Executive Summary

Sustainable aviation fuel (SAF) is widely viewed as the most viable way to cut aviation emissions. Demand from airlines and corporate buyers is growing, and production technologies are maturing. Despite this momentum, one major challenge continues to hold back large-scale deployment: bankability.

Many SAF projects still struggle to secure low-cost debt, even when offtakers are willing to commit. That is because the offtake conditions in many contracts are not strong enough to meet lender requirements. Buyers hedge their commitments for several reasons – SAF supply chains are evolving, policy support can shift rapidly, and the voluntary credit market, which can significantly boost revenue for SAF producers, is still nascent. However, these conditions make it difficult to attract the capital required to build and scale new facilities, especially because lenders lack norms for evaluating deals in the voluntary credit market. This playbook lays out five practical insights to help buyers, developers, and financiers design offtake structures and support infrastructure that make SAF projects more investable:

1. **Corporate clients can enable risk sharing and unlock scale**. Thanks to book-and-claim systems, new buyers are beginning to step up with firm, multiyear commitments for environmental attributes. Continued collaboration to innovate commercial contracts by integrating mechanisms like price floors, regulatory incentive pass-throughs, and carbon intensity (CI) guarantees can further improve project bankability.

2. **Contracts should give lenders what they need**. Nondilutive capital is essential to fund the SAF sector at scale, and debt providers look for guaranteed, long-term value. Policy risk buffers, standardized product requirements, and long-term, take-or-pay offtake structures with creditworthy counterparties all play a role in attracting project financing.

3. **Book-and-claim transfer can power SAF deals**. Newly established credit transfer systems enable corporations to sign contracts with suppliers without having to deal with the physical fuel. Robust, transparent environmental attribute certificate (EAC) tracking is essential for investors to count on cash flows. Existing platforms like the Roundtable on Sustainable Biomaterials and the SAF certificate registry are a starting point, and continuing initiatives to standardize transfers will build market confidence.

4. **Tradability is the goal, not commoditization**. Certificates must be easy to transfer and verify, but without losing what makes SAF from specific projects unique. SAF projects that provide greater CI reductions or provide additional sustainability outcomes should be able to both reap and distribute the benefits of their innovation.

5. **Contracted cash flow stability for both EACs and physical fuel is critical.** Long-term, predictable revenue is the foundation for any bankable project. SAF projects need bankable cash flows from multiple revenue streams to secure sufficient debt. Savvy commercial agreements can create cash flow stability for two of the biggest revenue streams available to SAF projects, and there are blue skies for contract innovation in the sector.

Aviation and harder-to-abate industries can draw from the promising power purchase agreement (PPA) model that has been instrumental to scaling solar and wind developments in the United States and beyond. In 2024, long-term offtake agreements like PPAs were responsible for more than 90% of new renewable electricity capacity in the United States.[1] Bankable EAC-based contracts can play an even more pivotal role for climate solutions that may not achieve price parity for the foreseeable future.

This playbook does not offer a one-size-fits-all solution. Instead, it provides design principles that stakeholders can use to build SAF contracting ecosystems that support real long-term investment. With better alignment across the value chain, stakeholders can mobilize capital faster and accelerate the transition to low-carbon aviation.