

# State of play and SAF pricing

ISCC Technical Stakeholder meeting  
2 September 2025

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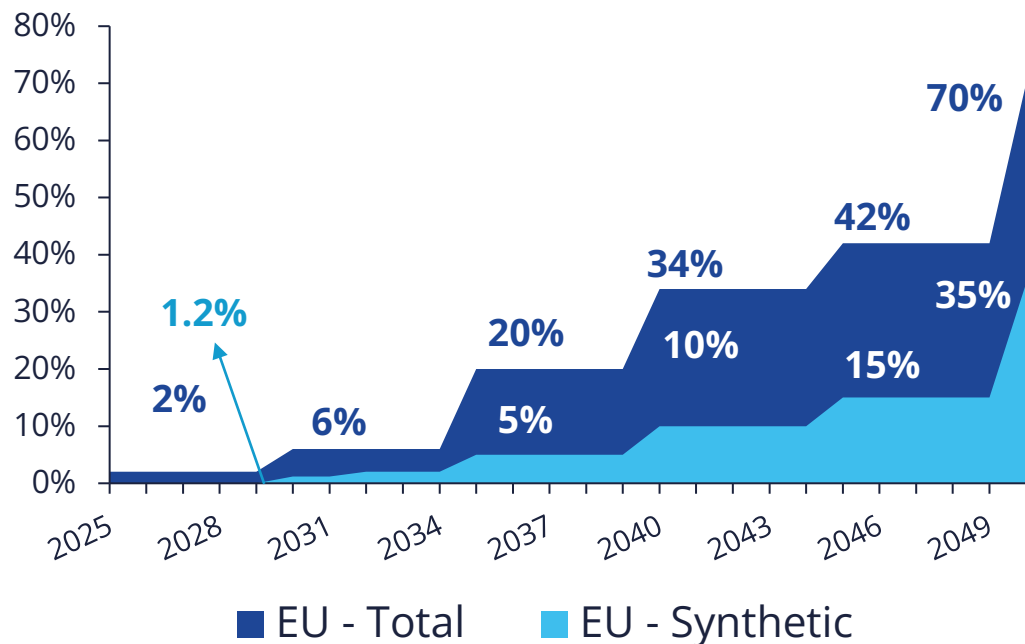
# Mandates and incentives shaping global SAF trade flows

2025 SAF balances

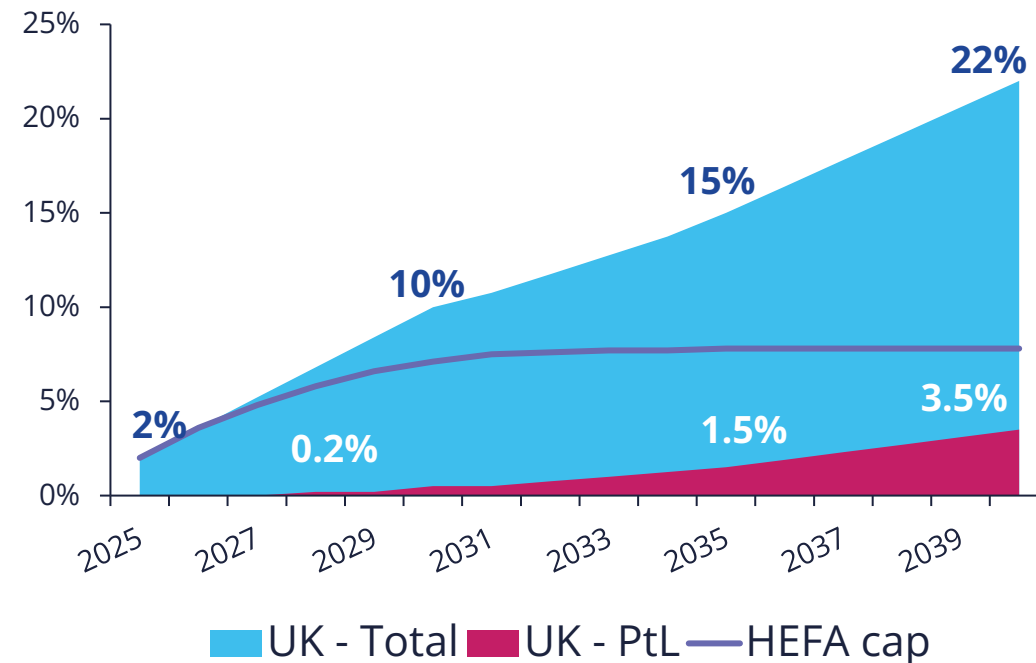


# |EU and UK mandates main demand drivers >1.5mn t SAF in 2025

## EU SAF mandate



## UK SAF mandate



- Mandates set out penalties/buy-outs in case of non-compliance
- **EU ETS:** 20mn EU ETS set aside to cover a portion of the SAF premium

# National initiatives shaping up in Asia-Pacific

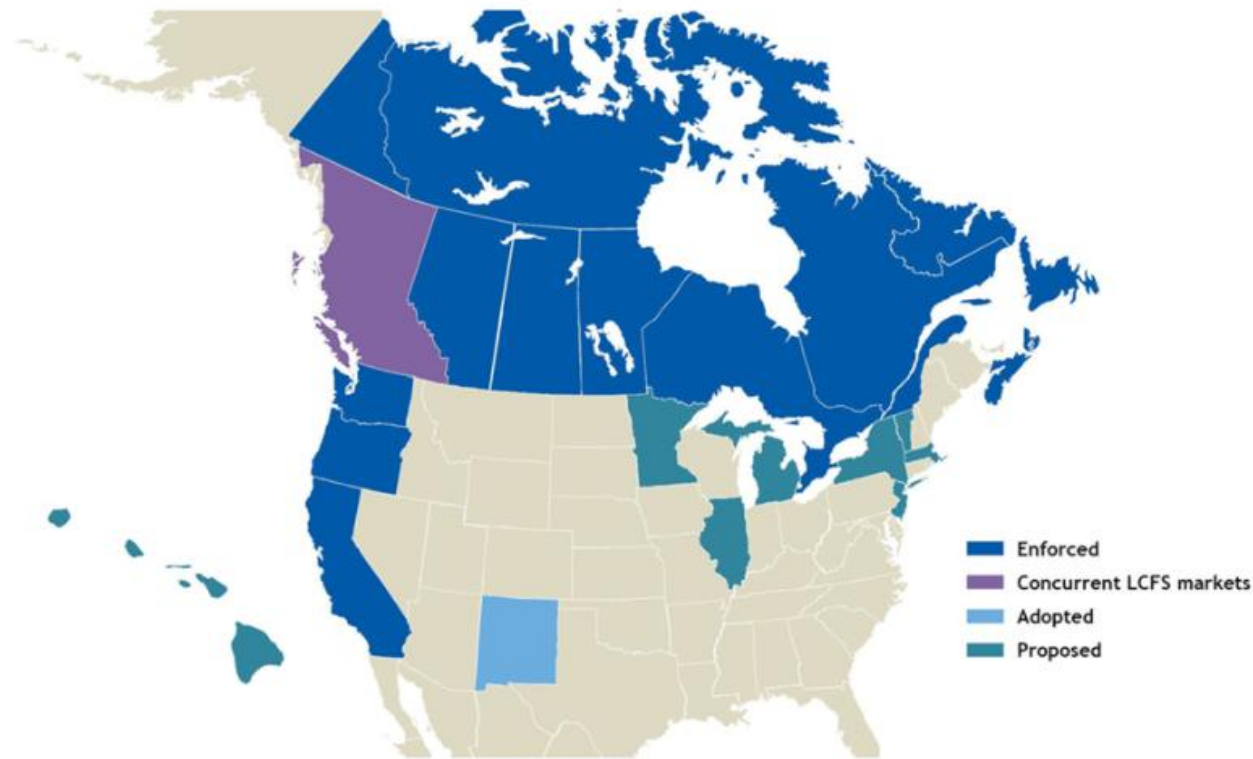
Asia Pacific – Proposed, Announced, Discussed SAF Policy (percentage volume SAF)												
Country	Status	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Thailand	Proposed	-	1.0	1.0	1.0	1.0	3.0	3.0	3.0	5.0	5.0	5.0
Japan	Proposed*	-	-	-	-	-	5.0*	5.0	5.0	5.0	5.0	5.0
Singapore	Confirmed	-	1.0	1.0	1.0	1.0	5.0	5.0	5.0	5.0	5.0	5.0
Indonesia	Enacted/ Proposed	-	-	1.0	1.0	1.0	2.5	2.5	2.5	2.5	2.5	2.5
Malaysia	Discussed^	-	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
China	Enacted/ Discussed	50kt	1.0 in selected airports									
South Korea	Confirmed	-	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Australia	Discussed	-	-	-	-	-	-	-	-	-	-	-
India	Proposed#	-	-	1.0	2.0	2.0	5.0	5.0	5.0	5.0	5.0	5.0

^ Malaysia's discussed target of 1pc currently has no start-year. Assumed to be 2027

\*Japan proposed 5pc reduction in GHG intensity of aviation fuel in 2030

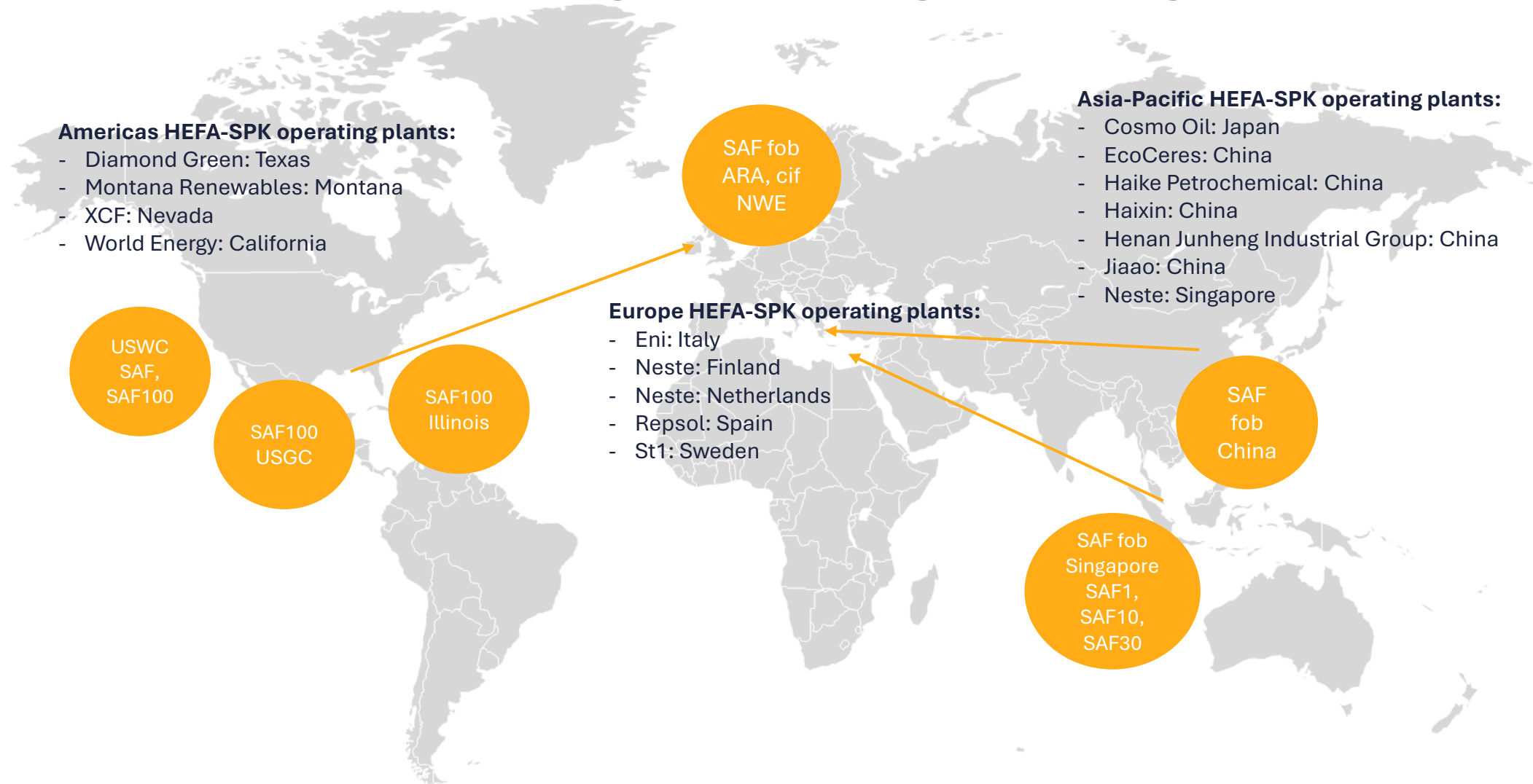
# international aviation fuel only

# LCFS programs, EPA blend mandates and 45Z incentivise US SAF supply



- Various federal and state incentives supporting SAF production in the US
- Some state-level credits are aimed at boosting SAF uplift, subsidising airlines

# Global HEFA-SPK pricing – tracking evolving market flows



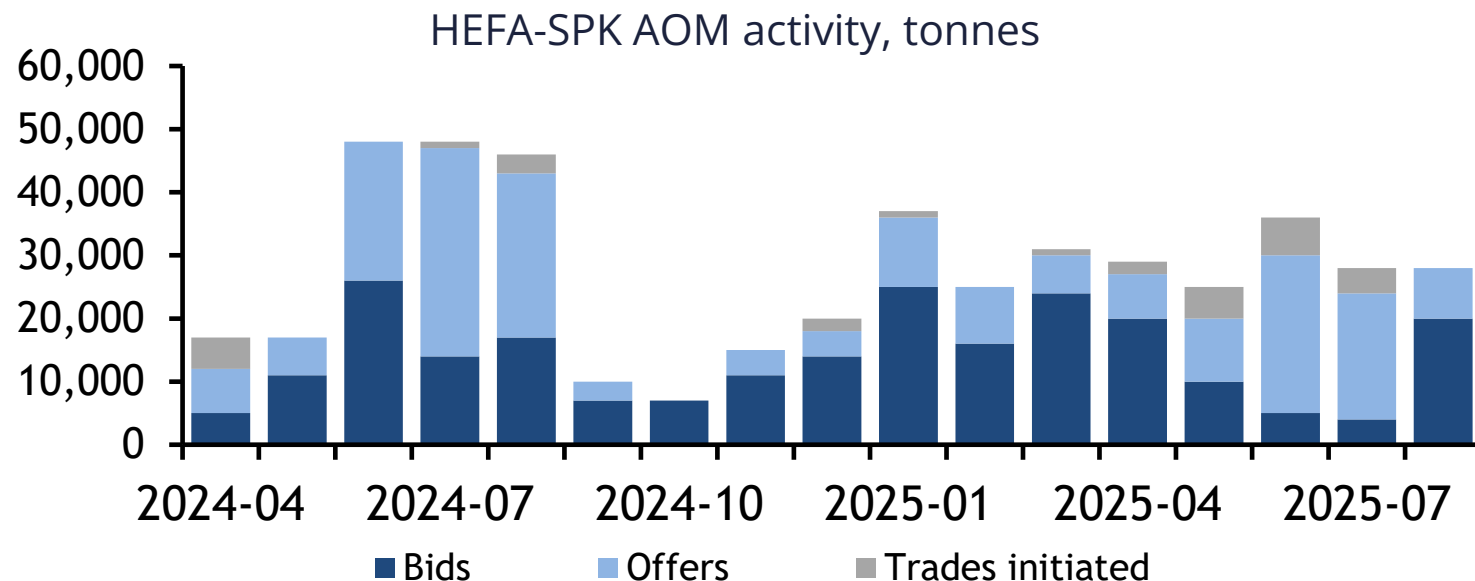
# Pricing the “vanilla” trade for “neat SAF” at the point of highest liquidity

- **HEFA-SPK meeting ASTM D7566 specifications**
- Currency/unit:
  - diff. to ICE Gasoil in USD/m<sup>3</sup> and in USD/t (Gasoil escalated for HEFA density 0.76kg/l)
  - Outright in USD/t and USD /m<sup>3</sup>
- Timing: Loading 7-28 days forward
- Location: Fob ARA range
- Size: 1,000t
- Certification: RED-compliant
- Feedstock: RED-compliant UCO
- GHG savings: min. 80pc
- Dutch double counting
- C14 test

**ICE Gasoil + Bio-premium = Argus HEFA-SPK Fob ARA range (Argus SAF index)**

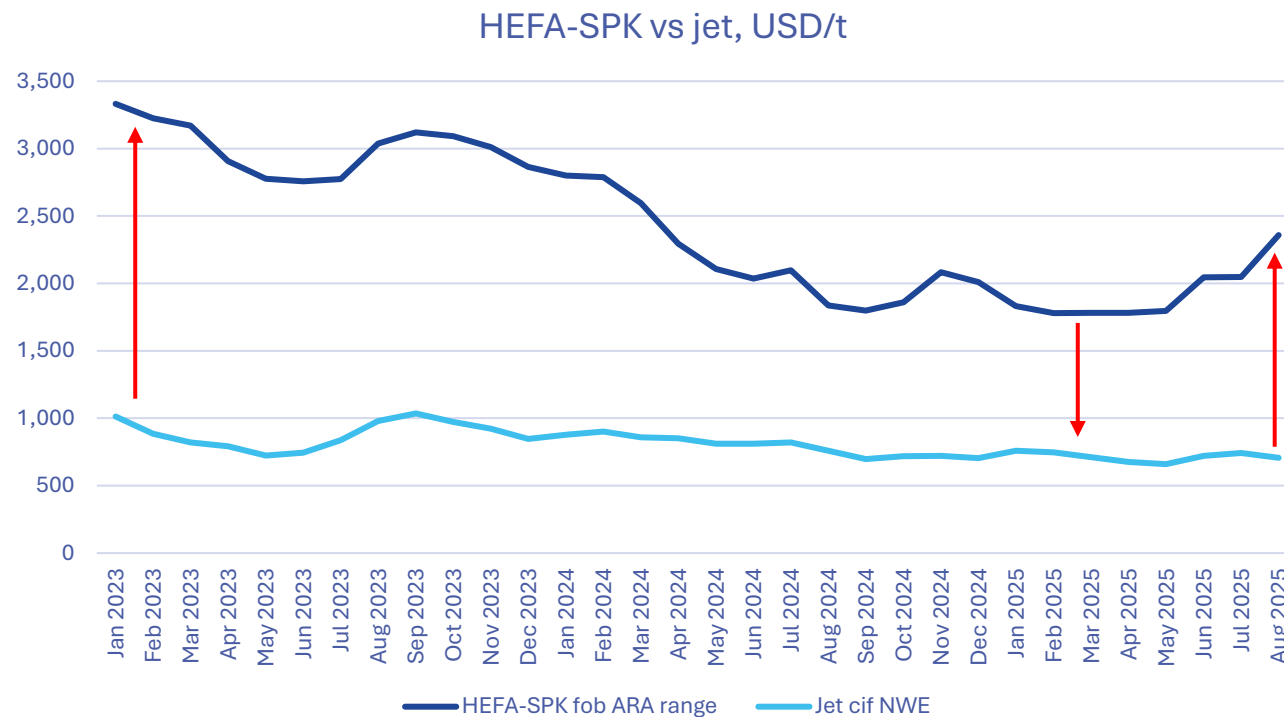


# Robust liquidity underpinning Argus HEFA-SPK pricing



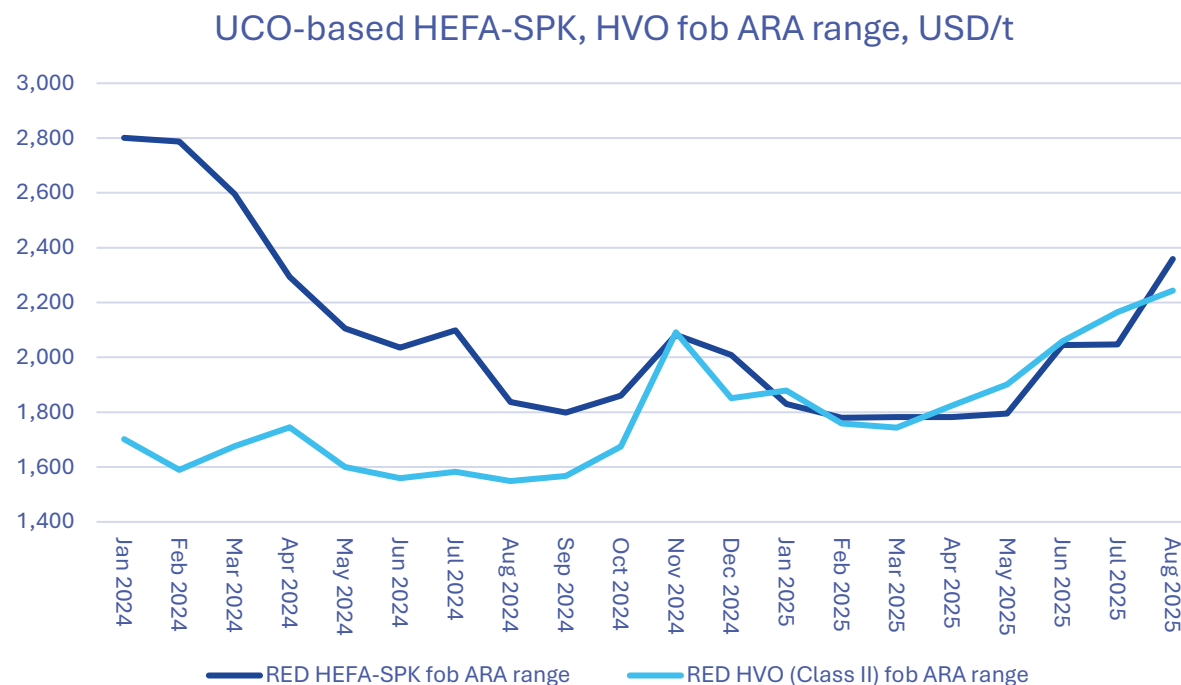
- Traditional market survey complemented with launch in 2016 of AOM price discovery platform. **>2.6mn t** traded in 2024 across all biofuels
- **30,000t HEFA trade initiated**, >430,000t worth of bids and offers since April 2024
- **SAF futures contract** settling on the Argus HEFA-SPK FOB ARA barge price launched by ICE in December 2024, **already traded** (~25,000t April & 3Q)

# HEFA-SPK SAF price disconnected from fossil jet



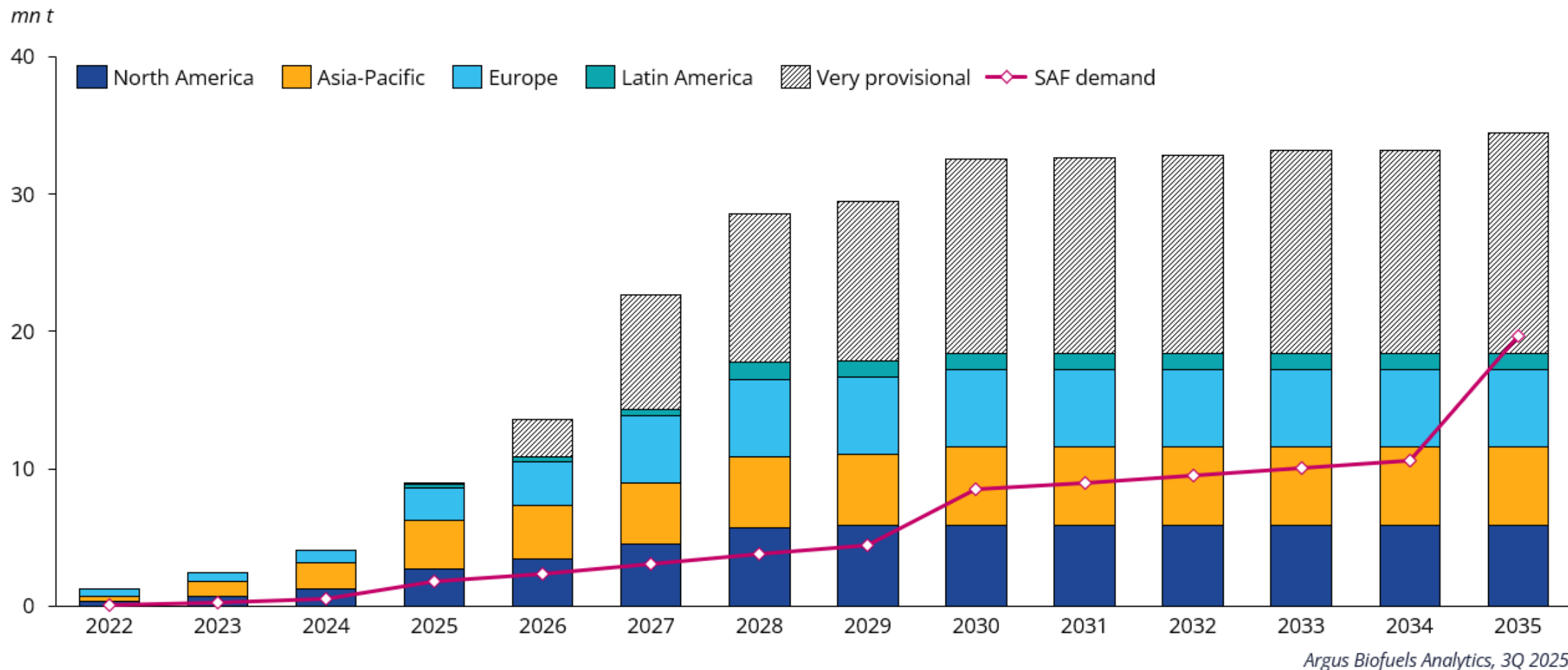
- HEFA SAF and fossil jet have different supply & demand fundamentals
- Fixed premium to Jet not reflective of HEFA SAF & biofuels market dynamics

# Slow start of 2025, but recent price hike on tightening supply

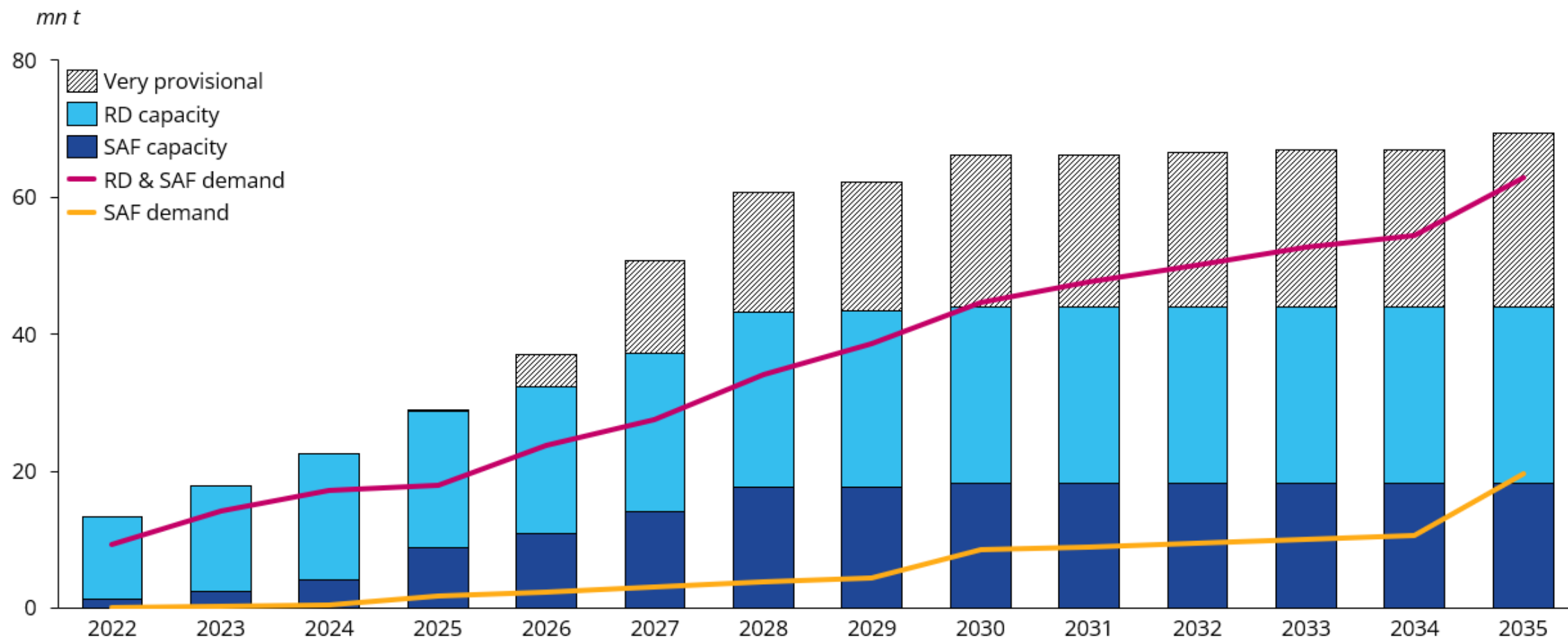


- Slow start of the year for SAF, but recent price uptick due to tightening supply
- Several producers maximised HVO yield earlier in the year due to the product's premium over HEFA-SPK

# SAF supply could tighten after 2034 with current targets



# But more balanced outlook when both HVO and SAF accounted for



Argus Biofuels Analytics, 3Q 2025

# Questions?