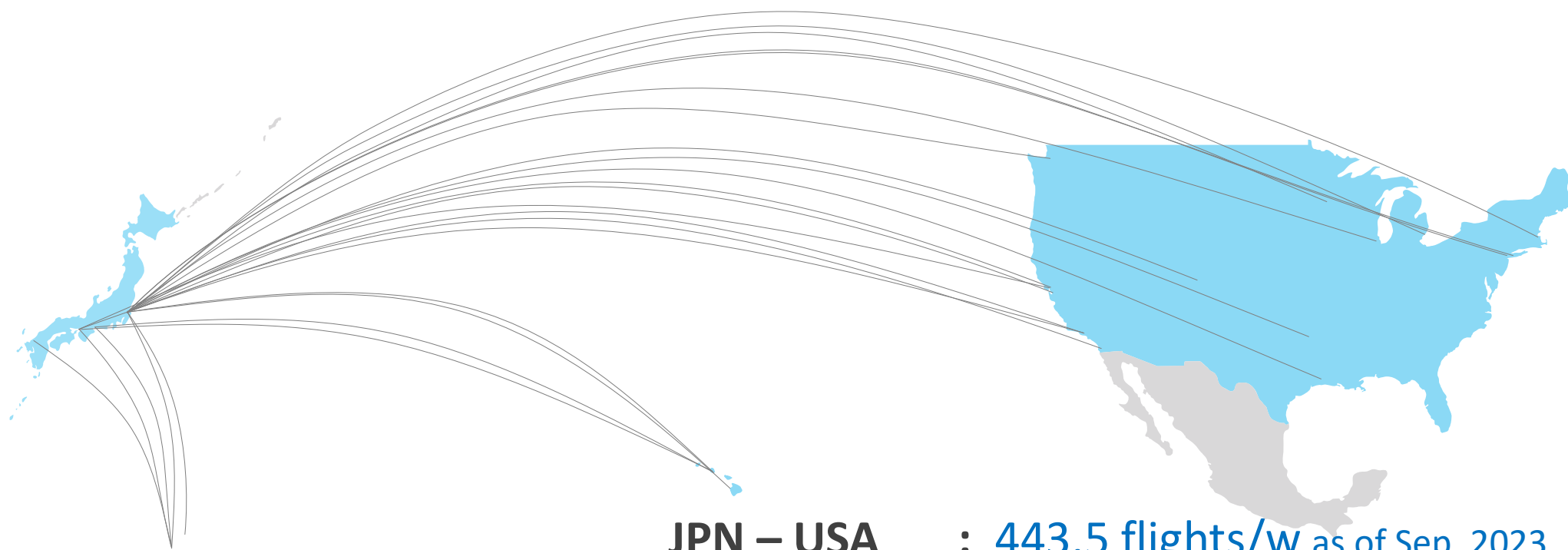


Greening Inter-pacific Aviation



Toshiyuki ONUMA
Senior Deputy Director-General
Japan Civil Aviation Bureau

JPN – USA Inter-Pacific routes



JPN – USA : 443.5 flights/w as of Sep, 2023

(incl. Hawaii, Guam and Saipan) 506.5 flights/w as of Oct, 2019

(Continental Flight) 319 flights/w as of Sep, 2023

297 flights/w as of Oct, 2019

c.f. JPN – CAL : 135.5 flights/w (approx. one third of all JP-US flights)

Public-Private Councils for the promotion of SAF deployment

<Target> Replacing 10% of the fuel consumed by Japanese airlines with SAF by 2030

Accelerating the actions to reach the target, JCAB has established the **Public-Private Council**

Purposes

- ✓ To facilitate the domestic SAF production
- ✓ To construct the SAF supply chains including imported SAF

Key outcomes

- ✓ Set future projection of supply & demand
- ✓ Established policy of regulation and Support

Members

- ✓ Private sector: Airlines, airport companies, oil companies, BOAR (Board of Airline Representatives in Japan) etc.
- ✓ Public sector: METI (Energy), MoE (Environment), MAFF (Agriculture) MLIT (JCAB)



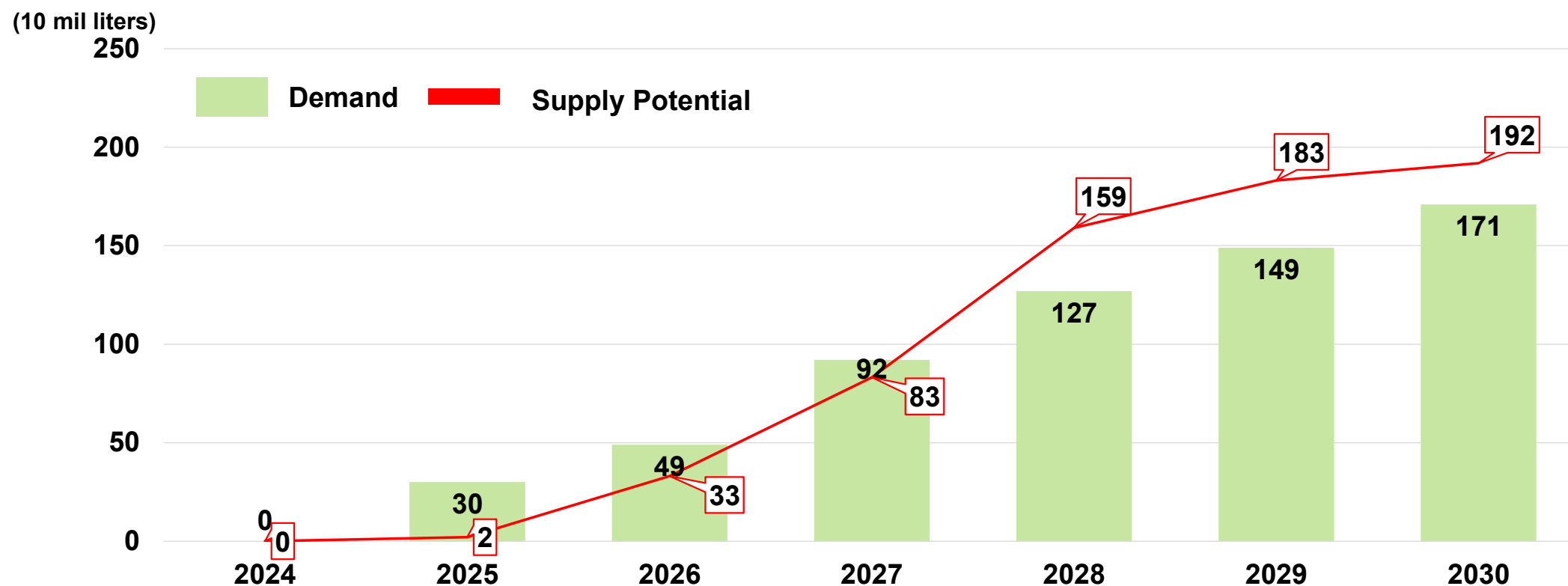
**Vice-Minister Nakayama
at the 1st Council, April 2022**

Projection of SAF Demand and Supply in Japan

~2030 in Japan

● Demand 1.71 billion lit., 452 million gal.

● Supply 1.92 billion lit., 507 million gal.



※Future alignment with the revised CORSIA baseline will be necessary.

Objective

- Securing SAF manufacturing capacity and feedstock supply chain
- Establishing a stable supply system for SAF **at the price of global competitiveness**
- Setting **legal targets** for the use and supply of SAF with **government support**

Regulation

For Fuel Supplier * Under consideration

Supply Target: At least 10% of the aviation fuel consumed in Japan

For Airline

Use of SAF: 10% use of SAF for Japanese Airlines

Support

* Under consideration

Capital Expenditures, CAPEX

Subsidy for initial investments for facilities and feedstock supply chain

Operating Expenses, OPEX

Tax Exemption or Reduction for importing feedstock

Technology R&D

R&D for SAF production and feedstocks*

* Second generation ethanol, algae and waste

SAF production plan in Japan



- Feasibility Study with TOTAL SAF from UCO
- Feasibility Study with Mitsubishi Corporation
- Supply **400 mil L (106 mil gal) / y**

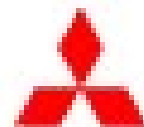


- Supply 100 mil L (26 mil gal) /y from 2026
- Supply of **500 mil L (132 mil gal)/y by 2030**



- Supply **30 mil L (8 mil gal)/y of 2025** from UCO
- Supply **220 mil L (58 mil gal)/ y by 2027**
- In total Supply **300 mil L (79 mil gal)/ y by 2030**

Investment in U.S



Mitsubishi

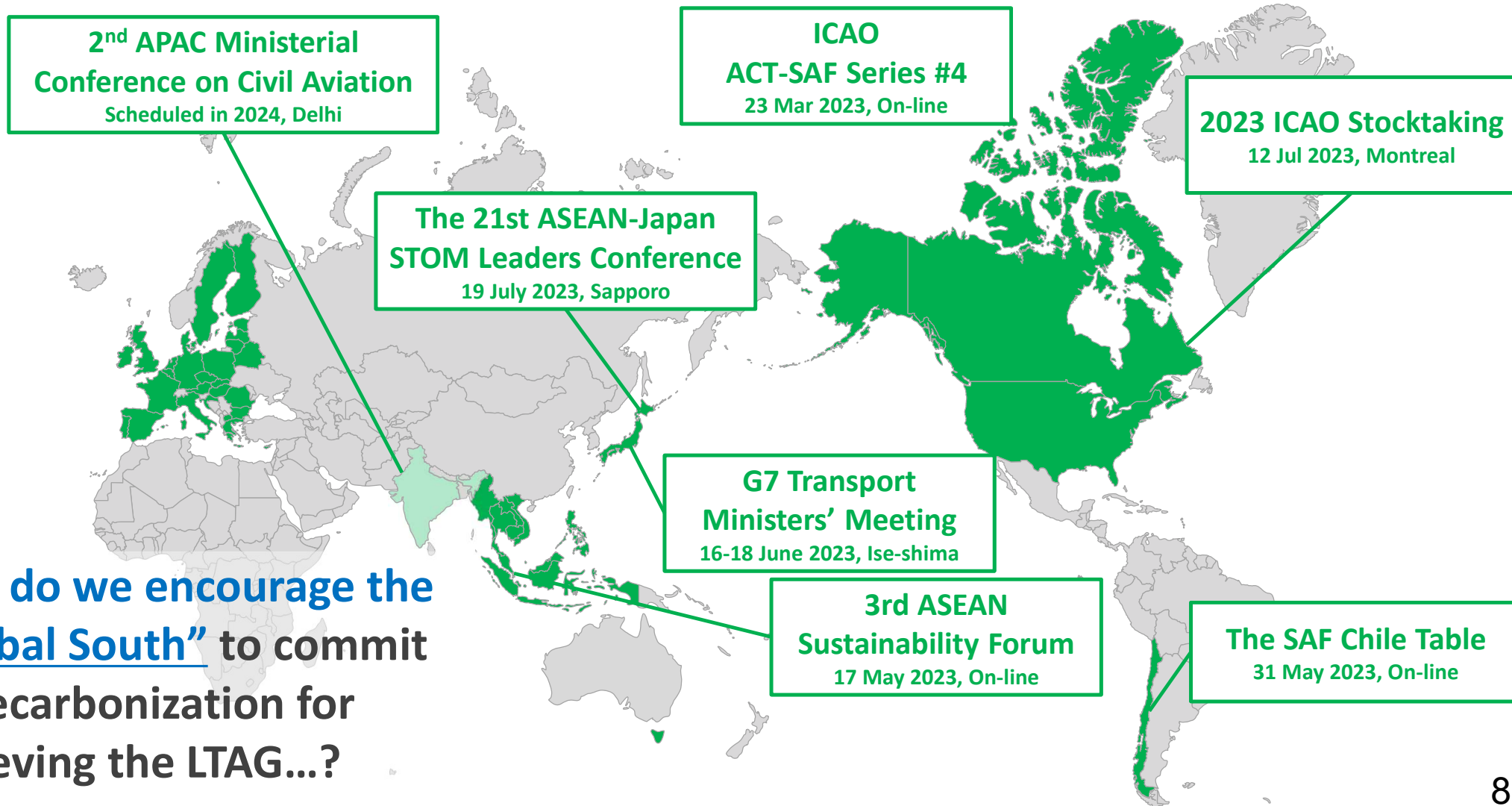


Sumitomo



- Many Japanese Trading companies invest in SAF related business in the U.S.

JCAB's global initiatives



How do we encourage the “Global South” to commit to decarbonization for achieving the LTAG...?

Concept

- **F**acilitate and promote the decarbonisation of air transport to support the LTAG
- **M**utually recognise a common robust framework for green practices, including SAF use, between two or more countries
- **E**ncourage the uplift of SAF where feasible

Possible framework

 **Airline**

- ✓ SAF
- ✓ Fuel Efficiency Aircraft
- ✓ Efficient Aircraft Operation
- ✓ Carbon Credit

 **Air Traffic Management**

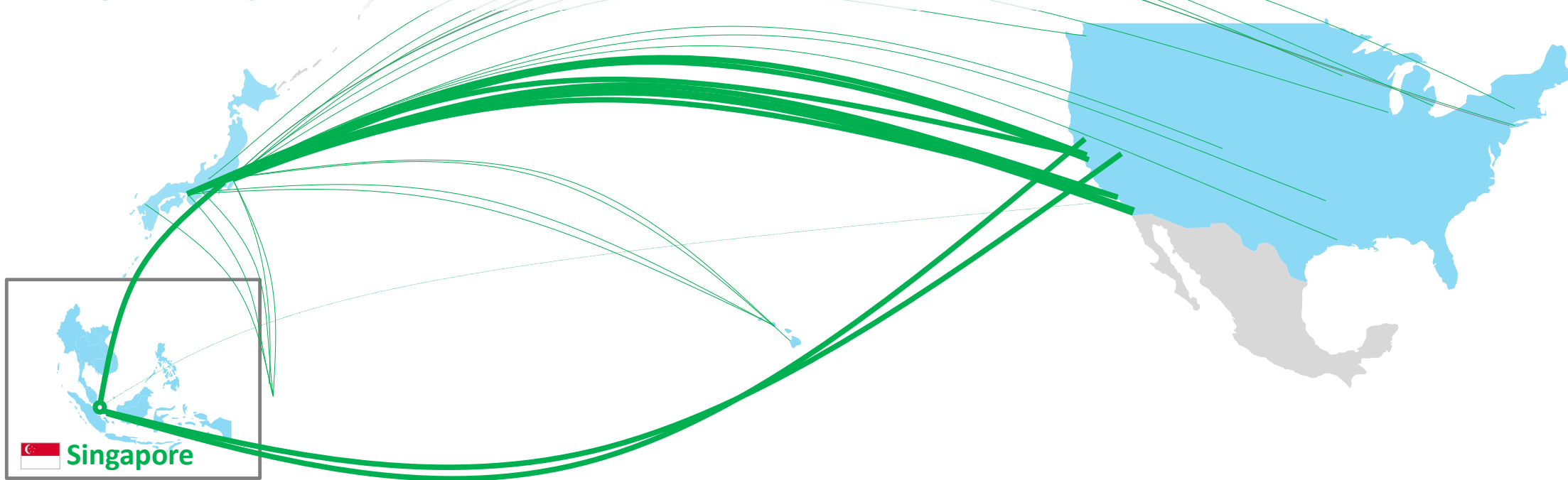
- ✓ Efficient Air Traffic Management
(Across different phases)

 **Airport**

- ✓ ACI Airport Carbon Accreditation
- ✓ Ground Service
- ✓ In-terminal passenger experience

Making Greener routes

We will commit to “Decarbonization” by strengthening and **greening** in the Indo-Pacific



Japan believes that it is useful to take the initiative in policy coordination for the expansion of SAF bilaterally or multilaterally within the region, as well as among like-minded states

Thank you !