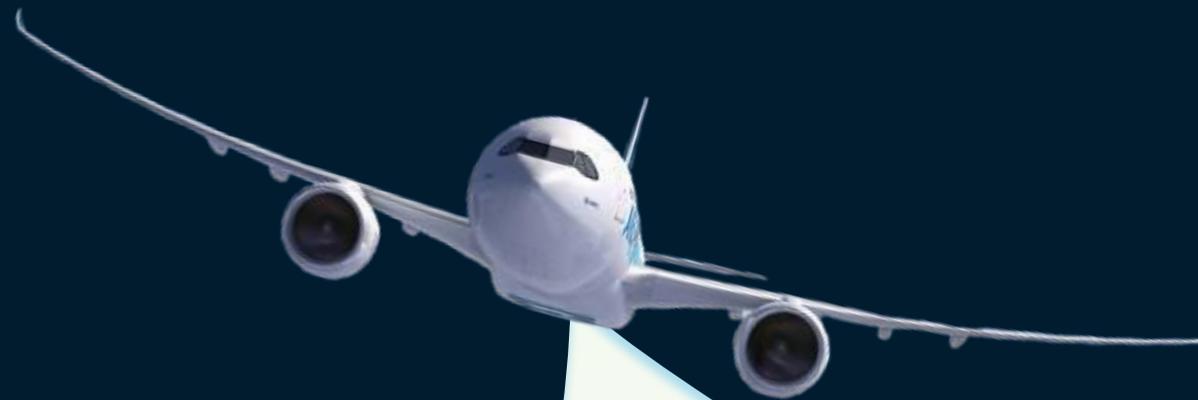




Project  
SkyPower



# Accelerating the take-off for e-SAF in Europe

Offtake working group

June 2<sup>nd</sup>, 2025

Confidential

## DELIVERY PARTNERS

SYSTEMIQ



## SUPPORTED BY



# Objectives for today

Identify  
key opportunities  
towards signing  
long-term offtake

Assess interest  
to be involved  
in implementation of  
key opportunities



# Principles of engagement in Project SkyPower

Antitrust compliance: The guidelines below on competition and antitrust laws have been developed to ensure exchanges on opinions, experiences and deliberations do not interfere with the competitive relations of companies. Project SkyPower participants shall ensure they have read and agree to the anti-trust caution and ensure strict compliance with any applicable anti-trust guidelines.

## Do



- Discuss macroeconomic issues and how they impact the global and regional economy (e.g. regulations, barriers to eSAF adoption at a macro level, etc.)
- Discuss common problems and challenges of a general, administrative or logistical nature, as long as you do not discuss confidential or sensitive company information and the purpose of the discussion is not to encourage uniform action or the elimination or restriction of competition, for example in relation to prices, capacity, inputs or outputs
- Share your opinion and experience, as long as this does not result in confidential or sensitive business information being shared
- Insist that the agenda topics of meetings involving competitors are known to you in advance, screened for competition compliance by counsel, and deviated from
- Immediately terminate a discussion or leave a meeting if you consider there is a risk of violating any of the prohibitions set out to the right
- Seek independent legal advice if you are at any time unsure of how to apply these rules

## Do not



- Disclose, exchange or discuss any information concerning, or make recommendations or reach agreements regarding, any competitively sensitive topics including:
- Whether your company will or will not participate in e-SAF auctions; or bid terms
  - Current or future purchasing or selling prices, price trends, price changes and their implementation, or elements of price (e.g. discounts, rebates or margins)
  - Specific costs
  - Terms and conditions of purchase or sale, choice of suppliers and supplier categories, or specific commercial partners or relationships
  - Current or future levels of production or output
  - Confidential technological developments or changes that could have a competitive impact
  - Marketing or business strategy
  - Division or allocation of geographies or customer groups, sales volumes or market shares
  - Limitations on business methods or practices including those based on ethical or “fair” business practices
  - Exclusion or refusal to deal with specific producers or offtakers or technologies

Through engagement in Project SkyPower, all Steerco and alliance participants shall comply with the Principles of Engagement and agree to the following anti-trust caution: *“Project SkyPower shall not enter into any discussion, activity or conduct that may infringe, on an individual participant’s part or on the part of its wider participants, any applicable competition law. Specifically, participants shall not discuss, communicate or exchange any competitively sensitive information of any kind, make recommendations concerning, or reach any agreement to restrict competition in any way, whether as to price, commercial terms, supply/output, innovation, business strategy, quality, geographies, customers or otherwise.”*

# The offtake WG meeting at SAF Congress highlighted persistent first-mover risks limiting long-term offtake

## Participants



## Key take-aways

- Offtakers are willing to be a leader, but not *the* leader – there is reluctance to act as the sole offtaker given the uncertainty on the price evolution and the regulatory landscape
- There is a business case for signing long-term offtake agreements – especially when considering potential cost pass-through of the penalties onto the e-SAF or kerosene prices
- However, the first mover risks remain a significant barrier – which must be significantly reduced to sign long-term offtake contract

## Next steps

1) Identify most likely impactful solution(s)

Assess possible solutions to address the first mover risk when signing long-term offtake contracts

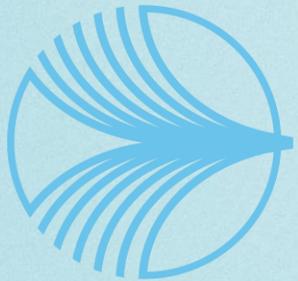
2) Discuss steps to implementing impactful solution(s)

Understand stakeholder appetite to participate and practical requirements for making solutions a reality – such as joint offtake procurements

# Agenda

Time (CEST)	Topic	Speaker
13:00 – 13:15	Welcome - round of introductions and short recap on project SkyPower (incl. reminder note on competition law compliance)	Trishla Shah (Systemiq)
13:15 – 13:45	<b>Presentation and discussion:</b> Possible solutions for long-term offtake	Emilie Wesseling (Systemiq), moderated by Asmara Klein (Zaffra) and supported by Jurriaan de Jonge (KLM)
13:45 – 14:20	<b>Presentation and discussion:</b> Joint volume commitments and joint procurement	Emilie Wesseling (Systemiq), moderated by Jurriaan de Jonge (KLM) and supported by Asmara Klein (Zaffra)
14:20 – 14:30	Next steps & closing	Trishla Shah (Systemiq)





# Project SkyPower

## Our vision

Making e-SAF a commercial reality this decade

## Our mission

Paving the way for the first large-scale<sup>1</sup>  
e-SAF plants in Europe to reach  
Final Investment Decision by end of 2025

# Recap

## Project SkyPower has 75+ cross-sector participants

### Steering Committee


### Industry

							... and more	

### Industry associations


### NGO's






# Establishing bankable offtake contracts is one of the focus areas of Project SkyPower

Focus	Action points
POLICY	1 Ensure policy certainty on mandates and penalties
	2 Secure e-SAF incentives and public funding commitments
OFFTAKE	3 Establish bankable offtake contracts
FINANCE	4 Establish low-interest loans and guarantees
	5 Develop effective risk sharing models



# Revenue certainty is a key barrier towards bankability— which could be addressed by 10+ yr offtake contracts

## Key barriers hindering for bankability

*Non-exhaustive*

 Risk

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 Mitigation strategy

**REVENUE** 

Secure ~75–90% of offtake volumes via 10+ year contracts

For example:  
DSCR<sup>1</sup> range between ~1.1–1.5X

Focus of this analysis

**FEEDSTOCK** 

Develop effective risk sharing models such as a backstop mechanism

10

Finance workstream

**TECHNOLOGY** 

Develop effective risk sharing models such as sovereign backed de-risking instrument

**REGULATORY** 

Ensure policy certainty on mandates and penalties

Secure e-SAF incentives and public funding commitments

Policy workstream



# **BREAKING NEWS: First e-SAF FID taken in the US**



**Infinium takes FID on 100MW Texas e-fuels plant**

Infinium Announces Construction of Large-Scale eFuels Production Facility in Texas

**IAG continues to go big on e-SAF as it inks 10-year offtake agreement with Infinium**

Infinium Receives \$75M Equity Commitment from Breakthrough Energy Catalyst for Investment in Project Roadrunner

## PROJECT STATS:

- The facility, Infinium's Project Roadrunner in Texas, will make 23,000 t/yr of synthetic aviation fuels (e-SAF) and other e-fuels
- Production is due to start in 2027

## OFFTAKE:

- Infinium struck a 10-year offtake deal with IAG for delivery of 7,500 t/y of e-SAF to any of the group's airlines (Aer Lingus, BA, Iberia, Level and Vueling)
- American Airlines also have an offtake agreement with Infinium - volumes unknown.

## INVESTMENT:

- Brookfield asset management invested \$200mn
- Breakthrough Energy Catalyst invested a further \$75mn
- No further info on equity or debt providers but estimated CAPEX of ~\$2bn

Recap: Offtakers are hesitant to sign 10+ year contracts due to the risk of paying an above market-price alone



*The greatest risk lies in the price. In the worst-case scenario, we are the only market player paying more than the market price.*

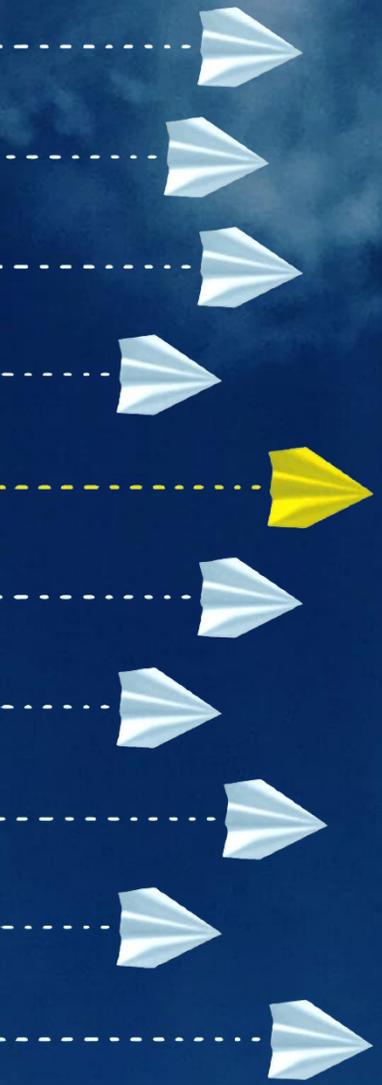
*European offtaker*



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# 1

Possible solutions for signing  
long-term offtake contracts

# There are several derisking activities to address the risks and uncertainties when signing long-term offtake

## Possible derisking solutions

Mandates stay unchanged during 2027 review of RefuelEU  
 Government-backed guarantees for mandate change  
 Local Contracts for Difference (CfD)

### LONG-TERM BETS

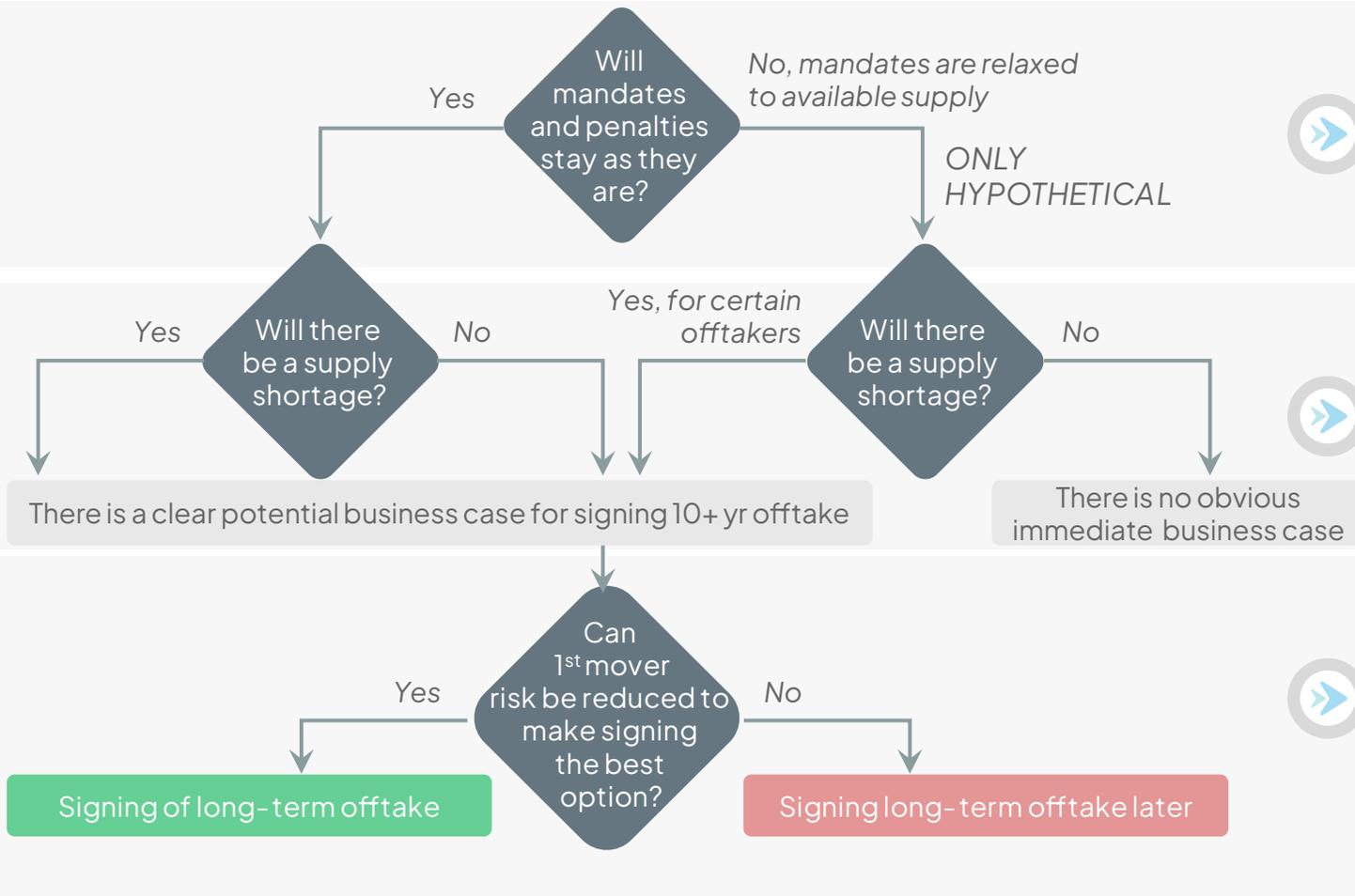
Transparency / certainty on the model business case:

- Hypothetical cost model options
- Ticket price impact (affordability)
- Potential e-SAF cost reductions
- Penalty cost exposure

### EASY SMALL WINS

- Potential options for offtakers to derisk through competition law compliant aggregation: e.g.,
  - Minimum procurement commitments by offtakers, possibly a floor price
  - Joint purchasing (contractual, third party-party, or new entity /negotiating reps.)
  - Intermediary (public or private)

### STRATEGIC ACTIONS



# Minimum commitments and private intermediary provide pragmatic solutions to reduce first mover risks Yes Partly yes

	Reduce competitive price risk	Reduce temporal price-risk <sup>2</sup>	Preserve offtaker contracting control <sup>3</sup>	Possibility to be approved by EC	Limited alignment complexity <sup>4</sup>
<b>Minimum procurement commitments by offtakers</b> Committing jointly on minimum offtake, possibly with price floor <sup>1</sup> Example: partly SABA 	(mod) 		(mod) 	(mod) 	(mod) 
<b>Joint purchasing (contractual, third-party, or new entity/representative)</b> Aligning on key contractual terms and buying e-SAF together 			(mod) 		
<b>Private market intermediary</b> A privately funded Intermediary signing directly with offtakers and producers Example: ATOBA 	(mod) 	(mod) 		(mod) 	n/a
<b>Public market intermediary</b> A publicly funded Intermediary signing directly with offtakers and producers Example: H <sub>2</sub> Global 					n/a

*Addressed in the policy workstream*

Notes: 1. If necessary, to provide revenue certainty to producers; 2. Addresses the long-term and short-term price risk; 2. Retaining the ownership of the contract with the offtaker; 4. Limited alignment needed on key contract terms before signing.

# Moderators Possible solutions for signing long-term offtake contracts



Asmara Klein

Head of External Relationships at Zaffra



Jurriaan de Jongh

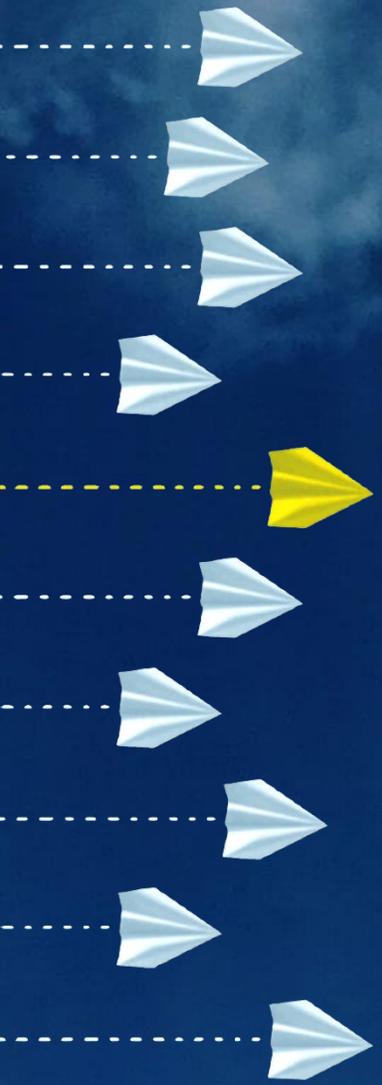
VP Fuel at KLM



# For discussion



What additional mechanisms could effectively accelerate and de-risk the signing of long-term offtake contracts?



# 2

Joint offtake commitments

# Agenda

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# Project SkyPower could submit a proposal to the EC for (e.g.) minimal volume commitments or joint procurement on min. terms

Hypothetical example for illustration only

 Illustrative choices to be aligned on

<h2>“What”</h2> <p>Committing with a group of offtakers to buy a min volume of e-SAF from European producers, possibly for a minimum price<sup>1</sup></p>	Volume commitments		Example transaction terms		Financing terms		
	Minimum offtake volume	10 kt — <b>30</b> — 100kt	Transaction term	<b>10 years</b>		Minimum IRR	10% — <b>XX</b> — 20%
	Volume flexibility	<b>No</b>   Yes	Minimum payment term	<b>5 days</b>		Minimum DSCR	1.1 — <b>XX</b> — 1.4
	Drawing rights for SOAK	No   <b>Yes</b>	Pricing model	<b>Cost plus with min floor of €XXXX/t e-SAF</b>		Review clauses	<b>Based on future costs reduction from the plant</b>
		Transport costs included	No	<b>Yes</b>			



Notes: 1. The offtake can be individually or jointly over a certain period and to provide producers with revenue certainty; 2. For informal law competition law guidance under Horizontal guidelines

# For discussion



Would you be interested in supporting a joint offtake commitment at a minimum price<sup>1</sup>?



For producers: would you be able to propose a credible minimum price that will ensure bankability<sup>1</sup>?



For offtakers: would a joint offtake commitment sufficiently mitigate first mover risk to enable long-term contract signing<sup>1</sup>?

## REMINDER:

No actual commercials or competitively sensitive details to be part of this discussion!

Do not mention, suggest, or discuss any specific prices or other terms or agree to the same – this is just to gauge agreement in principle in participation

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# What is next?

## Next steps for Secretariat



- 1 Assemble group of interested parties to participate
- 2 Conduct initial competition law assessment with external counsel based on interested participants
- 3 Draft initial summary proposal to EC and intro presentation

## Next steps for Working Group



- 1 Reach out if you like to support and potentially participate in one of prioritised offtake solutions
- 2 Support on draft proposal for EC

Note: All confidential and potentially sensitive data to be handled in strict confidence by Secretariat, in full compliance with the competition laws

