Sustainable aviation fuels (ReFuelEU Aviation Initiative)

2021/0205(COD) - 07/07/2022 - Text adopted by Parliament, partial vote at 1st reading/single reading

The European Parliament adopted by 334 votes to 95, with 153 abstentions, **amendments** to the proposal for a regulation of the European Parliament and of the Council on ensuring a level playing field for sustainable air transport.

The matter was referred back to the committee responsible for inter-institutional negotiations.

The main amendments adopted in plenary concern the following points:

Subject matter

The proposal is part of the 'Fit for 55 in 2030 package' and aims to increase the share of sustainable fuels used by EU airlines and airports in order to reduce aviation emissions and ensure Europe's carbon neutrality by 2050.

This Regulation should apply to aircraft operators, Union airports, or where applicable, the managing body of an airport, and to aviation fuel suppliers. 'Aircraft operator' should mean a person that operated at least 52 commercial air transport flights departing from Union airports in the reporting period.

Accelerated integration of sustainable fuels

Members **revised upwards** the Commission's original proposal for the **minimum share of renewable fuels** to be made available at EU airports. From 2025 onwards, this minimum share by volume should be 2% (including a minimum share of 0.04% of synthetic fuels), rising to 6% in 2030, 20% in 2035, 37% in 2040, 54% in 2040 and **85% in 2050** (including a minimum share of 50% of synthetic fuels). The Commission had proposed 32% by 2040, 38% by 2045 and 63% by 2050.

Where an aviation fuel supplier fails to supply the minimum shares for a given reporting period, it should report the shortfall, and the reasons for it, to the European Union Aviation Safety Agency. Where the Commission assesses that this shortfall is not caused by lack of resource availability, the fuel supplier should make every possible effort to at least complement that shortfall in the subsequent reporting period.

Broader definition of sustainable fuels

Parliament amended the proposed definition of sustainable fuels for aviation, a term that covers synthetic fuels or certain biofuels derived from agricultural and forestry residues, algae, bio-waste or used cooking oil.

Members added to this definition liquid and gaseous fuels produced from waste treatment gases and exhaust gases of non-renewable origin that unavoidably and unintentionally arise from production processes in industrial installations. **Until 31 December 2034**, sustainable aviation fuels could also include biofuels that meet the sustainability and greenhouse gas emission reduction criteria set out in Article 29 of Directive (EU) 2018/2001 on the promotion of the use of energy from renewable sources and that are certified in accordance with that directive.

However, Members excluded fuels made from food or feed crops, intermediate crops, palm fatty acid distillate and all palm and soy-derived materials, as well as soap stocks and their derivatives.

Inclusion of renewable electricity and hydrogen in the sustainable fuel mix

Members stressed that other sustainable aviation fuels, such as electricity or hydrogen, are very promising technologies and are expected to progressively contribute to the decarbonisation of air transport, beginning with short-haul flights.

When electric or hydrogen-powered aircrafts become mature and commercially available, it will be necessary for airports covered by this Regulation to take all necessary measures to **facilitate an appropriate infrastructure for hydrogen and electric recharging for aircrafts**, in accordance with the respective deployment plan of the national policy framework, as set out in the proposed Regulation on the deployment of alternative fuels infrastructure.

Sustainable Aviation Fund

Parliament proposed the creation of a Sustainable Aviation Fund from **2023 to 2050** to accelerate decarbonisation in the sector and support investment in sustainable fuels, innovative aircraft propulsion technologies, research into new engines and direct air capture technology. The Fund should constitute an integral part of the EU budget and its budget should be established within the limits of the multi-annual financial framework. The **revenue generated by the penalties** provided for in the Regulation should be allocated to the Fund.

EU labelling scheme for the environmental performance of aviation

In order to further promote the decarbonisation of the aviation sector and to increase the transparency of information to consumers on the environmental performance of aircraft operators, Parliament proposed that the Commission create a comprehensive labelling scheme **by 2024** for the environmental performance of aircraft, airlines and commercial flights, to be developed and implemented by the European Union Aviation Safety Agency (EASA).

Sustainable aviation fuels flexibility mechanism

Parliament proposed to establish a flexibility mechanism, with a **transitional period of ten years** from the date of application of the regulation, to allow fuel suppliers and aircraft operators a reasonable period of time to organise the distribution and use of sustainable aviation fuels in a cost-effective manner at the EU airports of their choice and in proportion to their needs. This flexibility mechanism would also contribute to **preserving air connectivity**, avoiding that less connected European regions with fewer alternative transport modes are disproportionately affected.

During the transitional period, the Commission should regularly review the integrity and transparency of the market for sustainable aviation fuels. In particular, it should analyse the functioning of the market, including its volatility, unusual price evolution or trading behaviour of market participants that could indicate possible monopolistic behaviour.