

Working Together to Create a Canadian Supply of Sustainable Aviation Fuel.

Ready to take off?

Dear Prime Minister and Premiers,

As key players of Canada's aviation and aerospace industry, we share the Government of Canada's goals to decarbonize our activities as much as others, and enthusiastically support *Canada's Aviation Climate Action Plan's* ("**Action Plan**") ambitious goal of net-zero by 2050. As clearly noted in the Action Plan, these targets cannot be achieved without Sustainable Aviation Fuel (SAF), and, as such, we are writing to reaffirm our commitment to working collaboratively with Governments to develop domestic supply of SAF.

On June 5, the Canadian Council for Sustainable Aviation Fuel (C-SAF) released Canada's first **SAF Roadmap** (www.c-saf.ca), which provides a clear path to the ambitious goal of a 10% SAF use by 2030 as set in the Action Plan. We support this roadmap and its recommendations and urge Federal and Provincial Governments in Canada to create a concrete action plan to establish a competitive investment climate and capture the economic value-add of made-in-Canada SAF.

Other countries have acknowledged the importance of SAF and are taking steps to develop their respective local markets. For example, the US Administration announced major incentives in the *Inflation Reduction Act of 2022* (IRA) which included a tax credit for SAF production and set an objective to reach 100% of projected domestic jet fuel requirements in US-made sustainable aviation fuel by 2050. At the state-level, Washington, California, Oregon, Illinois and others have introduced additional SAF-specific incentives. These measures are sending strong signals and are contributing to the creation of a SAF production industry in the US, risking funnelling Canadian feedstocks to the US.

Now is the time to scale up SAF production across Canada

The commitment to scale up the production of SAF was reiterated during the SAF Investment Summit on May 15th in Detroit, presented by the U.S. Transportation Secretary Pete Buttigieg, and co-hosted by the United Kingdom and Canada. This summit emphasized the need for cooperation among the public and private sectors globally to send a consistent market signal and ensure a healthy supply of SAF to meet the increasing demand from aviation stakeholders. Canada has long been a leader in sustainable aviation. However, in the absence of bold, deliberate policies, Canada is losing investment to other countries. Not only will this make Canada miss out on a new, but emerging net-zero industry that will also be prominent in the future, it will ultimately undermine the competitiveness of Canada's aviation and aerospace industry, one of the world's three global hubs, which supports 633,000 jobs across the country and contributes over \$60 Billion CAD to Canada's GDP¹. In addition, failure to act is already putting at risk the aviation industry's stated objective to be net-zero by 2050 and therefore making our country's overall decarbonization targets more difficult to achieve.

Government measures and policies are essential to a domestic SAF market

As such, we are looking to the Federal and Provincial Governments across the country to seize the opportunity to introduce concrete and comprehensive measures and policies that will support the development of local supply chains of SAF, prioritizing sustainable feedstocks, which will help preserve Canada's leadership and competitiveness in aviation and develop this innovative industry in Canada.

The Canadian aviation industry wants to work with all key stakeholders in building a decarbonized country. We are convinced that domestically produced SAF is the only path to achieving our collective goals. Now is the time to act to create an affordable, resilient, and innovative domestic SAF supply chain. Only this will preserve Canada's leading role in sustainable aviation.

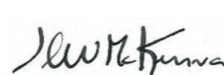
Yours sincerely,



Michael Rousseau
President and CEO
Air Canada



Stephen McCullough
Senior Vice President,
Engineering and Product Development
Bombardier



John McKenna
President and CEO
Air Transport Association Canada



Annick Guérard
President and CEO
Air Transat



Maria Della Posta
President and CEO
Pratt & Whitney Canada



Mike Mueller
President and CEO
Aerospace Industries Association of Canada



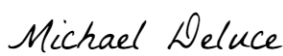
Alexis von Hoensbroech
CEO
WestJet



Philippe Rainville
President and CEO
Aéroports de Montréal



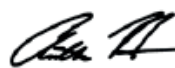
Monette Pasher
President
Canadian Airports Council



Michael Deluce
President and CEO
Porter Airlines Inc.



Bob Sartor
President and CEO
The Calgary Airport Authority



Anthony Norejko
President and CEO
Canadian Business Aviation Association



Stephen Jones
President and CEO
Flair Airlines



Deborah Flint
President and CEO
Greater Toronto Airports Authority



Geoffrey Tavette
Executive Director
Canadian Council for Sustainable Aviation Fuels



Benoît Schultz
CEO
Airbus Canada



Tamara Vrooman
President and CEO
Vancouver Airport Authority



Jeff Morrison
President and CEO
National Airlines Council of Canada