



Rt. Hon Mark Harper, Rt. Hon Anthony Browne
Great Minster House
33 Horseferry Road
London
SW1P 4DR



15th December 2023

Dear Secretary of State, Dear Minister of State,

Public Letter: The proposed sustainable aviation fuel (SAF) revenue certainty mechanism should not be funded by the taxpayer.

Your department recently published its delivery plan for designing and implementing a revenue certainty mechanism for SAF and stated that the intention was that the mechanism be industry-funded. It is essential that the Government follows through with this intention. Crucially, this should mean that the Treasury, and by extension the taxpayer, is not involved at all.

According to your department's annual [National Travel Survey](#), in 15 out of the last 17 years, the majority of British people did not fly. Of those that did, most flew abroad only once each year. It would therefore be grossly unfair for the taxpayer to cover the funding costs of the future revenue certainty scheme, as the majority of the population travels by plane rarely, or never. This is especially true in a cost-of-living crisis. The costs of the scheme could impose an unacceptable burden on hard-pressed British families, [something that the Prime Minister recently specifically ruled out](#). We welcome the stated intention that this is industry-funded but are aware that this could be interpreted in different ways. We therefore propose the following:

- "Industry-funded" should mean that the costs of any revenue support mechanism should be paid for solely by the aviation sector.
- No existing or future taxes on the sector that currently / would flow to the Treasury, such as Air Passenger Duty or emissions trading scheme revenues, should be earmarked to fund the scheme.

- At no point should there be any potential for Treasury money to be used to cover any scheme costs; the scheme should be administered by a body that is not the Treasury, similar to how the Low Carbon Contracts Company operates regarding renewable energy generation.

We would be happy to meet with you to discuss these concerns further.

Yours sincerely,

Alex Chapman, Senior Economist, New Economics Foundation

Cait Hewitt, Policy Director, AEF

Carly Hicks, Chief Strategy and Impact Officer & Legal Manager, Opportunity Green

Doug Parr, Chief Scientist and Policy Director, Greenpeace

Dr Mary-Ann Stephenson, Director, Women's Budget Group

Leo Murray, Director of Innovation, Possible

Matt Finch, UK Policy Manager, Transport & Environment

Roz Bulleid, Research Director, Green Alliance

Sara Hall, Deputy Director, Tax Justice UK

Silviya Barrett, Director of Policy and Research, Campaign for Better Transport