



Committee for the Economy

OFFICIAL REPORT (Hansard)

Sustainable Aviation Fuel Bill: Department
for the Economy

24 September 2025

NORTHERN IRELAND ASSEMBLY

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Members present for all or part of the proceedings:

Mr Phillip Brett (Chairperson)
Mr Gary Middleton (Deputy Chairperson)
Ms Diana Armstrong
Mr Jonathan Buckley
Mr David Honeyford
Ms Sinéad McLaughlin
Ms Emma Sheerin

Witnesses:

Mr Ian Maxwell	Department for the Economy
Mr Stuart Maxwell	Department for the Economy

The Chairperson (Mr Brett): The Committee will now hear from Ian Maxwell and Stuart Maxwell, who are well known to the Committee. I will hand over to you for a quick introduction.

Mr Ian Maxwell (Department for the Economy): I am head of the Department's aviation sector. If you like, I can just lay out a little bit about the Bill in my opening remarks.

The Sustainable Aviation Fuel Bill is part of the Government's strategy to decarbonise aviation — that is very much what we are involved with — and stimulate clean energy investment. Sustainable aviation fuel (SAF) is a cleaner alternative to traditional jet fuel and is key to reducing carbon emissions from air travel. It complements the UK's SAF mandate, which requires 2% SAF blending by this year, 10% by 2030, and 22% by 2040.

The Government are keen to establish SAF as a leading industry to boost investment, and, obviously, we want to make sure that we get our share of that investment. The Government support the development of homegrown SAF production facilities using waste biomass and renewable energy. The funding mechanism, which is the key element of the Bill, is designed to unlock private investment and scale up production. The UK Government stated:

"Developing, using and producing SAF will help drive our missions to kickstart economic growth and make Britain a clean energy superpower... sustainable aviation fuel production is estimated to add over £1.8 billion to the economy and over 10,000 jobs across the country while supporting decarbonisation".

The Bill reflects the Government's opinion that funding should be through a variable levy rather than through the general taxpayer. It introduces an agreed price, and the Government pay the difference. If

it sells above that price, the producer refunds the funds. It also has a devolved element to it. The scheme will be funded by levies on aviation fuel suppliers, not general taxation.

Another key element of the Bill is that it establishes a government-owned company that will be designated by the Secretary of State for Transport. The company will be responsible for entering into revenue contracts with SAF producers.

The legislation is very much an enabler, and regulations will follow. We have talked with some in the industry, and they are interested in the next stages. Legislation will follow, and we will work closely with DfT to make sure that we are keeping abreast of this. The company that the Government will create will levy costs on different payments under the mechanism and the costs of administering the schemes, which include resources on penalties and appeals. Therefore, there are no public expenditure implications for our Department.

We support the legislative consent motion (LCM) because it has the potential to attract greater investment and ensure that we are on a level playing field with the rest of GB.

Stuart and I are closely involved with the other air travel decarbonisation initiatives, so this will be an important support. We talked to our colleagues in Invest NI, who are obviously keen to encourage economic investment; to DAERA about the environmental aspects; and to the Department of Justice because, if any penalties were to come out of this to the suppliers, those would go through the County Court system.

It is good news that Catagen and Renovare Fuels are a couple of companies that are already involved in this in Northern Ireland. We had discussions with Catagen, and it is very supportive of this legislation. Obviously, it is interested in the next stages.

The Chairperson (Mr Brett): Thank you very much for that, Ian. I am pleased to hear that the Minister supports the granting of an LCM. I think that the Committee welcomes as much private investment in Northern Ireland as possible, particularly if that is going to contribute to our shared goal of decarbonisation. That is very welcome, and there will be no expenditure from the Department on it. From my perspective, I think that it is all positive. I am happy to open it up to colleagues for questions.

Mr Honeyford: For me, it is all positive. What are the opportunities for local businesses?

Mr I Maxwell: The two companies that I mentioned, Catagen and Renovare, are very much market leaders on this. Renovare is doing very exciting work for the north-west, and Catagen is based in the Titanic Quarter. There is also the spin-off for education. Queen's University, for example, is leading the research on this. Our agri-food sector can benefit in that the waste that it produces can go to the production of fuel. There is also a sustainable, circular-economy element because over 18% of our waste goes to landfill sites, and that can be used for this product. There are a lot of positives, not only for the aviation sector but for the agri-food sector.

Mr Stuart Maxwell (Department for the Economy): Catagen, which Ian mentioned, was the first company on this island to provide SAF samples to the EU clearing house, and it has also recently signed a 15-year commercial offtake agreement with Ryanair for sustainable aviation fuel. There is definitely an industry here that wants to scale up.

Mr Honeyford: If there is anything that we can do, we will help your efforts.

The Chairperson (Mr Brett): Colleagues, thank you. That was easy. Thank you for your work on this. Sometimes, it cannot be easy to work with UK Departments, particularly on LCMs, but it is clear that there has been good engagement with this early heads-up.

Mr I Maxwell: Thank you.