

Civil Aviation Authority of Singapore (Amendment) Bill

Bill No. 10/2025.

Read the first time on 22 September 2025.

A BILL

i n t i t u l e d

An Act to amend the Civil Aviation Authority of Singapore Act 2009 to establish the sustainable aviation fuel fund, to provide for the imposition of a sustainable aviation fuel levy and for related purposes, and to make miscellaneous amendments.

Be it enacted by the President with the advice and consent of the Parliament of Singapore, as follows:

Short title and commencement

1. This Act is the Civil Aviation Authority of Singapore (Amendment) Act 2025 and comes into operation on a date that the Minister appoints by notification in the *Gazette*.

Amendment of section 2

2. In the Civil Aviation Authority of Singapore Act 2009 (called in this Act the principal Act), in section 2(1) —

(a) after the definition of “Changi Airport Development Fund”, insert —

““Chicago Convention” means —

(a) the Convention on International Civil Aviation done at Chicago on 7 December 1944;

(b) the Protocols amending that Convention which Singapore ratifies; and

(c) the Annexes to that Convention relating to international standards and recommended practices, being Annexes adopted in accordance with that Convention;”;

(b) after the definition of “flight information service”, insert —

““ICAO” means the International Civil Aviation Organization established under the Chicago Convention, and includes any successor to that Organization;”;

(c) after the definition of “repealed Act”, insert —

““SAF” or “sustainable aviation fuel” means a renewable or waste-derived aviation fuel that meets the prescribed sustainability criteria;

“SAF environmental attributes” or “sustainable aviation fuel environmental attributes”, in relation to any quantity of SAF, means a value —

(a) representing the difference between the carbon dioxide (CO₂) emissions of the SAF throughout its life cycle and those of the same quantity of conventional aviation fuel throughout its life cycle; and 5

(b) which may be — 10

(i) used by a person to meet offsetting requirements applicable to that person under the global programme known as the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) developed by ICAO or other similar programme; or 15 20

(ii) reported by a person (*X*) as carbon emissions reduction from the use of SAF under any scheme applicable to or adopted by *X* for the reporting of environmental sustainability efforts undertaken by *X* to stakeholders or investors of *X* or regulators of the business of *X*; 25 30

“SAF Fund” or “sustainable aviation fuel Fund” means the fund of that name established under section 25C;

“SAF levy” or “sustainable aviation fuel levy” means the levy imposed under section 87B; 35

“SAF Procuring Entity” or “sustainable aviation fuel Procuring Entity” means any person appointed by the Authority to procure, manage, account for and allocate SAF and SAF environmental attributes in place of the Authority, and includes any company established by the Authority to do the same;”.

Amendment of section 7

3. In the principal Act, in section 7(1), after paragraph (ga), insert —

“(gb) to procure, manage, account for and allocate SAF and SAF environmental attributes to —

(i) persons who pay SAF levies; and

(ii) any other person that may be prescribed in an order under section 87B(1),

or to establish and appoint a company, or appoint any other person, to do the same in place of the Authority;”.

New Part 2A heading

4. In the principal Act, before section 25A, insert —

“PART 2A
FUNDS”.

New sections 25C and 25D

5. In the principal Act, after section 25B, insert —

“SAF Fund

25C.—(1) A fund called the SAF Fund is established comprising —

(a) all SAF levies paid to the Authority;

- (b) all interest and penalties (including additional penalties) imposed under section 87B or an order made under that section;
- (c) all contributions by the Authority to the SAF Fund;
- (d) all gifts and donations made by any person for the purposes of the SAF Fund; and 5
- (e) all investments out of moneys in the SAF Fund authorised to be made by this Act and the proceeds of any such investment, including the net income from such investments. 10

(2) The SAF Fund is to be managed and administered by the Authority.

(3) For the purposes of subsection (1)(e), the net income from investments is the amount ascertained by adding to, or deducting from, the income received from investments of moneys in the SAF Fund, any profit derived or loss sustained (as the case may be) from the realisation of such investments. 15

(4) Upon dissolution of the SAF Fund, the balance then remaining in the SAF Fund —

- (a) must be transferred by the Authority to one or more bank accounts maintained by the Authority under section 16(3); and 20
- (b) is to be treated as the moneys of the Authority.

Purposes of SAF Fund

25D.—(1) The moneys in the SAF Fund may be withdrawn by the Authority only for the following purposes: 25

- (a) the procurement by the Authority or the SAF Procuring Entity of SAF and SAF environmental attributes from suppliers of SAF;
- (b) to pay all reasonable legal costs and all reasonable expenses incurred or estimated to be incurred in connection with the collection or attempted collection 30

of any SAF levy, including interest and penalties on any SAF levy;

- (c) to pay all reasonable costs and all reasonable expenses incurred or estimated to be incurred by the Authority or the SAF Procuring Entity in connection with the procurement, management, accounting or allocation of SAF and SAF environmental attributes to persons mentioned in section 7(1)(gb)(i) and (ii);
- (d) to pay all reasonable costs and all reasonable expenses incurred by the Authority in connection with the management of the SAF Procuring Entity;
- (e) to pay any expenses properly attributable to the setting up of, and the administration and management of moneys in, the SAF Fund;
- (f) to invest in accordance with the standard investment power of statutory bodies as defined in section 33A of the Interpretation Act 1965.

(2) However, no investment paid for with moneys from the SAF Fund may be written off by the Authority without the prior approval of the Minister.

(3) If any withdrawal under subsection (1)(b) or (c) based on an estimation exceeds the actual cost or expense incurred, the Authority must refund that excess amount to the SAF Fund.”.

Amendment of section 86

6. In the principal Act, in section 86(2) —

(a) in paragraph (b), after “any levy is payable”, insert “(each called *X*)”;

(b) after paragraph (b), insert —

“(ba) in a case where the amount of any levy is or is to be passed on by *X* to a purchaser of an air passenger ticket from *X* for the carriage of a passenger on a flight — require that any air passenger ticket issued by *X* to the

purchaser state the amount passed on or to be passed on;”;

- (c) in paragraph (d), after “that is payable”, insert “and any interest or penalty payable on any levy,”; and
- (d) in paragraphs (e)(i) and (f), replace “persons by whom any levy is payable” with “each X”.

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Amendment of section 87

7. In the principal Act, in section 87 —

- (a) in subsection (1)(c), replace “under subsection (3)(b)”, with “imposed under subsection (3)(b) or an order made under section 86(1) read with subsection (4)”;

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- (b) in subsection (2), after “under section 86”, insert “, or additional penalty imposed under subsection (3)(b) or an order made under section 86(1) read with subsection (4),”;

- (c) after subsection (2), insert —

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“(2A) The Authority may waive, refund or remit the whole or part of any levy, interest or penalty (including additional penalty) paid or payable by any person.”; and

- (d) replace subsection (3) with —

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“(3) Where an airport licensee or other agent is designated by an order made under section 86(1) read with section 86(2)(d) to collect any levy, interest or penalty payable under section 86 —

- (a) all such levies, interest and penalties collected by the airport licensee or agent must be paid to the Authority within the time prescribed in that order and any amount that is not so paid is recoverable from the airport licensee or agent as a debt in a court of competent jurisdiction;

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(b) if any amount of levy, interest or penalty collected by the airport licensee or agent is not paid by the airport licensee or agent to the Authority within the time prescribed, such additional penalty on the amount outstanding as may be prescribed in the order is payable by the airport licensee or agent to the Authority; and

(c) the airport licensee or other agent must not refund, remit or reimburse, directly or indirectly, any levy, interest or penalty paid or payable by any person under section 86, except in accordance with the prior approval of the Authority.

(4) Without limiting section 86(2), the order may provide that the Authority may impose an additional penalty of a prescribed amount on the airport licensee or agent for a failure to collect an amount of levy, interest or penalty payable under section 86.”.

Amendment of section 87A

8. In the principal Act, in section 87A —

(a) in subsection (3)(a), after “airport development levy is payable”, insert “(each called *X*)”;

(b) in subsection (3)(d), after “that is payable”, insert “and any interest or penalty payable on any airport development levy,”;

(c) in subsection (3), after paragraph (d), insert —

“(da) in a case where the amount of any airport development levy is or is to be passed on by *X* to a purchaser of an air passenger ticket from *X* for the carriage of a passenger on a flight — require that any air passenger ticket issued by *X* to the purchaser state the amount passed on or to be passed on;”;

- (d) in subsection (3)(e)(i), replace “persons by whom an airport development levy is payable” with “each *X*”;
- (e) in subsection (3)(f), replace “persons by whom the airport development levy is payable” with “each *X*”;
- (f) in subsection (4), after “under this section”, insert “, or any additional penalty imposed under subsection (5)(b) or an order made under subsection (2) read with subsection (6),”; 5
- (g) after subsection (4), insert —
 - “(4A) The Authority may waive, refund or remit the whole or part of any airport development levy, interest or penalty (including additional penalty) paid or payable by any person.”; and 10
- (h) replace subsection (5) with —
 - “(5) Where an airport licensee or other agent is designated by an order made under subsection (2) read with subsection (3)(d) to collect any airport development levy, interest or penalty payable under this section — 15
 - (a) all such airport development levies, interest and penalties collected by the airport licensee or agent must be paid to the Authority within the time prescribed in that order and any amount that is not so paid is recoverable from the airport licensee or agent as a debt in a court of competent jurisdiction; 20 25
 - (b) if any amount of airport development levy, interest or penalty collected by the airport licensee or agent is not paid by the airport licensee or agent to the Authority within the time prescribed, such additional penalty on the amount outstanding as may be prescribed in the order is payable by the airport licensee or agent to the Authority; and 30 35

(c) the airport licensee or other agent must not refund, remit or reimburse, directly or indirectly, any airport development levy, interest or penalty paid or payable by any person under this section, except in accordance with the prior approval of the Authority.

(6) Without limiting subsection (3), the order may provide that the Authority may impose an additional penalty of a prescribed amount on the airport licensee or agent for a failure to collect an amount of airport development levy, interest or penalty payable under this section.”.

New section 87B

9. In the principal Act, after section 87A, insert —

“SAF levy

87B.—(1) A tax called an SAF levy is payable in respect of all or any of the following as specified in an order made by the Minister and published in the *Gazette*:

- (a) a passenger or any quantity of cargo on a flight that takes off from an airport in Singapore specified in the order to land in a place outside Singapore;
- (b) a flight that takes off from an airport in Singapore specified in the order to land in a place outside Singapore.

(2) The SAF levy —

- (a) is payable by the persons (each called *X*) specified in the order;
- (b) is an amount or rate prescribed in the order;
- (c) is payable to the Authority on or after the date prescribed in the order; and
- (d) must be paid into the SAF Fund.

(3) An order made under subsection (1) may —

(a) prescribe different amounts or rates of SAF levy in respect of different classes of passengers or cargoes, airports, aircraft, places of landing, or on any other differential basis;

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(b) prescribe the different classes of aircraft mentioned in paragraph (a) by reference to any Annex to the Chicago Convention relating to international standards and recommended practices, as amended from time to time;

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(c) specify the manner of payment;

(d) in a case where the amount of any SAF levy is or is to be passed on by *X* to —

(i) a purchaser of an air passenger ticket from *X* for the carriage of a passenger on a flight;

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(ii) a person (*Y*) who procures from *X* the carriage of any cargo on a flight; or

(iii) a person (also *Y*) who charters or otherwise procures a flight from *X*,

require that any air passenger ticket issued by *X* to the purchaser, or any contract between *X* and *Y* or any other document issued by *X* to *Y*, state the amount passed on or to be passed on;

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(e) prescribe the date by which any SAF levy is payable, or authorise the Authority to fix the date by which any SAF levy must be paid;

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(f) designate an agent to collect on behalf of the Authority any SAF levy that is payable and any interest or penalty payable on any SAF levy, and the method of the collection;

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(g) require returns to be made by each *X* to the Authority or the agent mentioned in paragraph (f), and prescribe conditions relating to the making of the returns;

- (h) prescribe penalties for the late payment of any SAF levy by each *X*;
- (i) impose interest for the late payment of any SAF levy or penalty; and
- 5 (j) prescribe the persons to whom SAF and SAF environmental attributes may be allocated for the purposes of section 7(1)(gb).

(4) Any unpaid SAF levy, or any interest or penalty imposed under this section, or any additional penalty imposed under
10 subsection (6)(b) or an order made under subsection (1) read with subsection (7), may be recovered by the Authority as a debt in a court of competent jurisdiction.

(5) The Authority may waive, refund or remit the whole or
15 part of any SAF levy, interest or penalty (including additional penalty) paid or payable by any person.

(6) Where an agent is designated by an order made under subsection (1) read with subsection (3)(f) to collect any SAF levy, interest or penalty payable under this section —

- 20 (a) all such SAF levies, interest and penalties collected by the agent must be paid to the Authority within the time prescribed in that order and any amount that is not so paid is recoverable from the agent as a debt in a court of competent jurisdiction;
- 25 (b) if any amount of SAF levy, interest or penalty collected by the agent is not paid by the agent to the Authority within the time prescribed, such additional penalty on the amount outstanding as may be prescribed in the order is payable by the agent to the Authority; and
- 30 (c) the agent must not refund, remit or reimburse, directly or indirectly, any SAF levy, interest or penalty paid or payable by any person under this section, except in accordance with the prior approval of the Authority.

(7) Without limiting subsection (3), the order may provide that the Authority may impose an additional penalty of a prescribed amount on the agent for a failure to collect an amount of SAF levy, interest or penalty payable under this section.”.

Amendment of section 102

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10. In the principal Act, in section 102(2), after paragraph (f), insert —

“(fa) the sustainability criteria to be met for the purposes of the definition of “SAF” or “sustainable aviation fuel”, by reference to standards set or recommended by ICAO or any other organisation in or outside Singapore which sets sustainable aviation standards, as amended from time to time;”.

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EXPLANATORY STATEMENT

This Bill seeks to amend the Civil Aviation Authority of Singapore Act 2009 for the following main purposes:

- (a) to establish a fund called the sustainable aviation fuel fund or SAF Fund;
- (b) to provide for the imposition of a tax called the sustainable aviation fuel levy or SAF levy.

The Bill also makes miscellaneous amendments to sections 86, 87 and 87A.

Clause 1 relates to the short title and commencement.

Clause 2 amends section 2(1) to insert new definitions to support the other amendments in the Bill.

In particular —

- (a) “SAF” means a renewable or waste-derived aviation fuel that meets the sustainability criteria prescribed by the Civil Aviation Authority of Singapore (the Authority) by regulations;

- (b) “SAF environmental attributes” is a value representing the difference between carbon dioxide (CO₂) emissions of SAF throughout its life cycle and those of the same quantity of conventional aviation fuel throughout its life cycle. SAF environmental attributes may be used by a person to meet offsetting requirements applicable to that person under the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) or other similar programmes, or reported by a person as carbon emissions reduction from the use of SAF under any scheme applicable to or adopted by that person for the reporting of environmental sustainability efforts undertaken by that person to stakeholders or investors of that person, or regulators of the business of that person; and
- (c) “SAF Procuring Entity” means any person appointed by the Authority to procure, manage, account for and allocate SAF and SAF environmental attributes in place of the Authority, and includes any company established by the Authority to do the same.

Clause 3 amends section 7(1) to create a new function or duty of the Authority in relation to the procurement, management, accounting for and allocation of SAF and SAF environmental attributes. The Authority may either procure, manage, account for and allocate SAF and SAF environmental attributes or establish and appoint a company, or appoint any other person, to do the same in place of the Authority. The SAF and SAF environmental attributes may be allocated to persons who pay SAF levies or any other person prescribed in an order made under the new section 87B(1).

Clause 4 inserts a new Part heading before section 25A for better organisation of the provisions of Part 2.

Clause 5 inserts new sections 25C and 25D.

The new section 25C establishes the SAF Fund. The SAF Fund comprises all SAF levies paid to the Authority, all interest and penalties (including additional penalties) imposed in relation to SAF levies, all contributions by the Authority to the SAF Fund, all gifts and donations for the purposes of the SAF Fund, all investments out of moneys in the SAF Fund authorised to be made by the Act, and the proceeds of any such investment (including the net income from such investments).

The new section 25D contains an exhaustive list of the purposes of the SAF Fund. In particular, the moneys in the SAF Fund may be used for the procurement of SAF and SAF environmental attributes and to pay all reasonable legal costs and all reasonable expenses in connection with the collection or attempted collection of any SAF levy, including interest and penalties on any SAF levy.

Clauses 6, 7 and 8 make miscellaneous amendments to sections 86, 87 and 87A, respectively, for consistency with the new section 87B (inserted by clause 9).

Clause 9 inserts a new section 87B to impose the SAF levy, which is a tax.

The SAF levy is payable by persons specified in an order made by the Minister (called the Order) in respect of all or any of the following:

- (a) a passenger or any quantity of cargo on a flight that takes off from an airport in Singapore (specified in the Order) to land in a place outside Singapore;
- (b) a flight that takes off from an airport in Singapore (specified in the Order) to land in a place outside Singapore.

The Order may, among other things —

- (a) prescribe different amounts or rates of SAF levy based on different classes of passengers or cargoes, aircraft, airports, places of landing or on any other differential basis;
- (b) require that if any SAF levy is or is to be passed on by the person (called *X*) by whom the SAF Levy is payable to another person (being a purchaser of an air passenger ticket or a person (called *Y*) who procures the carriage of cargo on a flight or who charts or procures a flight), the air passenger ticket, contract between *X* and *Y* or any other document issued by *X* to *Y*, must state the amount of SAF levy passed on or to be passed on;
- (c) designate an agent to collect on behalf of the Authority any SAF levy and any interest or penalty payable on any SAF levy; and
- (d) prescribe penalties for the late payment of any SAF levy and impose interest for the late payment of any SAF levy or penalty.

Under the new section 87B(4), any unpaid SAF levy or any interest or penalty imposed on the SAF levy or any additional penalty may be recovered by the Authority as a debt in a court of competent jurisdiction.

Under the new section 87B(5), the Authority may waive, refund or remit the whole or part of any SAF levy, interest or penalty (including additional penalty) paid or payable by any person.

The new section 87B(6) makes certain provisions in relation to the collection of SAF levy, and any interest or penalty on any SAF levy by a designated agent. In particular, if the amount of SAF levy, interest or penalty collected by the agent is not paid to the Authority within the time prescribed, an additional penalty on the amount outstanding as may be prescribed in the Order is payable by the agent. The new section 87B(7) allows the Order to also provide that the Authority may impose an additional penalty of a prescribed amount on the agent for a failure to collect an amount of SAF levy, interest or penalty payable.

Clause 10 amends section 102(2) to empower the Authority (with the approval of the Minister) to prescribe the sustainability criteria for the purposes of the definition of “SAF” or “sustainable aviation fuel”. The Authority must do so by reference to standards set or recommended by ICAO or any other organisation in or outside Singapore which sets sustainable aviation standards.

EXPENDITURE OF PUBLIC MONEY

This Bill will not involve the Government in any extra financial expenditure.
