include:

- Air NZ
- Airlines for Australia & New Zealand
- ARENA
- Bioenergy Association NZ
- Biofutures Queensland
- Boeing
- Brisbane Airport
- CAAFI
- CEFC
- Cobham

- Gevo
- Lanzajet
- Licella
- Low Carbon Futures, DPIRD WA
- Neste
- Northern Territory Airports
- QANTAS
- QLD Department of State Development, Tourism and Innovation
- Scion Research NZ
- Sydney Airport
- Tourism and Transport Forum
- University of Queensland
- Virgin Australia
- Viva
- Viva Energy
- Western Sydney Airport (WSA)
- World Fuel Services
- Worley

Thank you for taking the time to consider our submission. Any questions or request for further assistance are welcome and can be directed to Georgina Greenland at georgina@bioenergyaustralia.org.au

Sincerely,

A handwritten signature in black ink, appearing to read 'Shahana McKenzie'.

Shahana McKenzie, CEO Bioenergy Australia