EGYPT OIL&GAS RESEARCH & ANALYSIS

From Conventional Supply to Sustainable Skies

Egypt's Aviation Fuel and SAF Landscape

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Egypt's Aviation Fuel and SAF Landscape

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The aviation fuel market is undergoing a gradual transition as global efforts to reduce emissions are increasingly influencing fuel supply chains and investment priorities. While conventional jet fuel continues to underpin commercial aviation due to its established infrastructure and performance standards, Sustainable Aviation Fuel (SAF) is emerging as the most viable near-term option for lowering aviation-related emissions without requiring modifications to aircraft or fueling systems.

Egypt's role as a regional hub for international air traffic has long required a reliable and well-regulated aviation fuel supply system. This dependence on conventional fossil-based aviation fuels has ensured operational safety and continuity, while simultaneously exposing the aviation fuel value chain to longer-term climate and energy-transition considerations.

As international aviation increasingly faces emissions reduction mandates, carbon offsetting requirements, and evolving airline sustainability commitments, Egypt's aviation sector is becoming more directly exposed to pressures linked to fuel carbon intensity.

Against this backdrop, SAF holds particular strategic relevance for Egypt. Beyond its emissions reduction potential, SAF offers an opportunity to enhance supply resilience and localize value-added fuel production.

It also allows Egypt to leverage its geographic position, available waste feedstocks, and established refining and export infrastructure.

Integrating SAF into the aviation fuel mix supports Egypt's climate commitments while reinforcing its ambition to remain a competitive regional aviation and energy hub in a decarbonizing global market.

This report offers a comprehensive overview of Egypt's aviation fuel market, examining conventional jet fuel supply dynamics, recent market performance across fiscal years (FYs) 2020/21 to 2023/24, and the early development of SAF initiatives.

Conventional Aviation Fuel Landscape

Jet fuel is a critical petroleum product supplied from Egypt's main distribution hubs—Suez, Alexandria, Assiut, Luxor, and Aswan—using an integrated logistics network that includes pipelines, tank trucks, and railways.

Distribution to 16 airports is carried out primarily via pipelines and road tankers, operated by specialized marketing companies active in the jet fuel market, including Misr Petroleum, ExxonMobil Egypt, TotalEnergies Egypt, EPSCO, and Emarat Misr.

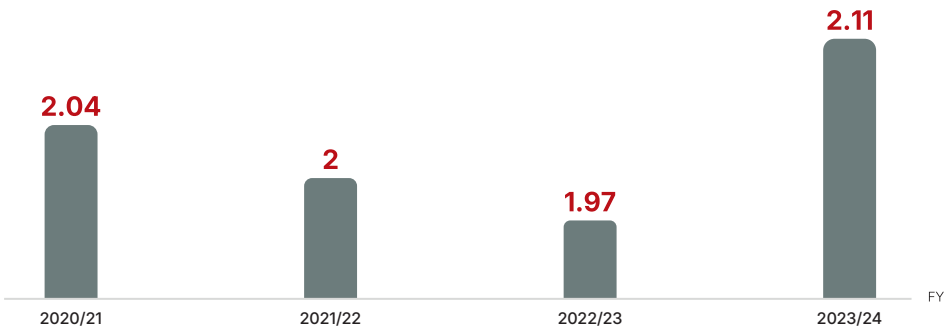
Between FY 2020/21 and FY 2023/24, jet fuel's share of Egypt's total petroleum product output increased overall, despite year-to-year (YoY) volatility in jet fuel production.

These variations were largely driven by changes in aggregate petroleum product output, which declined by 8.4% over the period. Jet fuel's contribution fell from 7.3% in FY 2020/21 to 6.7% in FY 2021/22, before increasing to 8.2% by FY 2023/24, according to the Egyptian General Petroleum Corporation (EGPC) annual reports.

Local Market Trends

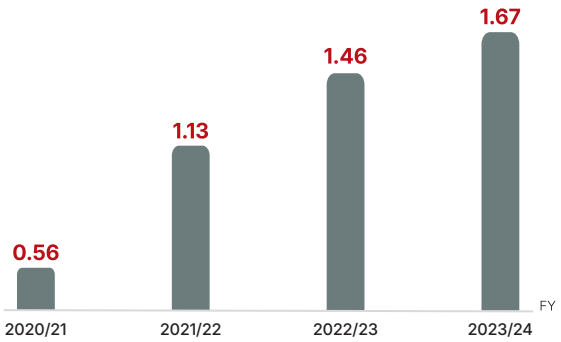
Jet fuel production in Egypt remained relatively stable over the covered period, moving slightly around the 2 million tons (mmt) mark. A modest decline occurred in the middle of the period due to decrease in total petroleum products production, followed by a rebound in FY 2023/24 to the highest level recorded, according to EGPC.

National Jet Fuel Output (mmt)

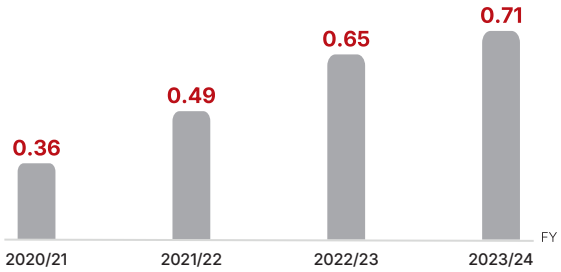


Total jet fuel sales recorded an expansion over the period from FY 2020/21 to FY 2023/24. Volumes rose from 0.56 mmt to 1.67 mmt, reflecting an increase of 1.11 mmt. This corresponds to an overall growth of about 198%, equivalent to an estimated compound annual growth rate (CAGR) of around 44%, highlighting a strong recovery and sustained expansion in the aviation fuel market, according to EGPC.

Jet Fuel Sales Market (mmt)



Jet Fuel Consumption Trend (mmt)



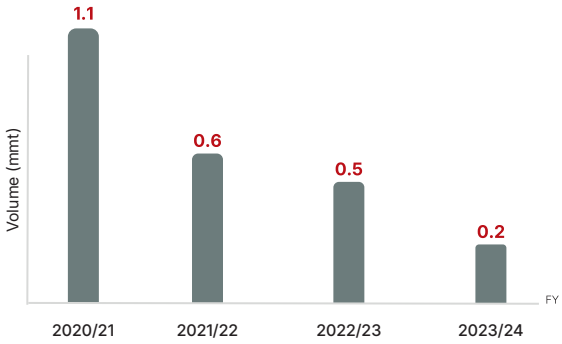
Domestic jet fuel consumption nearly doubled over the four years, increasing by 0.35 mmt, reflecting a CAGR of approximately 26%. Over the same period, the share of domestic consumption in total production rose from 18% to 34%, indicating that a growing portion of national output is directed toward the domestic aviation market, according to EGPC annual reports.

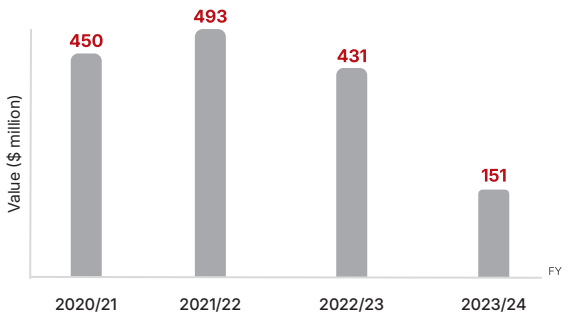
Trade Highlights

Over the four FYs periods, Egypt's jet fuel export volumes exhibited a pronounced downward trend, falling by approximately 83% between FY 2020/21 and FY 2023/24. Domestic consumption declined in 2020 as a result of the coronavirus pandemic, and increased again in 2024 as the number of international and domestic flights rose by 3% to reach 167,700 flights compared to 162,700 flights in 2023, according to the Ministry of Civil Aviation.

In contrast, jet fuel's share of total petroleum product exports increased markedly, doubling from its initial level, primarily reflecting the sharper contraction in overall petroleum product exports rather than an expansion in jet fuel shipments, according to EGPC.

Jet Fuel Exports





Scaling SAF Momentum in Egypt

SAF is a liquid aviation fuel currently used in commercial aviation that is produced from sustainable non-fossil feedstocks, including waste oils and fats, municipal solid waste, and non-food crops. SAF is classified as a drop-in fuel, meaning it can be blended with conventional jet fuel and used in existing aircraft engines and fueling infrastructure without technical modifications. Lifecycle emissions performance varies depending on the feedstock and production pathway, according to the International Civil Aviation Organization (ICAO) and International Air Transport Association (IATA).

Lifecycle CO_2 Emissions Reduction Potential of SAF



Up to 80%

Source: IATA

At the national level, Egypt has formally acknowledged the role of sustainable aviation fuels within its climate and transport mitigation framework. In its updated Nationally Determined Contributions (NDC) submitted to the United Nations Framework Convention on Climate Change (UNFCCC), Egypt included a quantified objective for "greening of the civil aviation sector through introducing 2% biofuels into aviation fuel consumption. In the context of aviation, this refers to bio-based SAF blended with conventional jet fuel, reflecting a gradual integration of lower-carbon fuels rather than a full replacement of fossil-based aviation fuel", according to NDC.

Accelerating Investments & Partnerships

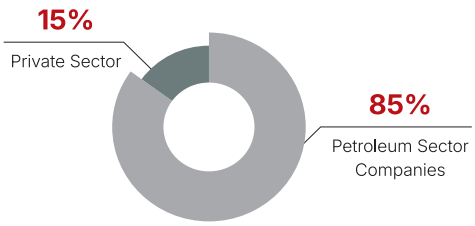
Egypt has moved from policy alignment to concrete implementation in SAF through a set of nationally backed, investment-ready projects. These initiatives are driven by the Ministry of Petroleum and Mineral Resources (MoPMR) and are structured as public–private partnerships, relying primarily on locally available waste feedstocks and internationally certified technologies. Together, they position Egypt as an emerging SAF production hub serving both domestic and export markets.

ESAF Company Establishment

In November 2024, the MoPMR announced the establishment of the Egyptian Sustainable Aviation Fuel Company (ESAF) following the convening of its founding general assembly under the Egyptian Petrochemicals Holding Company (ECHEM).

ESAF serves as Egypt's dedicated national platform for SAF development, consolidating state participation and enabling partnerships with the private sector and international technology providers. The project focuses on converting locally available waste feedstocks into aviation-grade SAF, contributing to emissions reduction in the aviation sector and supporting Egypt's gradual transition toward a green economy, according to the MoPMR Press Release.

Ownership Structure



Alexandria SAF Plant

The Alexandria SAF plant is Egypt's first licensed industrial SAF project. The production license was signed in December 2025, marking a key step in the petroleum sector's shift toward low-carbon fuels.

The project is developed by the ESAF, under ECHEM, in partnership with Honeywell UOP as the licensed technology provider.

It uses advanced hydrotreating technology to convert used cooking oil into aviation-grade SAF that complies with international fuel standards.

The project supports Egypt's waste-to-fuel strategy and contributes to reducing aviation-related emissions, in line with the country's green economy transition, according to the MoPMR Press Release.

Project's Key Figures

Production Capacity
Up to 120,000 t/y

Conversion Efficiency
~80%

Estimated CO_2 Emissions Reduction
400,000 t/y

Total Investment Cost
~$530 million

Ain Sokhna SAF Hub

A large-scale SAF production project is being developed within the Suez Canal Economic Zone (SCZONE) as part of Egypt's efforts to localize low-carbon fuel production and expand its presence in global sustainable energy markets. The project is led by Qatar-based Al Mana Holding, through its renewable fuels platform Green Sky Capital, in partnership with SCZONE. The SAF Fly Ltd, established as the operating company.

The project focuses on producing SAF alongside a range of associated bio-products, using used cooking oil (UCO) as the primary feedstock. This production model aligns with Egypt's waste-to-fuel strategy and supports significant lifecycle emissions reductions compared to conventional jet fuel.

Lifecycle CO_2 Emissions Reduction by Fuel

Conventional Jet Fuel — **0%**

SAF (UCO-Based Pathways) — **50–80%**

The project is planned to be developed across three phases, with cumulative direct investments expected to be completed across all phases.

Ain Sokhna SAF Project – Investment Scale



Development Phases **3**



Cumulative Direct Investment **> $500 million**

Beyond its environmental impact, the project is expected to deliver significant economic and employment benefits. During Phase 1, development and operations are expected to generate 300–500 direct jobs and more than 3,000 indirect jobs. Upon reaching full capacity, employment is projected to rise to 1,000–2,000 direct jobs and more than 8,000 indirect jobs.

Construction progress indicates that the facility is expected to be ready for its first export shipment within approximately 18 months, with commercial SAF supply targeted by end-2027. Over a ten-year horizon, the project aims to export its full output, generating estimated export revenues of approximately $15 billion, supporting Egypt's ambition to position Ain Sokhna as a regional hub for SAF production and exports, according to the Egyptian Cabinet Press Release.

Project's Highlights



Initial Investment (Phase 1)

$200 million



Phase 1 Production Capacity

200,000 t/y*



Total Planned Capacity (All Phases)

~600,000 t/y



Project Land Area

~100,000 m²

*of SAF and Other Sustainable Fuels

Commercial viability of the Ain Sokhna SAF project is reinforced by a long-term offtake agreement under which Shell will purchase 100% of the project's SAF output. The agreement provides commercial certainty for investors and supports the development of a commercial-scale SAF production facility in Egypt. Commercial operations are expected to commence by end-2027, contributing to annual greenhouse gas emissions reductions of up to 500,000 t of CO_2 equivalent, according to Shell Aviation Press Release.

Despite the growing pipeline of announced SAF projects and investment agreements, Egypt currently does not have operational commercial-scale SAF production. All SAF-related initiatives remain under development or pre-commercial, with commercial operations targeted for later years. Available official data do not indicate any recorded domestic SAF production or SAF imports to date, meaning SAF does not yet contribute to Egypt's aviation fuel supply in practical terms.

Egypt's aviation fuel market continues to show a strengthening role for conventional jet fuel within the overall petroleum products mix, supported by improved production levels and supply availability. This has primarily been directed toward meeting domestic aviation demand while maintaining the ability to serve export markets, reflecting a balanced supply approach.

In parallel, the introduction of initial industrial-scale SAF projects represents an early step toward diversifying the aviation fuel value chain. While SAF production remains limited—accounting for a marginal share of total jet fuel output—and is not positioned to replace conventional aviation fuel in the near term, these projects establish a foundational framework for a green future.


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