



SUSTAINABLE AVIATION

Greenhouse Gas Removals Advanced Market Signal



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Background

The UK aviation industry recognises that permanent Greenhouse Gas Removals (GGRs) must play a part in addressing aviation emissions. They act as one of many solutions, alongside Sustainable Aviation Fuel, airspace modernisation, next-generation aircraft, and zero-carbon hydrogen technology, to reach net zero by 2050.

The sector is expected to require an estimated 20–30 million tonnes of removals annually. Aviation is not alone in this; other hard-to-abate sectors also require significant volumes of GGRs. However, the global carbon market remains in transition, and further action is needed to realise the full opportunity of a thriving GGR industry.

Sustainable Aviation committed to exploring an Advanced Market Signal (AMS) as part of our [2023 Net-Zero Carbon Road-Map](#). The Road-Map outlined that the sector should move forward in lock-step with government policy, ensuring sufficient supply and demand signals to provide investor confidence.

The AMS is an initiative to purchase future dated, high integrity credits to assist industry's decarbonisation effort and supporting early market development.

In partnership with the Jet Zero Taskforce (JZTF), SA members have taken the opportunity to be part of this proof-of-concept signal that demonstrates our intent and commitment to GGRs and the potential to grow participation and scale in additional planned phases through the delivery of a series of government policy asks.



About Sustainable Aviation's Advanced Market Signal

Alongside designing the Advanced Market Signal, in order to address the barriers to voluntary action including regulatory uncertainty, cost and supply, and amplify the signal in subsequent phases, four policy asks of government have been developed, which complement the work of the Jet Zero Taskforce.

These asks will continue to be refined in the future and are subject to ongoing discussions with the JZTF and UK Government. The key elements are summarised below:

Advanced Market Signal

Standards and Principles

- Purchases must align with SA's GGR principles.
- These broadly align with DEFRA's 200-year durability threshold for UK ETS qualification.

Participation and scale

- Participation in the AMS required a minimum contribution of around £20k, however, in many cases participants have made a larger contribution.
- Purchases will be for future dated removals, historic purchases will not qualify as part of the AMS.
- Participants committed to the AMS at the end of 2025. A flexible approach will be applied to the timing of purchasing and supply of removals, facilitating participants' accounting requirements. First purchases will be made in 2026.

Procurement

- Participating members will purchase credits individually.
- All procured removals must align with Sustainable Aviation's Greenhouse Gas Removals Advanced Market Signals Principles and Technical Criteria in order to be counted as part of the AMS.

Policy asks

- Tax deductibility for GGRs purchased under AMS.
- Award ETS allowances equivalent to volume of GGRs purchased.
- Direct government procurement of GGRs, equivalent to same volume of AMS.
- Work with government to ensure the right GGRs policy is in place to support decarbonisation.

In developing the AMS, Sustainable Aviation Members have considered:

Quality

Set clear expectations about GGRs quality by using existing quality initiatives such as the Integrity Council for the Voluntary Carbon Market's (ICVCM) Core Carbon Principals (CCPs). The AMS signals the minimum guardrails buyers expect; independent Monitoring, Reporting and Verification (MRV), public registries, additionality and durable (a minimum of 100 years with an aspiration to move towards 200+ years).

Learning

Provide a controlled environment for learning. Industry and government can discuss in a transparent way, how measures such as tax treatment, ETS allowance issuance or links to the SAF mandate and CORSIA, as well as other instruments might work in practice, without prejudging future compliance rules. Individual organisations can also learn more about approaches to contracting and procurement.

Potential to scale

This will improve the early investment in high integrity UK removals, by giving developers greater confidence in future removal demand.

Synergies

The signal reinforces that removals are an important part of the UK aviation decarbonisation pathway and where appropriate, for decarbonising inputs such as SAF and hydrogen production.

Participants, scale and timing

This initial phase of the AMS will be relatively modest and timebound to help inform industry and the Government, with the results consider for further use or appropriate scaling over time.

The AMS provides flexibility for participants to source their own GGRs, or to do so through intermediaries as long as the GGRs acquired meet the AMS principles and technical criteria. AMS participants are putting in place their own bilateral contracts with their chosen supplier(s) and manage the process internally with SA providing updates on the AMS periodically.

A total of seven SA Members have decided to participate in the AMS with the organisations representing a broad cross-section of the industry.

The total expected value of the AMS is currently in excess of £2 million.

AIRBUS

BRITISH AIRWAYS 

 **LONDON
GATWICK**

Heathrow


London Luton Airport

 **MAG**

NATS

It is intended that purchases of GGR credits by AMS participants will cover a period extending out to minimum of three years into the future. There will be the opportunity for expansion of the AMS in the future, both in terms of participants scaling their contribution and increasing the number of participants.



About Sustainable Aviation

Sustainable Aviation is the industry body championing aviation's decarbonisation efforts.

We're a coalition of UK airlines, airports, aerospace manufacturers, fuel producers and partners all committed to delivering carbon net zero aviation by 2050, and to minimising the impact of aviation noise.

We have a long term strategy which sets out the collective approach of UK aviation to tackling the challenge of ensuring a cleaner, quieter, smarter future for our industry.

We are focused on finding collaborative ways of improving our environmental performance and creating a balanced debate to ensure sustainable growth of our industry, which is crucial to the health of the UK's economy.

For more information visit www.sustainableaviation.co.uk



SUSTAINABLE AVIATION

CLEANER | QUIETER | SMARTER