



# QUEENSLAND BIOFUEL REFINERY TO TURN AGRICULTURAL BY-PRODUCTS INTO SUSTAINABLE AVIATION FUEL

News / Airlines, Manufacturer



**The Qantas Group, Airbus and the Queensland Government are teaming up to invest in a Queensland biofuel production facility being developed by Jet Zero Australia in partnership with leading sustainable aviation fuel technology company LanzaJet. The facility will turn agricultural by-products, including from sugarcane, into jet fuel and is the first project funded under the Qantas and Airbus Australian Sustainable Aviation Fuel Partnership.**

The Qantas Group and Airbus will jointly invest AUD\$2 million (US\$1.34 million) of an initial AUD\$6 million (US\$4 million) capital raising, with the Queensland Government contributing AUD\$760,000 (US\$500,700) and other Australian and International institutional funds providing additional funding. The capital raised will be used to conduct a detailed feasibility study and early-stage project development.

Construction of the North Queensland facility is expected to begin in 2024. The proposed facility will utilise LanzaJet's world-leading alcohol-to-jet technology to produce up to 100 million litres of SAF per year. The Qantas Group and Airbus have committed to [investing up to US\\$200 million](#) to

accelerate the establishment of a SAF industry in Australia. Sustainable fuels are the most significant tool airlines currently have to reduce their associated emissions, particularly given they can be used in today's engines and fuel delivery infrastructure with no modifications.

Qantas Group Chief Sustainability Officer Andrew Parker said the early project funding was a first but significant step towards helping to build Australia's domestic SAF industry, which will power flights around Australia. Mr Parker said: "Sustainable aviation fuel is critical to the decarbonisation of the aviation industry. This investment will help kickstart an innovative project to turn agricultural by-products into sustainable aviation fuel and create a significant domestic biofuels refinery. This is one of several projects that we are looking to fund this year, all of which will help accelerate the development of a local SAF industry in Australia."

Airbus Executive Vice President, Corporate Affairs and Sustainability Julie Kitcher said that all Airbus aircraft are already capable of flying with a SAF blend of up to 50 per cent. Ms Julie said: "Ensuring a sustainable future for our industry is a priority for Airbus, working with partners across the world and from all sectors. There is a growing positive momentum around SAF, and it is now time to move from commitments to concrete actions. The selection of the first investment under our joint partnership with Qantas is an example of such action, with the potential to deliver SAF locally in Australia and to be a model for other locations around the world."



Queensland Deputy Premier Steven Miles said this project fit with the state's Energy and Jobs plan and would be a game-changer for Queensland, fueling the state's economic future and contributing to decarbonisation goals. "With our rich supply of feedstock, Queensland is in the perfect position to capitalise on the global shift to green jet fuels and become the leader of a local SAF industry," Mr Miles said. "It's exciting to think Queensland could be producing the millions of litres of SAF needed to power flights across Australia and around the globe, creating more regional jobs in the process. This is another signal to the world that Queensland is ready for take-

off as a clean energy powerhouse.”

The Qantas Group is currently purchasing SAF sourced overseas, including a volume of around 15 per cent of its fuel use out of London in 2023, and from 2025, 20 million litres per year for flights out of San Francisco and/or Los Angeles. Domestically produced SAF will be a key part of Qantas reaching its commitment to use 10 per cent SAF in its overall fuel mix by 2030 and achieve net zero emissions by 2050.

Qantas has also recently joined forces with five leading companies in Australia to form the SAF Coalition, which aims to demonstrate demand for SAF in Australia. The founding companies, Australia Post, Boston Consulting Group, KPMG Australia, Macquarie Group and Woodside Energy, are using SAF to reduce their carbon emissions alongside traditional carbon offsets.

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