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Federal Department of the Environment, Transport, Energy and Communications DETEC

Federal Office of Civil Aviation FOCA
Aviation Policy & Strategy

Call for expression of interest and preliminary applications for support contributions

Aviation and Climate funding programme

3 July 2025

1 Background

The Federal Office of Civil Aviation (FOCA) is implementing key requirements of the revised CO_2 Act to reduce greenhouse gas emissions in aviation through the Aviation and Climate funding programme. This document is a call for expressions of interest and preliminary applications for this funding programme.

According to the Climate and Innovation Act (CIA), anthropogenic greenhouse gas emissions in Switzerland are to be reduced to zero by 2050 (net-zero target). This goal also applies to Swiss aviation. In its report *Carbon-neutral flying by 2050*, the Federal Council sets out the measures required to achieve this goal. In addition to improved aircraft technology and operational improvements, the use of sustainable aviation fuels (SAFs) as drop-in fuels is the most important technical measure for reducing fossil CO_2 emissions in aviation.

At international level, the International Civil Aviation Organization (ICAO, a specialised agency of the United Nations) has also set a net-zero target for CO_2 emissions from aviation by 2050. The feasibility of this target was examined in the ICAO *Report on the Feasibility of a Long-term Aspirational Goal*. Analogous studies have been carried out by the aviation industry, for example in the *Net Zero roadmaps* of the International Air Transport Association (IATA) or in the *Destination 2050* report by European aviation associations.

To achieve the net-zero target, a blending mandate for SAFs was introduced in the EU from 2025 in addition to the emissions trading system. The *ReFuelEU Aviation* Regulation to this effect provides for an initial blending quota of 2%, rising to 70% by 2050. A sub-quota of 1.2% will apply to synthetic SAFs from 2030, with an increase to 35% planned by 2050. These quotas stimulate demand for SAFs, whose production costs are significantly higher than those for conventional kerosene.

The revised Swiss CO_2 Act, which came into force at the beginning of 2025, provides for the adoption of this blending mandate. At the same time, the development and production of SAFs (and synthetic SAFs in particular) and other measures to reduce greenhouse gas emissions in aviation are to be promoted. This is laid down in Art. 28g and 37a of the CO_2 Act and Art. 103b of the Aviation Act.[1] The Swiss Parliament has approved a guarantee credit of CHF 390 million for this purpose for the period from 2025 to 2030. The revised CO_2 Ordinance, which came into force on 1 May 2025, contains the implementing provisions in Art. 127a-g.[2] The FOCA is responsible for implementing the new Aviation and Climate funding programme.

This document first describes the objectives of this call procedure. Sections 3 and 4 define the institutions and projects eligible for funding under the new funding programme. Section 5 presents an overview of possible financial assistance. This is followed by a description of the process for submitting expressions of interest and preliminary applications as well as the feedback process. Finally, the confidentiality rules are described.

[1] SR 641.71 and 748.0

[2] SR 641.711

2 Objectives of this call

The FOCA strives to make the application process for the Aviation and Climate funding programme as efficient as possible. The first step is this call for expressions of interest and preliminary applications. Its purpose is to obtain as complete an overview as possible of interested stakeholders, their projects and their current state of development. In particular, this allows the FOCA to align the funding programme with actual funding requirements and to establish the processes accordingly. This ensures that the available federal funds are utilised as efficiently as possible.

This call provides two options for submissions: First, preliminary applications should be submitted in the case of projects for which a concrete funding application is expected to be submitted in the coming months. A positive assessment of these preliminary applications is the prerequisite for submitting the actual funding applications in 2025. Second, in the case of projects that are still at an early stage, it is possible to submit project ideas for the purpose of receiving early feedback from the FOCA on funding eligibility. The submission and assessment of (preliminary) applications would then take place starting next year. With this second option, potential applicants will know at an early stage what further steps are required.

The following information applies to the present call. The legally binding rules for funding applications will be set out in the relevant guidelines. These are currently being prepared and will be published at a later date.

3 Institutions eligible for funding

In principle, all legal and natural persons and partnerships are eligible for funding. In accordance with the applicable legal requirement for added value in Switzerland (see section 4.3), it is generally assumed that the subsidy recipient has a main or branch office or a permanent establishment in Switzerland.

As a general matter, recipients of financial assistance are required to have relevant experience in the area of the subsidised measures.

4 Projects eligible for funding

This section explains which projects are generally eligible for funding. First, the climate protection measures eligible for funding are delineated. The expected technology readiness level of the projects is then explained. Finally, the criterion of a nexus to Switzerland is discussed.

4.1 Climate protection measures

The Aviation and Climate funding programme aims to promote the implementation of climate protection measures in aviation.

Measures to reduce CO_2 emissions in aviation can in principle be divided into the following areas:[3]

1. Technological improvements to aircraft to increase their efficiency
2. Operational improvements to increase efficiency
3. Use of sustainable aviation fuels (SAFs)
4. Use of alternative propulsion systems, e.g. based on hydrogen or batteries as energy storage systems

[3] Federal Council (2024), *Carbon neutral flying by 2050*; ICAO (2022), *Report on the feasibility of a long-term aspirational goal (LTAG) for international civil aviation CO_2 emission reductions*; Ecoplan (2021), *Swiss Road Map Sustainable Aviation*

In addition, the discussion surrounding the climate impact of non-CO_2 emissions such as water vapour, nitrogen oxides, sulphur dioxide and soot is becoming increasingly important. At high altitudes, these create additional effects that can have a warming or cooling effect.[4]

The legal provisions define the funding objects of the new funding programme as follows:

I. CO_2 Act, Art. 37a para. 1b: "measures to reduce greenhouse gas emissions in aviation, and in particular to develop and produce renewable synthetic aviation fuels"

II. Aviation Act, Art. 103b para. 2: "measures to reduce greenhouse gas emissions in aviation, and in particular to develop and produce renewable synthetic aviation fuels"

III. Art. 127a para. 2 of the CO_2 Ordinance lists the following four areas:

   a. developing and increasing the production of renewable aviation fuels in Switzerland and abroad

   b. developing and applying technologies to increase the energy efficiency of aircraft

   c. developing and applying procedures to increase the energy efficiency of flight operations

   d. transferring knowledge between science, business and society with respect to reducing greenhouse gas emissions in aviation

The Aviation and Climate funding programme envisages the possibility of funding for the above measures in all areas of aviation, including general aviation.

According to Art. 127c of the CO_2 Ordinance, the degree of fulfilment of the following criteria is used to determine funding eligibility:

a. high potential for reducing greenhouse gas emissions;

b. cost efficiency with respect to climate impact;

c. low overall negative environmental impact;

d. high market opportunities;

e. high probability of success;

f. high added value in Switzerland;

g. creditability of emission reductions in favour of Switzerland;

h. identification of partners along the entire value chain;

i. contribution to the preservation and expansion of knowledge.

The explanatory notes to the CO_2 Ordinance contain additional information on these criteria. The criteria for technologies and processes are assessed including their future upscaling.

The applicant must provide evidence of their own contribution to the planned project. In accordance with Art. 37a para. 5 of the CO_2 Act, an own contribution of at least 40% (in exceptional cases, 30%) is required.

[4] For further information, see CO_2 and non-CO_2 emissions produced by aviation and the explanatory report on Art. 32 of the CIA.

4.1.1 Measures for the reduction of CO_2 emissions

In principle, funding is possible for all measures to reduce the climate impact of aviation that fulfil the criteria defined in the CO_2 Ordinance. The measures are assessed according to the above criteria. Funding is open to all technologies that can make a contribution (no technology bias).

The legal bases focus on the development and scaling of the production of SAFs. They thus fulfil the strategic principles (see Federal Council report *Carbon neutral flying by 2050* and the FOCA report[5]), which identify SAFs as a key lever for reducing CO_2 emissions by 2050. A particular focus of the funding is on synthetic SAFs. As the market ramp-up is still in its infancy, meeting the blending quotas for these fuels starting in 2030 will be a major challenge. The Aviation and Climate funding programme aims to make a targeted contribution to overcoming this difficulty. Moreover, synthetic SAFs are expected to have greater potential and greater scalability in the longer term than biogenic SAFs, as well as a lower negative environmental impact, particularly in terms of land requirements and competition with food or animal feed production.

Projects to increase the efficiency of aircraft and the operation of aircraft, i.e. to reduce fuel consumption per transport service, can also be funded. The same applies to measures relating to the development of alternative propulsion systems and aircraft. The assessment of such projects will be based in particular on the market potential of the measure in conjunction with its climate impact. The market potential describes the realistic medium-term potential for reducing CO_2 emissions as well as the costs and risks involved.

4.1.2 Non-CO_2 emissions

The reduction of non-CO_2 emissions from aviation can be supported by funding projects to that effect, provided that they reduce the climate impact of aviation in accordance with the net-zero target. This is in line with Switzerland's long-term climate strategy, which aims to reduce net climate-impacting emissions from aviation in Switzerland to as close to zero as possible by 2050. This means that no more net fossil CO_2 emissions are generated from aviation fuels and the climate impact of further aviation emissions (i.e. non-CO_2 emissions) is reduced or must be offset by other measures.

4.1.3 SAF value chain

Projects that relate exclusively to upstream areas of the SAF production value chain (e.g. the production of green hydrogen or green methanol, as well as carbon capture), and are therefore not specific to aviation, are not supported by the Aviation and Climate funding programme. Various national and international funding programmes already exist for these technologies. In Switzerland it is possible to receive funding via the SFOE or FOEN programmes, for example. Because the statutory mandate has a clear reference to aviation, these technologies are not additionally funded in the Aviation and Climate funding programme. The same applies to SAF production paths that do not fulfil the criteria set out in Art. 35d of the Environmental Protection Act or the Ordinance on the Placing on the Market of Renewable and Low-Emission Thermal and Motor Fuels (RFO).[6]

4.2 Technology readiness level

The technology readiness level (TRL) is a measure of the level of development of new technologies. It is evaluated on the basis of a systematic analysis.

Generally, a scale of 1 to 9 is used, as shown here on the EU's Horizon Europe scale:

- TRL 1 – Basic principles observed and reported
- TRL 2 – Technology concept or application formulated

[5] FOCA (2022), *FOCA report on fostering the development and uptake of sustainable aviation fuels*

[6] SR 814.01 and 814.311.1

- TRL 3 – Experimental proof of concept
- TRL 4 – Technology validated in a lab
- TRL 5 – Technology validated in a relevant environment
- TRL 6 – Prototype demonstrated/validated in a relevant environment
- TRL 7 – Prototype demonstration in an operational environment (e.g. pilot system)
- TRL 8 – System complete and qualified through test and demonstration
- TRL 9 – Actual system proven in an operational environment

The focus of the funding programme is on projects that are at a TRL of between 4 and 8 at the time the application is submitted. The focus is therefore generally not on basic or applied research, but rather on scaling.[7] Various funding programmes are already available for basic and applied research in the energy sector. In view of the intended complementary strategic positioning of the Aviation and Climate funding programme, the focus is to be placed on higher TRLs.

Different funding instruments are used depending on the TRL. Further explanations are provided in the next section.

4.3 Nexus to Switzerland

As part of this funding programme, it is necessary for funded measures to have a nexus to Switzerland, given that it is an instrument of Swiss climate policy with extensive federal funding. Accordingly, it is important to ensure appropriate added value in Switzerland and creditability towards Swiss climate targets. At the same time, Art. 1 para. 1 of the Subsidies Act states that federal financial assistance must achieve its purpose in an economical and effective manner.[8] This can lead to a conflict of objectives, given that higher added value abroad can make a measure more economical. One example of this is the location of an SAF industrial production facility. There are often various opportunities for such facilities abroad, which allow for more economical production than locations in Switzerland (see FOCA strategy). Accordingly, Art. 103b para. 2 of the Aviation Act also states that measures and projects in Switzerland and abroad can be subsidised. To ensure an appropriate nexus to Switzerland in all cases, the CO_2 Ordinance specifies the conditions as follows:

- According to Art. 127a para. 2 let. a, the funds can be used, inter alia, to develop and increase the production of renewable aviation fuels in Switzerland and abroad.

- According to Art. 127c para. 1, measures are assessed according to the degree of fulfilment of the criteria including the following: (a) high added value in Switzerland; (b) creditability of emission reductions in favour of Switzerland.

- According to Art. 127e para. 3, only loans from lenders domiciled in Switzerland are guaranteed.

5 Forms of financial assistance

In the Aviation and Climate funding programme, financial assistance is provided in accordance with Art. 127b para. 1 of the CO_2 Ordinance in the form of non-repayable contributions, interest-free loans or guarantees.

Non-repayable contributions can be divided into investment and operating contributions. In the existing special financing of aviation in accordance with Art. 87b of the Federal Constitution and the Federal Act

[7] Basic research = research without a real exploitation aspect, applied research = research with a view to concrete application possibilities. The aim of research is in principle to generate or expand knowledge, while the aim of development is to manufacture new products or processes.

[8] SR 616.1

on the Use of the Earmarked Mineral Oil Tax and Other Funds Earmarked for Road and Air Transport (MinOA), for example, only non-repayable contributions are made.[9]

Interest-free loans can be granted in various forms, for example as maturity or instalment loans and as conditionally or unconditionally repayable loans. The loans are intended for financing investments, but not for bridging liquidity bottlenecks.

Bank loans are secured by federal guarantees, which reduce or eliminate the bank's credit default risk. As a result, either the granting of a loan is made possible in the first place (loan facilitation) or the interest conditions are made more attractive (loan subsidisation).

The available funding instruments are used depending on the technology readiness level of the project to be funded. For projects with a high technology readiness level, the possibility of using guarantees or interest-free loans to achieve the funding objective is examined first. Loans should be considered if the funding objective cannot be achieved through guarantees. Non-repayable contributions make sense in cases where a project does not generate any income in the short term and therefore cannot be categorised as creditworthy from a banking perspective. This is the case, for example, for research and development projects at universities as well as pilot and demonstration projects where economic benefits are expected only in the medium to long term. Measures aimed at promoting the transfer of knowledge between science, business and society with respect to reducing greenhouse gas emissions in aviation can also be supported with non-repayable contributions in accordance with Art. 127a para. 2 of the CO_2 Ordinance.

6 Submission of expressions of interest

The form provided in Annex 1 must be used to express interest.

Expressions of interest must be submitted to the FOCA exclusively by email by 6 pm CEST on 15 August 2025. The deadline applies to receipt by the FOCA. Paper and scanned forms will not be accepted.

Expressions of interest must be written in German, French or English. They must include the title and date of this invitation and the name of the applicant. The expression of interest must be sent to Foerderung-Klima@bazl.admin.ch. The sender will receive a confirmation of receipt by email.

The FOCA checks the information and may make enquiries if necessary. On the basis of the information provided, the FOCA will provide written feedback on submitted expressions of interest within six weeks after the aforementioned deadline.

7 Submission of preliminary applications

The form provided in Annex 2 must be used to submit preliminary applications. The preliminary application should contain information on the development status of the project, so that the further application process can be managed according to urgency. A short investor presentation may be included with the form on a voluntary basis. No other attachments will be considered. Preliminary applications are indicative. Only the complete application is binding. Feedback on the preliminary application does not constitute a funding decision.

[9] SR 101 and 725.116.2

Preliminary applications must be submitted to the FOCA exclusively by email by 6 pm CEST on 15 August 2025. The deadline applies to receipt by the FOCA. Paper and scanned forms will not be accepted.

The preliminary applications must be written in German, French or English. They must include the title and date of this invitation and the name of the applicant. The preliminary application must be sent to Foerderung-Klima@bazl.admin.ch.

The FOCA will send a confirmation of receipt by email. The confirmation of receipt constitutes neither a declaration of completeness of the preliminary application and the documents submitted nor any other assessment or recognition thereof.

The form in Annex 2 defines the information that must be provided as part of this procedure to fulfil the specified criteria. The FOCA checks the information and may make enquiries if necessary. On the basis of the information provided, the FOCA will provide written feedback on submitted preliminary applications within six weeks after the aforementioned deadline.

The result of the preliminary assessment will fall into one of the following three assessment levels:

1. The project is already well advanced and fulfils the funding criteria in principle. Interested parties have the opportunity to prepare and submit an application for funding within a certain period of time. The applicable form will be provided.

2. The project is at an early stage of development and fulfils the funding criteria in principle. Interested parties have the opportunity to submit a funding application in 2026 or later, either as a direct application or in the context of a call for tenders.

3. The project does not fulfil the eligibility criteria in principle. This means it is not possible to submit a funding application in 2025; a revised funding application can be submitted in 2026 or later.

Over the course of the further procedure, applications that do not meet the funding requirements or do not meet them adequately will be returned by the FOCA for revision or rejected. If it appears appropriate, a meeting may be held with the applicant. The applicant has the option of amending the application and resubmitting it. Alternatively, the applicant may request an appealable decision within 30 days.

If an application is accepted for consideration, the FOCA will examine its eligibility for funding and decide on the form of financial assistance. The applicant will be informed whether the project is eligible for funding and which form will be chosen.

8 Questions about the procedure

Questions regarding this call can be sent on an ongoing basis, but no later than 6 pm CEST on 1st August 2025 to Foerderung-Klima@bazl.admin.ch. Incoming questions will be answered successively.

9 Confidentiality

All documents and project ideas submitted as part of this expression of interest will be treated confidentially. The information will be used exclusively to review and evaluate the submitted expressions of interest and will not be passed on to third parties. This does not apply to contractors who support the FOCA within the scope of this programme (with confidentiality agreement).

Annex 1: Expression of interest form

Annex 2: Preliminary application form