

ReFuelEU Aviation initiative

Sustainable aviation fuels and the 'fit for 55' package

OVERVIEW

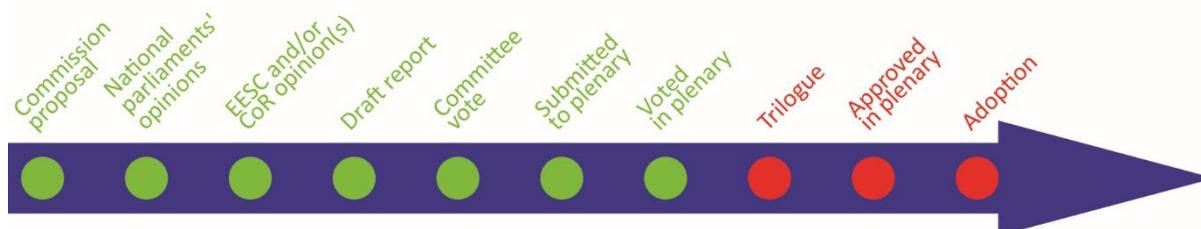
On 14 July 2021, the European Commission presented a package of proposals to make the EU's climate, energy, land use, transport and taxation policies fit for reducing net greenhouse gas emissions by at least 55 % by 2030, compared with 1990 levels – the 'fit for 55' package. The package includes a proposal to ensure a level playing field for sustainable air transport, also known as the ReFuelEU Aviation initiative.

In the draft regulation, the Commission proposes obligations on fuel suppliers to distribute sustainable aviation fuels (SAF), with an increasing share of SAF (including synthetic aviation fuels, commonly known as e-fuels) over time, in order to increase the uptake of SAF by airlines and thereby reduce emissions from aviation. The proposal also includes obligations on airlines to limit the uptake of jet fuel before departing from EU airports to what is needed for safe operation of flights, with the aim of ensuring a level playing field for airlines and airports, and avoiding additional emissions related to extra weight of aircraft carrying excessive amounts of fuel.

In the European Parliament, the file has been referred to the Committee on Transport and Tourism (TRAN) as the lead committee. The Committee on the Environment, Public Health and Food Safety (ENVI) and the Committee on Industry, Research and Energy (ITRE) are associated under Rule 57.

Proposal for a regulation of the European Parliament and of the Council on ensuring a level playing field for sustainable air transport

<i>Committee responsible:</i>	Transport and Tourism (TRAN)	COM(2021) 561 14.7.2021
<i>Rapporteur:</i>	José Ramón Bauzá Díaz (Renew, Spain)	2021/0205(COD)
<i>Shadow rapporteurs:</i>	Cláudia Monteiro de Aguiar (EPP, Portugal) Erik Bergkvist (S&D, Sweden) Ciarán Cuffe (Greens/EFA, Ireland) Julie Lechanteux (ID, France) Kosma Złotowski (ECR, Poland) Clare Daly (The Left, Ireland)	Ordinary legislative procedure (COD) (Parliament and Council on equal footing – formerly 'co-decision')
<i>Next steps expected:</i>	Completion of trilogue negotiations	



Introduction

In June 2021, the European Climate Law was adopted, setting in law the EU target for 2030 of reducing greenhouse gas (GHG) emissions by at least 55 % compared with 1990 levels, in line with priorities set out in the [Green Deal](#). On 14 July 2021, the Commission published the '[fit for 55' package](#) with a number of legislative proposals to deliver on the targets agreed in the European Climate Law. The package includes several proposals to bring down emissions from the transport sector. For aviation, these include proposals to tighten up the EU emissions trading scheme and to increase the use of alternative fuels in aviation, and the proposal to increase deployment of alternative fuels infrastructure, in particular electric charging points for stationary aircraft at EU airports.

As the development of alternative propulsion technologies and aircraft (e.g. electric aircraft) have not yet matured sufficiently to be available for commercial operations in the next decade, sustainable aviation fuels are considered to have the most potential to offer emissions reductions in the short term. To promote the take-up of production and use of such fuels in aviation, the Commission presented the [ReFuelEU Aviation](#) sustainable air transport initiative in the 'fit for 55' package. The proposed new rules oblige fuel suppliers to supply an increasing share of sustainable aviation fuels as part of the fuel supplied at EU airports. The proposal also aims to tackle fuel tankering practices, which consist of taking on more fuel than required for safe operation of a given flight at airports where it is cheaper. With these proposed changes, the Commission aims to reinforce a level playing field for air transport operators and to help cut emissions generated because of heavier overall weight of aircraft carrying excessive amounts of fuel.

Existing situation

At global and EU level, some policy actions to encourage and increase the use of sustainable aviation fuels (SAF) already exist. For instance, the International Civil Aviation Organization ([ICAO](#)) carbon offsetting and reduction scheme for international aviation ([CORSIA](#)) allows aircraft operators to use SAF that comply with a dedicated sustainability framework, instead of purchasing emissions offsets.¹

The EU emissions trading system ([EU ETS](#))² provides an incentive for aircraft operators to use biomass-based SAF certified as compliant with the sustainability framework of the recast Renewable Energy Directive (EU) 2018/2001 ([RED II](#) for short), by attributing them 'zero emissions' under the scheme; this means that airlines do not have to surrender any emissions allowances when SAF is used instead of fossil jet fuel.³

According to the RED II, Member States can count SAF towards the achievement of their national renewable energy targets, on the condition that they comply with the sustainability criteria listed in the directive. A specific multiplier of 1.2 is applied to the supplied quantity of non-food- and feed-based SAFs, meaning that they contribute 20 % more of their energy content in accounting towards the renewable energy targets.⁴

However, the Commission estimates that the regulatory framework for renewable energy and the EU ETS have not led to a sufficient increase in the uptake of SAF, and that CORSIA on its own may not provide a sufficient economic incentive for airlines to increase the use of SAF.⁵

The 'fit for 55' package tabled in July 2021 also includes a [proposal](#) to amend the EU ETS rules for aviation⁶ and a [proposal](#) to revise the renewable energy directive.⁷

In terms of ensuring a level playing field in aviation, several rules are in place. [Regulation \(EC\) No 1008/2008](#) on common rules for the operation of air services regulates licensing of Community air carriers, the right of Community air carriers to operate intra-EU air services, and the pricing of intra-EU air services to ensure that airlines operating in the EU can compete on the basis of equal opportunity. [Regulation \(EU\) 2019/712](#) on safeguarding competition in air transport

lays down rules on the conduct of investigations and the application of redressive measures in respect of practices distorting competition between EU and third-country air carriers.

However, fuel tankering practices have so far not been addressed by EU rules. According to the Commission proposal, safeguards against fuel tankering are necessary because these practices undermine fair competition (in that certain aircraft operators are able to benefit from favourable aviation fuel prices at their home base), and can affect the attractiveness of certain airports. The Commission also suggests that eliminating tankering practices has significant environmental benefits, and points to a Eurocontrol [study](#) that estimates that 20% of the flights in Europe were operated using some fuel tankering, with a significant impact on emissions due to heavier onboard weight of aircraft.

Parliament's starting position

Parliament's resolution ([2019/2956/RSP](#)) of 15 January 2020 on the European Green Deal called for a clear regulatory roadmap for the decarbonisation of aviation, based on technological solutions, infrastructure, requirements for sustainable alternative fuels and efficient operations. The resolution expressed support for the proposed measures to reduce emissions in the aviation sector and the strengthening of the ETS in line with the EU's climate ambition. It also called on the Commission and the Member States to work towards strengthening CORSIA.

Preparation of the proposal

As part of the consultation process, the Commission published an [inception impact assessment](#) (IIA) in which it outlined the need for action in terms of reducing emissions from air transport to reach Green Deal objectives. The IIA listed possible policy actions, including an SAF blending requirement for fuel supplied to and used by airlines; revision of the 1.2 multiplier for aviation under the Renewable Energy Directive; an auctioning mechanism for SAF supply; and a funding mechanism to encourage the deployment of SAF production facilities. The consultation was carried out between 24 March and 21 April 2020 and received [121 responses](#) from public authorities, the aviation and fuels industries, non-governmental organisations (NGOs), academics and citizens. The Commission also organised an open public consultation from August to October 2020, receiving [156 replies](#).

In addition, the Commission held two roundtables (in March and November 2020) to get stakeholders' and Member States' views on the need for regulatory action at EU level on sustainable aviation fuels. For a supporting study undertaken by an external contractor, a targeted consultation was carried out to gather further details – on the functioning of the aviation market, the state of the aviation fuels market, and the production of sustainable aviation fuels – from the aeronautics and aviation fuels industries, Member States, NGOs, and international aviation organisations.

According to the [Commission](#), throughout the consultation process a majority of stakeholders supported establishing an SAF obligation as an effective policy mechanism. However, stakeholders were divided on the specific design of the measure. Still, a majority of fuel suppliers, Member States, NGOs and airports, and some of the airlines, supported a supply-side SAF obligation with flexibility in fuel distribution, and covering jet fuel supplied for all flights departing from EU airports. Meanwhile, the majority of stakeholders saw the need for measures preventing carbon leakage and distortion in the internal aviation market. A majority of stakeholders also supported specific incentives for the production of renewable fuels of non-biological origin (RFNBOs).⁸

The proposal was accompanied by an [impact assessment](#) (IA). The IA outlines the [need for action](#) and lists a number of [policy options](#), detailing the [impact](#) of the measures, including for emissions reductions and the projected costs related to implementing the measures and other impacts. The first set of policy options included a requirement for fuel suppliers to supply SAF at EU airports; the second set of options included a requirement for airlines to uptake SAF when flying from EU airports; and a third set, the [preferred set of policy options](#), included obligations on fuel suppliers to distribute SAF, and on airlines to uptake jet fuel before departing from EU airports. Some policy

options defined targets for the increased use of SAF in terms of volume, while others defined the targets in terms of CO₂ intensity reduction.

The projected [benefits](#) of the preferred policy options include a reduction of 'well-to-wing' CO₂ emissions in the aviation sector by around 60-61 % by 2050 compared with the [baseline scenario](#). Environmental costs of aviation, related to CO₂ and air pollutants emissions, are projected to be reduced by €87-88 billion over the 2021-2050 period. SAF production capacity is projected to increase by an additional 25.5-25.6 million tonnes (Mt) by 2050. Further benefits include improved energy security related to a cut in reliance on fossil energy imports from third countries, emergence of SAF technologies in significant quantities, lower SAF prices, and net job creation in the EU.

The projected [costs](#) of the two preferred policy options are an increase in the costs of €14.6 billion and €20.3 billion, respectively, relative to the baseline up to 2050, largely driven by an increase in jet fuel costs; an estimated increase in air fares by around 8.1-8.2 % by 2050 as a result of higher fuel costs; and an increase in reporting costs for airlines of €0.34 billion up to 2050. For SAF producers, the investment needs over the 2021-2050 period are estimated at around €10.4-10.5 billion, with an estimated 104 to 106 additional SAF plants required to be built in the EU by 2050. Authorities are projected to incur an increase in administrative costs of €264 million for Member State authorities and €2.7 million for EU authorities.

Annexes to the IA provide further details, including details on the [stakeholder consultation](#), further details on [measures contributing to reducing the climate impact of aviation](#) and [possible 'flanking' measures](#), and details on the SAF [certification process](#), [production routes](#) and [production costs](#). Further analysis of the IA can be found in the EPRS [initial appraisal](#) of the IA.

The changes the proposal would bring

Fuel mandate

The [draft regulation](#) proposed by the Commission sets minimum obligations for all fuel suppliers to gradually increase the share of sustainable aviation fuels in the fuel supplied to operators at EU airports, in accordance with a timetable set out in [Annex I \(Article 4\)](#). 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.

A transition period until the end of 2029 is envisaged, in which fuel suppliers may supply the minimum share of SAF as an average over all the aviation fuel they supplied to EU airports in that reporting period ([Article 13](#)).

Within the SAF requirement, a sub-obligation is envisaged for synthetic aviation fuels,⁹ increasing from 0.7 % in 2030 to 5 % in 2035, 8 % in 2040, 11 % in 2045, and 28 % in 2050.

SAF definition

SAF are defined 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,¹⁰ or biofuels produced from certain other feedstocks with 'high sustainability potential' (used cooking oil, certain animal fats)¹¹ that comply with the [sustainability and greenhouse gas emissions criteria](#).¹² The Commission lists limited scalability potential and sustainability concerns as reasons for excluding feed and food crop-based fuels.

Level playing field and fuel tankering

With a view to preventing fuel tankering practices (refuelling the aircraft with more jet fuel than necessary for the flight so as to avoid refuelling partially or fully at a destination airport where aviation fuel is more expensive), the draft regulation establishes the obligation for aircraft operators to ensure that the yearly quantity of aviation fuel uplifted at a given EU airport is at least 90 % of the

yearly aviation fuel required ([Article 5](#)). This provision aims to ensure that the amount of fuel taken before a departure from an EU airport corresponds to the amount of fuel needed for the flight departing from that airport, while complying with the fuel safety rules.¹³ The Commission argues that tankering practices need to be addressed in the new regulation, as they are detrimental both to EU efforts to reduce environmental impacts from transport and to the level playing field. On the one hand, increased weight due to a larger amount of fuel than needed for a flight would increase fuel consumption and related emissions. On the other, these practices – which are expected to grow because of higher aviation fuel costs for airlines – can result in a competitive advantage for some operators that are able to refuel at favourable prices at their home base.

Furthermore, the draft regulation sets **reporting obligations** for both aircraft operators ([Article 7](#)) and fuel suppliers ([Article 9](#)), and lays down financial **penalties** for them if they fail to comply with the obligations ([Article 11](#)).

The planned **entry into force** of the draft regulation is set at 1 January 2023, with an obligation to supply SAF ([Article 4](#)), and the level playing field rules ([Article 5](#)) to apply from 2025 ([Article 15](#)).

Advisory committees

For this legislative procedure, consultation of the European Economic and Social Committee (EESC) and the European Committee of the Regions (CoR) is mandatory. The EESC adopted an opinion ([TEN/744-EESC-2021](#)) during its plenary session on 20 October 2021. While supporting the general direction of the Commission's proposal, the EESC suggests a number of changes. It urges the Commission to ensure that the initiative can be implemented without creating distortions. The opinion points out that non-EU airlines could in the future have a competitive advantage, as the proposed rules cover all operations of all EU airlines, while non-EU airlines would only be covered to the degree that they include services from an EU airport. It suggests that the Commission place greater emphasis on achieving coordination of international regulatory measures. It also stresses that due consideration should be given to the interdependency of all 'fit for 55' proposals with an impact on aviation. Regarding targets for SAF, the EESC suggests that the Commission should review the balance between advanced biofuels and e-kerosene, recommending more ambitious targets for e-kerosene.

National parliaments

The subsidiarity deadline for national parliaments' reactions was [5 November 2021](#). The Joint Committee on Transport and Communications of the Irish Houses of Oireachtas issued a [reasoned opinion](#) concluding that the proposal does not comply with the principle of subsidiarity. Meanwhile, the Joint Committee for EU Affairs of the Spanish Cortes Generales adopted a [resolution](#) stating that the proposal is in accordance with the subsidiarity principle.

Stakeholder views

While supporting many elements of the initiative, European [airline representatives](#) make several suggestions relating, for instance, to the development of subsidies and capital grants to address the price differential with fossil fuel, financial support for research, and the scale-up of production in Europe to reduce costs and ensure sufficient supply. They argue that airlines should be given the possibility to decide on which flights to account for the SAF, to prevent them from carrying extra fuel onboard if SAF is not available at a certain airport. When defining 'yearly fuel required' and 'aviation fuel uplifted', mandatory fuel amounts prescribed in European Union Aviation Safety Agency (EASA) regulations (e.g. contingency fuel) should be excluded, as these can add up to a significant portion of the total fuel required for a flight. Airline representatives also suggest that the refuelling obligations should reflect the challenges pilots experience, such as operational restrictions, airspace closure and weather conditions.

The International Air Transport Association ([IATA](#)) has stated that a mandate policy is not its preferred option for increasing the deployment of SAF, particularly if not accompanied by measures such as production incentives, arguing that this may result in higher prices for airlines and consumers.

[Airport representatives](#) have expressed support for the overall ambition level and sub-targets for synthetic aviation fuels, but do not support the provision according to which airports would be responsible for providing infrastructure for the delivery, storage and uplifting of SAF. According to airport representatives, many airport operators neither own nor operate the fuel supply infrastructure on their sites, and therefore the regulation should reflect the varying responsibilities in this area. In addition, airport representatives do not support the obligation for fuel suppliers to meet the mandate through physical SAF supply at each EU airport, and propose instead to explore how flexibility in physical SAF supply chains can be ensured, for example through a book-and-claim system.

[Waste-based and advanced bio fuels producers](#) have reportedly warned against fencing off certain waste feedstocks for sustainable aviation fuel. The [renewable ethanol industry](#) welcomes the Commission's proposal to implement dedicated legislation for the decarbonisation of aviation, but objects to excluding biofuels produced from food and feed crops, echoing concerns over sufficient supply of feedstock for waste-based vegetable oils and animal fats. [Fuel-refining industry representatives](#) have expressed support for obligations on sustainable aviation fuels targeting volumes, energy, CO₂ emissions and carbon intensity, and have stressed that the ability to trade compliance certificates between obligated parties is necessary to allow cost-effective compliance. [Green transport campaigners](#) welcome the proposal as an overdue step to reduce aviation's climate impact, but propose capping the use of certain waste lipids (feedstocks in Part B of [Annex IX](#) to RED II), a target for advanced biofuels from feedstocks listed in Part A of Annex IX to RED II based on what is sustainably available, and an increased minimum sub-target for e-kerosene. [Hydrogen Europe](#) has argued that setting a maximum GHG intensity threshold would be a better solution than a volume-based minimum share of SAF, with GHG intensity of SAF assessed using a complete lifecycle approach.

Legislative process

The [file](#) was referred to the Parliament's Committee on Transport and Tourism (TRAN), while two other committees – the Committee on the Environment, Public Health and Food Safety (ENVI) and the Committee on Industry, Research and Energy (ITRE) – have been associated under [Rule 57](#) of Parliament's Rules of Procedure. The TRAN committee 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. Parliament and Council have adopted their negotiating positions on the final wording of the rules and interinstitutional negotiations are ongoing.

European Parliament position

The [first discussion](#) on the file in TRAN committee took place on 1 December 2021.

The [draft report](#), published on 11 February 2022, was presented in the TRAN committee meeting of [3 March 2022](#). The rapporteur proposed a number of amendments to the Commission's proposal.

Overall, more than 400 amendments ([39-470](#) and [471-472](#)) were tabled by Members. They were [discussed](#) in TRAN on 19 April 2022. The vote in TRAN took place at the end of June and the [report](#) was [adopted](#) in plenary on 7 July 2022. The matter was referred back to TRAN for interinstitutional negotiations.

Parliament proposes to raise the SAF targets compared with the Commission proposal. From 1 January 2025, the minimum share of SAF should be 2 %, from 2030 it should be 6 %, from 2035 it should be 20 %, from 2040 it should be 37 %, from 2045 it should be 54 % and from 2050 it should

be 85 %. Sustainable aviation 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, the Parliament position states. However, until 31 December 2034, Parliament expands the definition of SAF to 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').

For synthetic aviation fuels, Parliament also proposes to expand the definition. According to Parliament, synthetic aviation fuels would mean 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).

Parliament proposes an **additional sub-target for synthetic aviation fuels** of 0.04 %, also for 2025, and higher sub-targets than the Commission for the following years. These should be 2 % by 2030, 5 % by 2035, 13 % by 2040, 27 % by 2045, 50 % by 2050.

A **new flexibility mechanism** suggested by Parliament would extend the transition period for the supply of sustainable aviation fuels proposed by the Commission from 5 to 10 years. The Commission had proposed a transition period of 5 years from 2025, during which aviation fuel suppliers may supply the defined minimum share of sustainable aviation fuel as an average over all the aviation fuel they supplied to EU airports in a given period (as opposed to supplying the defined minimum shares at each airport).

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

Parliament would also like to widen the scope of the rules to include most EU airports, and lower the threshold to include more air carriers than covered by the Commission proposal. The Commission proposed to include airports where passenger traffic was higher than 1 million passengers or where the freight traffic was higher than 100 000 tonnes, and to include aircraft operators that have at least 729 flights per reporting period. Parliament's position proposes that aircraft operators with 52 flights or more per reporting period be included.

According to Parliament's position, the European Aviation Safety Agency would be tasked with developing an **environmental labelling scheme**, in order to drive consumers' choices and further incentivise the use of sustainable aviation fuels and other sustainability measures by aircraft operators.

The Parliament position also 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. The Commission proposed that such fines be transferred to the InvestEU Green Transition Investment Facility. The Parliament position also suggests that part of the overall amount of **ETS allowances** should be allocated for free to aircraft operators to promote SAF.

Council position

In the Council, the Slovenian Presidency's [progress report](#) was discussed by ministers at the Transport, Telecommunications and Energy Council meeting on [9 December 2021](#). On 2 June 2022, the Council adopted its [general approach](#) on the RefuelEU Aviation initiative. This forms the position of the Council for negotiations with the Parliament on the final wording of the rules.

Definition of SAF

With regard to the fuels considered as sustainable aviation fuels, the Council position proposes extending the list of eligible fuels, while maintaining the exclusion of biofuels from food and feed crops, as proposed by the Commission.

Specifically, the Council proposes to change the definition of biofuels from feedstock listed in parts A and B of Annex IX of RED II (as suggested in the Commission proposal – see also above in 'The changes the proposal would bring') 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. The Council position maintains 'synthetic aviation fuels' within the definition of SAF. However, it also says 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 position 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 would also be allowed to be used to fulfil SAF obligations.

Minimum shares of SAF

The Council maintains the minimum shares proposed by the Commission (in Annex 1 of the draft regulation), proposing to amend only the minimum share of SAF for 2030 to 6 % (compared to 5 % proposed by the Commission).

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

Member States should also be able to decide to impose the SAF requirements on smaller airports in their territory, below the threshold defined by the Commission.

A transition period

The Council supports the Commission proposal for a transitional period for complying with the SAF minimum share requirements, to allow a reasonable amount of time for aviation fuel suppliers, airports and aircraft operators 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 it supplied to EU airports in that year. While the Commission proposed that the transitional period last until the end of 2029, the Council position proposes a ten-year period lasting until the end of 2034.

Anti-tankering rules

To combat tankering practices, the Council position maintains the obligation for aircraft operators to ensure that the yearly quantity of aviation fuel uplifted at a 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.

Increased number of operators within the scope of the rules

The Council position also extends the scope of the rules with regard to aircraft operators compared to the Commission proposal. Rules should apply to operators with at least 500 commercial air transport flights departing from EU airports (within the scope of the rules) in a year, as opposed to operators with at least 729 flights according to the Commission proposal.

Revenue from fines to support research and innovation in SAF

Whereas the Commission proposal envisages that fines will be transferred to the InvestEU Green Transition Investment Facility, the Council position specifies that Member States should ensure that the revenues generated from fines are used to support research and innovation projects in the field of SAF, the production of SAF or mechanisms allowing a bridging of the price differences between SAF and conventional aviation fuels.

EUROPEAN PARLIAMENT SUPPORTING ANALYSIS

Claros E. and Soone J., [Sustainable Aviation Fuels](#), infographic, EPRS, European Parliament, March 2022.
Tuominen M., ['Fit for 55' legislative package: ReFuel EU Aviation](#), initial appraisal of a Commission impact assessment, EPRS, European Parliament, December 2021.

OTHER SOURCES

[Sustainable aviation fuels \(ReFuelEU Aviation Initiative\): 'Fit for 55 package'](#), Legislative Observatory (OEIL), European Parliament.

ENDNOTES

- ¹ See the [impact assessment](#) accompanying the proposal for a regulation on ensuring a level playing field for sustainable air transport, SWD(2021) 633, p. 20.
- ² Aviation CO₂ emissions have been covered by the EU ETS since 2012. It currently applies to flights within the EU and the European Economic Area (EEA).
- ³ *ibid.*, p. 19.
- ⁴ *ibid.*, p. 19.
- ⁵ *ibid.*, pp. 19-20.
- ⁶ See an EPRS [briefing](#) on the proposal for more details.
- ⁷ See an EPRS [briefing](#) on the proposal for more details.
- ⁸ In RED II, RFNBOs are [defined](#) as liquid or gaseous fuels other than biofuels or biogas, the energy content of which is derived from renewable sources other than biomass.
- ⁹ In the IA, 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 CO₂ captured directly from air, from biogenic origin or from industrial processes to produce liquid hydrocarbons.
- ¹⁰ As listed in [Part A](#) of Annex IX to RED II.
- ¹¹ As listed in [Part B](#) of Annex IX to RED II.
- ¹² As defined in Articles 29(2) to (7) RED II and certified as provided for in [Article 30](#) RED II.
- ¹³ [Recital 21](#), proposal for a regulation on ensuring a level playing field for sustainable air transport, p. 17.

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