

# ReFuelEU Aviation initiative

## Summary of Parliament's and Council's positions

### SUMMARY

On 14 July 2021, the European Commission presented the 'fit for 55' package, which includes a number of proposals to help cut emissions from transport. One of these proposals – the ReFuelEU Aviation initiative – sets out provisions aimed at increasing the production and use of sustainable aviation fuels.

The European Parliament and the Council have adopted their initial positions. Interinstitutional negotiations on the final wording of the rules started in September 2022. The Council and Parliament positions both seek to amend the Commission proposal, inter alia with regard to eligible fuels. They also seek to ramp up obligations linked to the use of sustainable aviation fuels and the use of revenue generated by financial penalties.

This briefing offers a short comparison of the positions of the two co-legislators on a number of different aspects of the initiative: the fuel mandate for increasing the share of sustainable aviation fuels (SAF); the definition of SAF; the level playing field and fuel tankering; which airports and aircraft operators the initiative should apply to; and how to use the revenue from fines.



### IN THIS BRIEFING

- Background
- Comparing the positions of the Council and the Parliament



## Background

As part of the [European Green Deal](#) – the package of policy initiatives aimed at setting the EU on the path to a green transition – in June 2021 the EU adopted the European Climate Law, which set the EU target for 2030 of reducing greenhouse gas (GHG) emissions by at least 55 % compared with 1990 levels. A month later, the European Commission published the [fit for 55 package](#) containing a number of legislative proposals to deliver on the targets agreed in the European Climate Law, including those aimed at helping to cut emissions from transport.

To promote the uptake of production and use of such fuels in aviation, the Commission tabled a proposal for a regulation – the [ReFuelEU Aviation](#) sustainable air transport initiative – that would oblige fuel suppliers to supply an increasing share of sustainable aviation fuels (SAF) at EU airports. The proposal also aims to tackle fuel tankering: the practice of loading more fuel than necessary for a given flight, because it is cheaper at the departure airport than at the destination airport, which can lead to more emissions owing to the heavier overall weight of aeroplanes.

The [file](#) was referred to Parliament's Committee on Transport and Tourism (TRAN), which appointed Søren Gade (Renew Europe, Denmark) as rapporteur. Following Gade's election to the Danish Parliament, José Ramón Bauzá Díaz (Renew Europe, Spain) was appointed as the new rapporteur in October 2022. The [first discussion](#) on the file in the TRAN committee took place on 1 December 2021. The [draft report](#) was presented at the TRAN meeting of [3 March 2022](#). The vote in TRAN took place at the end of June and the plenary voted on the [report](#) in July 2022.

In the Council, the Slovenian Presidency's [progress report](#) was discussed at the Transport, Telecommunications and Energy Council meeting of [9 December 2021](#). On 2 June 2022, during the French Presidency, the Council adopted its [general approach](#) on the RefuelEU Aviation initiative.

Inter-institutional negotiations on the final wording of the new rules started in September 2022.

## Comparing the Parliament and Council negotiating positions

### Fuel mandate

The Commission's [proposal for a regulation](#) sets minimum obligations for all fuel suppliers to gradually increase the share of SAF in the fuel supplied to operators at EU airports, in accordance with a timetable set out in [Annex I](#) to the proposal ([Article 4](#)). According to this timetable, the minimum share of SAF supplied at each EU airport should be 2 % in 2025 and 5 % in 2030, increasing to 20 % in 2035, 32 % in 2040, 38 % in 2045, and 63 % in 2050. Within the SAF requirement, a sub-obligation is envisaged for synthetic aviation fuels,<sup>1</sup> which should grow from 0.7 % in 2030 to 5 % in 2035, 8 % in 2040, 11 % in 2045, and 28 % in 2050 (Figure 1).

The proposal envisages a transition period until the end of 2029, in which fuel suppliers may supply the minimum share of SAF as an average over all the aviation fuel they supplied across EU airports for the year ([Article 13](#)).

### Council

The Council maintains the minimum shares proposed by the Commission, amending only the minimum share of SAF for 2030 to 6 % (compared to 5 % proposed by the Commission).

However, according to the position taken by the Council, until the end of 2034, Member States should be able to require higher minimum shares of synthetic aviation fuels, provided the minimum share of those fuels (as listed in [Annex I](#) of the proposed regulation) has been reached. The higher minimum share of synthetic aviation fuels should not exceed the minimum shares listed in [Annex I](#) by more than 1 % until the end of 2029 or by more than 3 % until the end of 2034.

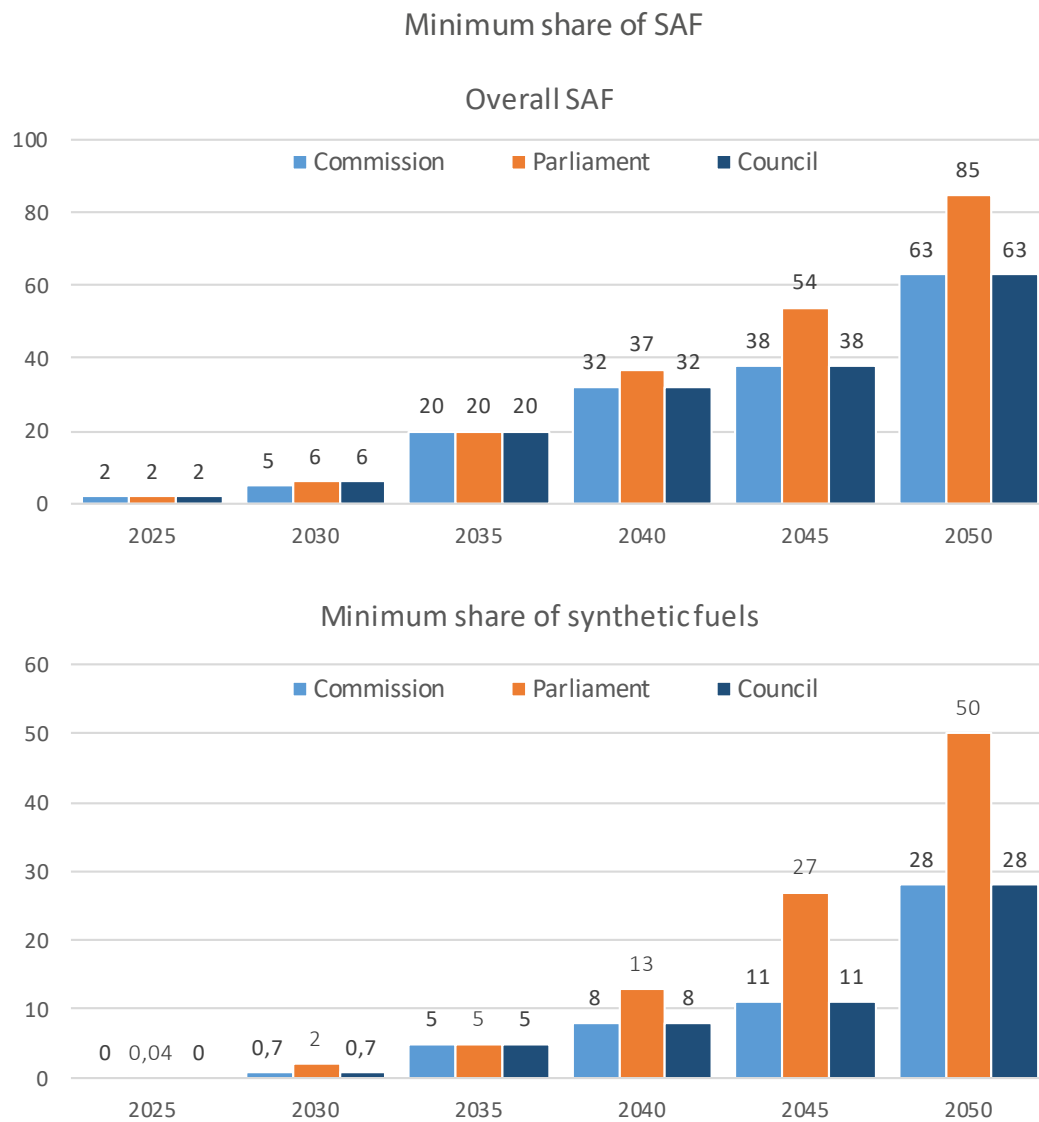
The Council supports the Commission proposal for a transitional period for complying with the SAF minimum share requirements, to give aviation fuel suppliers, airports and aircraft operators a

reasonable amount of time to make the necessary technological and logistical investments. During this phase, aviation fuel suppliers may supply the minimum share of sustainable aviation fuel defined in Annex I as a weighted average over all the aviation fuel they supplied to EU airports in that year. While the Commission proposed that the transitional period last until the end of 2029, the Council proposes a 10-year period lasting until the end of 2034.

## Parliament

Parliament proposes to raise the SAF targets compared to the Commission proposal. From 1 January 2025, the minimum share of SAF should be 2 %, from 2030 – 6 %, from 2035 – 20 %, from 2040 – 37 %, from 2045 – 54 % and from 2050 – 85 %. Parliament proposes an additional sub-target for synthetic aviation fuels of 0.04 % for 2025; it furthermore introduces higher sub-targets than the Commission for the following years: 2 % in 2030, 5 % in 2035, 13 % in 2040, 27 % in 2045, and 50 % in 2050. Parliament also proposes to introduce a new 10-year flexibility mechanism for the supply of sustainable aviation fuels.

Figure 1 – Minimum shares of SAF and of synthetic fuels

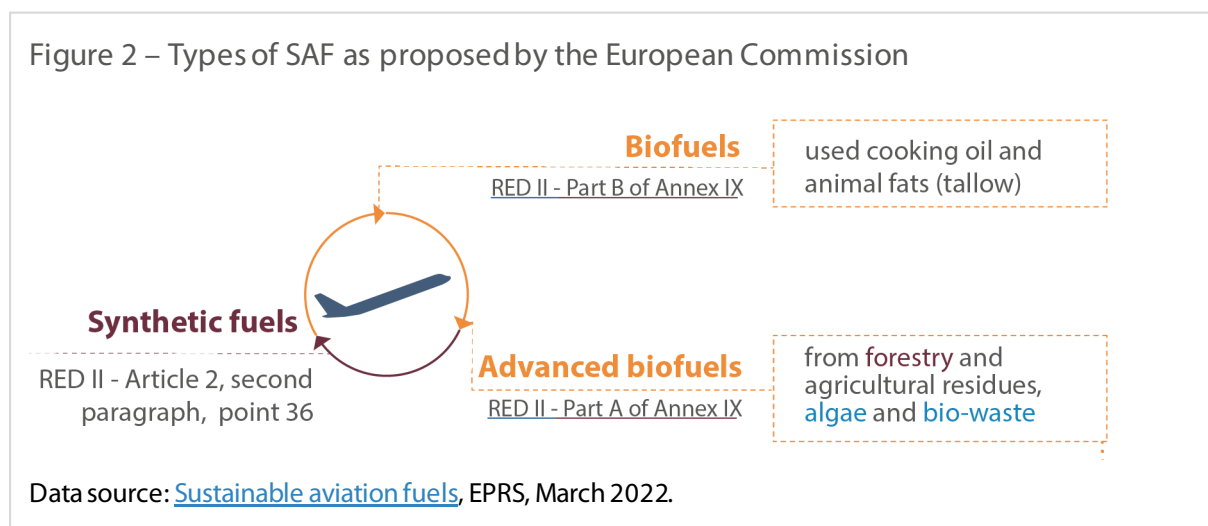


Data sources: European Commission proposal, and European Parliament and Council negotiating positions, March 2022.

## SAF definition

The Commission proposal defines SAF as 'drop-in' aviation fuels (fuels substitutable for conventional aviation fuel) that are:

- either synthetic aviation fuels,
- [advanced biofuels](#) produced from feedstock such as agricultural or forestry residues, algae and bio-waste,<sup>2</sup> or
- biofuels produced from certain other feedstock with 'high sustainability potential' (e.g. used cooking oil, certain animal fats)<sup>3</sup> that meet the [sustainability and GHG emissions criteria](#)<sup>4</sup> (Figure 2).



## Council

The Council proposes to extend the list of eligible fuels while maintaining the exclusion of biofuels from food and feed crops.

Specifically, the Council proposes to change the definition of biofuels from feedstock listed in parts A and B of Annex IX of RED II to 'biofuels which comply with the sustainability and greenhouse gas emissions criteria in RED II and certified in accordance with the directive'.

However, biofuels other than advanced biofuels as defined in RED II and other than biofuels produced from the feedstock listed in Part B of Annex IX of RED II, should account for a maximum of 3 % to comply with the minimum shares of SAF.

The renewable share of fuels produced through co-processing should also be eligible under the definition of SAF, as long as the renewable share is produced from feedstock listed in RED II.

In its position, the Council maintains 'synthetic aviation fuels' within the definition of SAF. However, it also proposes that recycled carbon aviation fuels ([as defined in Article 2 of RED](#)) complying with the greenhouse gas emissions savings threshold referred to in that directive, should be eligible.

The Council also adds a definition of '[synthetic low-carbon fuels for aviation](#)' – synthetic drop-in aviation fuels derived from low-carbon hydrogen whose lifecycle GHG emissions savings from their use are at least 70 %. These fuels could also count towards fulfilling the SAF obligations.

## Parliament

According to the Parliament, biofuels should be produced from feedstock listed in parts A and B of Annex IX of RED II. Fuels made from food and feed crops, intermediate crops, palm fatty acid distillate all palm and soy derived materials, as well as soap stock and its derivatives should be excluded from counting towards SAF targets. However, until 31 December 2034, the SAF may also

include biofuels that comply with the sustainability and greenhouse gas emissions criteria laid down in Article 29 RED II, with the exception of biofuels produced from 'food and feed crops'.

Parliament proposes broadening the definition of synthetic aviation fuels. The following would constitute synthetic aviation fuels: renewable hydrogen or renewable electricity or fuels that are renewable fuels of non-biological origin as defined in RED II (Article 2, second paragraph, point 36).

## Level playing field and fuel tankering

The Commission proposal establishes the obligation for aircraft operators to ensure that the yearly quantity of aviation fuel uplifted at any given EU airport is at least 90 % of the yearly aviation fuel required ([Article 5](#)). This measure would oblige operators to refuel each time with only the fuel required for a given flight and thereby prevent the filling of aeroplanes with excessive amounts of fuel. The rule aims to help cut additional emissions that could otherwise result from aeroplanes that are heavier because they are flying with excessive fuel. Together with the concurrent SAF supply obligation at EU airports, this rule also aims to ensure that all flights departing from larger EU airports have a minimum share of SAF, whether the airline is an EU airline or not.

### Council

The Council maintains the obligation for aircraft operators to ensure that the yearly quantity of aviation fuel uplifted at any given EU airport is at least 90 % of the yearly aviation fuel required. However, it introduces the possibility to exempt aircraft operators from the obligation to refuel prior to departure on specific routes of less than 1 200 kilometres. To be granted an exemption, operators should demonstrate serious operational difficulties in refuelling aircraft departing from the EU airports within the scope of the rules.

### Parliament

Citing the need to ensure aviation safety, the Parliament also includes a force majeure clause regarding exemptions from fines for non-compliance with fuel tankering obligations, if this was caused by exceptional and unforeseeable circumstances outside operators' control.

## Scope

The rules under the Commission proposal cover airports where passenger traffic is greater than 1 million passengers or where freight traffic is greater than 100 000 tonnes a year; these rules also cover aircraft operators that make at least 729 flights a year.

### Council

The Council extends the scope of the rules on aircraft operators to include operators with at least 500 commercial air transport flights departing from EU airports (within the scope of the rules) a year.

### Parliament

The Parliament further widens the scope of the rules to include most EU airports and lowers the threshold to include more aircraft operators (i.e. aircraft operators making 52 or more flights a year).

## Revenue from fines to support research and innovation in SAF

The Commission's proposal introduces financial penalties for fuel suppliers and operators failing to comply with the obligations it lays down, and stipulates that such fines be transferred to the InvestEU Green Transition Investment Facility ([Article 11](#)).

## Council

The Council states that Member States should ensure that the revenues generated from fines be used to support research and innovation projects in the field of SAF, SAF production, or mechanisms allowing a bridging of the price differences between SAF and conventional aviation fuels.

## Parliament

Parliament introduces a clause to allocate the revenue from the fines collected under the new rules to a new Sustainable Aviation Fund, to stimulate innovation and research specifically in aviation, and to invest in zero-emissions technologies and sustainable infrastructure.

## Further incentives for SAF uptake

The Parliament proposes to task the European Aviation Safety Agency tasked with developing an environmental labelling system, in order to drive consumers' choices and further encourage the use of SAF and other sustainability measures by aircraft operators.

More information on the background, the initiative, stakeholder views and the draft report can be found in the EPRS briefing on [Sustainable aviation fuels and the fit for 55 package](#).

## MAIN REFERENCES

Soone J., [ReFuelEU Aviation initiative: Sustainable aviation fuels and the fit for 55 package](#), EPRS, European Parliament, March 2022.

Soone J., [Sustainable Aviation Fuels](#), infographic, EPRS, European Parliament, March 2022.

Wilson A., [Revision of the Renewable Energy Directive: Fit for 55 package](#), EPRS, European Parliament, December 2021.

## ENDNOTES

- <sup>1</sup> In the impact assessment accompanying the Commission proposal, synthetic aviation fuels are defined as renewable liquid or gaseous fuels of non-biological origin. They are synthetic liquid fuels produced by 1) conversion of renewable electricity through the electrolysis of water to produce green hydrogen; and 2) mixing hydrogen with CO<sub>2</sub> that is captured directly from air, is of biogenic origin, or is obtained through industrial processes, to produce liquid hydrocarbons.
- <sup>2</sup> From feedstocks listed in [Part A](#) of Annex IX to RED II.
- <sup>3</sup> From feedstocks listed in [Part B](#) of Annex IX to RED II.
- <sup>4</sup> As defined in [Article 29\(2\) to \(7\)](#) RED II and certified as provided for in [Article 30](#) RED II.

## DISCLAIMER AND COPYRIGHT

This document is prepared for, and addressed to, the Members and staff of the European Parliament as background material to assist them in their parliamentary work. The content of the document is the sole responsibility of its author(s) and any opinions expressed herein should not be taken to represent an official position of the Parliament.

Reproduction and translation for non-commercial purposes are authorised, provided the source is acknowledged and the European Parliament is given prior notice and sent a copy.

© European Union, 2023.

Photo credits: © scharfsinn86 / Adobe Stock.

[eprs@ep.europa.eu](mailto:eprs@ep.europa.eu) (contact)

[www.eprs.ep.parl.union.eu](http://www.eprs.ep.parl.union.eu) (intranet)

[www.europarl.europa.eu/thinktank](http://www.europarl.europa.eu/thinktank) (internet)

<http://epthinktank.eu> (blog)