*This draft Statutory Instrument supersedes the draft of the same title which was laid before Parliament on 20th May 2024 and published on 20th May 2024 (ISBN 978-0-348-26171-4). It is being issued free of charge to all known recipients of that draft Statutory Instrument.*

*Draft Order laid before Parliament under sections 124(5) and 192(3) of the Energy Act 2004 (c. 20), for approval by resolution of each House of Parliament.*

DRAFT STATUTORY INSTRUMENTS

# 2024 No.

# TRANSPORT

# ENERGY

## SUSTAINABLE AND RENEWABLE FUELS

# The Renewable Transport Fuel Obligations (Sustainable Aviation Fuel) Order 2024

*Made* - - - -

*Coming into force* - - *1st January 2025*

The Secretary of State makes this Order in exercise of the powers conferred by sections 124(1) and (2), 125, 125A(1), 125B(1), 126(1) to (3), 127, 128(1) to (5), 129, 130, 131D, 132(1) and 192(4) of the Energy Act 2004(**a**).

The Secretary of State has consulted such persons appearing to the Secretary of State to represent persons whose interests will be affected by this Order, and such other persons, as the Secretary of State considers appropriate, as required by section 124(4) of that Act.

A draft of this Order was laid before Parliament in accordance with sections 124(5) and 192(3) of that Act, and approved by a resolution of each House of Parliament.

(**a**) 2004 c. 20. Sections 125, 125A and 125B were inserted by paragraphs 1 and 2 of Schedule 7 to the Climate Change Act 2008 (c. 27). Sections 128 and 129 were amended by paragraphs 4 and 5 of Schedule 7 to the Climate Change Act 2008 respectively. Section 131D was inserted by section 157 of the Energy Act 2023 (c. 52). Section 132 was amended by paragraph 7 of Schedule 7 to the Climate Change Act 2008. Section 192 was amended by section 62(16) of the Scotland Act 2016 (c. 11) and by paragraph 60 of Schedule 6 to the Wales Act 2017 (c. 4). There are other amendments, but none is relevant.

# PART 1

## Introductory Provisions

### Citation, commencement and extent

**1.**—(1) This Order may be cited as the Renewable Transport Fuel Obligations (Sustainable Aviation Fuel) Order 2024 and comes into force on 1st January 2025.

(2) This Order extends to England and Wales, Scotland and Northern Ireland.

### Interpretation

**2.**—(1) In this Order—

"the 1979 Act" means the Hydrocarbon Oil Duties Act 1979(**a**);

"the 2004 Act" means the Energy Act 2004;

"account holder" means a supplier or other person for which the Administrator establishes an account in accordance with article 6;

"additional sustainability information" means the additional sustainability information specified in the guidance published by the Administrator under article 14(1)(f);

"assessment time" means—

(a) for hydrogen that is attributable to a relevant feedstock, the time at which it is sold to a customer; and

(b) for aviation fuel that does not fall within sub-paragraph (a), the time at which the requirement under the 1979 Act to pay the duty of excise with which that fuel is chargeable took effect;

"aviation fuel" means a transport fuel for use in aircraft, or for use in testing engines for use in aircraft, but excludes detergents, cetane improvers, lubricity improvers, viscosity improvers, oxidation inhibitors, gum inhibitors, anti-corrosive preparations and similar substances intended for use as fuel additives;

"aviation gasoline" means aviation fuel which is aviation gasoline within the meaning given in section 1(3D) of the 1979 Act and which meets one of the following standards—

(a) ASTM International standard D910 (as revised or re-issued from time to time)(**b**);

(b) Ministry of Defence standard 91–090 (as revised or re-issued from time to time)(**c**); or

(c) a standard that is equivalent to either of the standards mentioned in paragraphs (a) and (b);

"aviation turbine fuel" means aviation fuel—

(a) which consists of heavy oil within the meaning of section 1(4) of the 1979 Act;

(b) of which more than 50 per cent by volume distils at a temperature of 240 degrees centigrade or less;

---

(**a**) 1979 c. 5. Section 1(3D) was inserted by paragraphs 1 and 2 of Schedule 6 to the Finance Act 2008 (c. 9).

(**b**) A copy of the relevant ASTM standard can be obtained from ASTM Headquarters, 100 Barr Harbor Drive, P.O. Box C700, West Conshohocken, PA 19428-2959, USA (https://www.astm.org/CONTACT/index.html).

(**c**) A copy of the relevant Ministry of Defence standard can be obtained from UK Defence Standardisation, Kentigern House, Room 1138, 65 Brown Street, Glasgow G2 8EX (email: enquiries@dstan.mod.uk).

(c) which is to be used as a fuel for aircraft; and

(d) which meets one of the following standards—

(i) ASTM International standard D1655 (as revised or re-issued from time to time)(**a**);

(ii) Ministry of Defence standard 91–091 (as revised or re-issued from time to time)(**b**); or

(iii) a standard that is equivalent to either of the standards mentioned in sub-paragraphs (i) and (ii);

"connected person" means, in relation to a supplier, a person connected to the supplier within the meaning of section 1122 of the Corporation Tax Act 2010(**c**);

"energy-derived aviation fuel" means sustainable aviation fuel of non-biological origin—

(a) the energy content of which comes from nuclear sources or renewable sources, other than biomass; and

(b) which is not made from—

(i) biofuels; or

(ii) a carbon source that has been generated for the purpose of converting it into a fuel for use in aircraft;

"forest biomass" means biomass produced from forestry;

"forest criteria" means the criteria set out in Schedule 3;

"land criteria" means the criteria set out in Schedule 2;

"lower heating value" means the energy (in megajoules per kilogram) released during combustion of an aviation fuel determined by the Administrator and published in guidance under article 14(1)(f);

"main obligation" means a supplier's obligation under article 3(4);

"non-obligated supplier" means a supplier other than one on which a SAF obligation is imposed under article 3;

"obligated supplier" means a supplier on which a SAF obligation is imposed under article 3;

"obligation period" has the meaning given in article 3(3);

"power-to-liquid aviation fuel" means energy-derived aviation fuel which is aviation turbine fuel;

"power-to-liquid aviation fuel obligation" has the meaning given in article 3(5);

"processing residue" means, in relation to a production process, a substance—

(a) that is not the end product sought directly from the process;

(b) the production of which is not a primary aim of the process; and

(c) in respect of which the process has not been deliberately modified in order to produce it;

"recycled carbon fuel" means a sustainable aviation fuel designated under paragraph (4);

---

(**a**) See previous footnote for details of where to obtain a copy of the relevant ASTM standard.
(**b**) See previous footnote for details of where to obtain a copy of the relevant Ministry of Defence standard.
(**c**) 2010 c. 4.

"relevant aviation turbine fuel" means aviation turbine fuel owned by a supplier at the assessment time and supplied by that supplier at, or for delivery to, places in the United Kingdom;

"relevant feedstock" means—

(a) processing residues of biological origin;

(b) renewable sources, other than biomass, or nuclear sources used to produce energy-derived aviation fuel;

(c) residues from agriculture, aquaculture, fisheries or forestry;

(d) wastes of biological origin; and

(e) wastes of fossil origin that have been designated as a relevant feedstock under article 15;

"relevant sustainable aviation fuel" means sustainable aviation fuel owned by a supplier at the assessment time and supplied by that supplier at, or for delivery to, places in the United Kingdom;

"renewable" means, in relation to a type of aviation fuel, fuel of that type that is renewable transport fuel or a fuel of that type which is to be treated as a renewable transport fuel in accordance with section 131D(2) of the 2004 Act;

"renewable energy obligation" means a scheme, including a scheme under which such requirements may be fulfilled by using RTF certificates or certificates equivalent to RTF certificates, which requires—

(a) an energy producer to include a given share of energy from renewable sources in their production;

(b) an energy supplier to include a given share of energy from renewable sources in their supply; or

(c) an energy consumer to include a given share of energy from renewable sources in their consumption;

"SAF account" means an account which is established under article 6;

"SAF certificate" means an RTF certificate issued for the supply of relevant sustainable aviation fuel in accordance with article 18;

"SAF obligation" means a renewable transport fuel obligation under section 124(2) of the 2004 Act;

"segregated oils and fats" means material that is capable of being used as a transport fuel directly, after extraction, or after conversion by transesterification;

"soil carbon criteria" means the criteria in paragraph 3 of Schedule 1;

"supplier" means a person that, in the course of their business, supplies aviation fuel at or for delivery to places in the United Kingdom;

"support scheme" means any instrument, scheme or mechanism that promotes the use of energy from renewable sources by—

(a) reducing the cost of that energy;

(b) increasing the price at which that energy can be sold; or

(c) increasing, by means of a renewable energy obligation or otherwise, the volume of such energy purchased,

and, for this purpose, "instrument, scheme or mechanism" includes any renewable fuel obligation, or direct price scheme including feed-in tariffs and sliding or fixed premium payments, and excludes any investment aid, tax exemption or reduction, and tax refund;

"sustainability criteria" means the criteria for feedstocks used to produce sustainable aviation fuel set out in Schedule 1;

"sustainable aviation fuel" means aviation fuel which is a liquid or gaseous renewable transport fuel and is one of the following specified types of renewable transport fuel—

(a) aviation gasoline;

(b) aviation turbine fuel; and

(c) subject to paragraph (2), hydrogen;

"sustainable feedstock" means a relevant feedstock, which—

(a) to the extent that it consists of material other than forest biomass, residues from agriculture or wastes from agriculture, meets the land criteria;

(b) to the extent that it consists of forest biomass, meets the forest criteria;

(c) to the extent that it consists of residues from agriculture or wastes from agriculture, meets the land criteria and the soil carbon criteria;

(d) to the extent that it consists of wastes of fossil origin, meets the sustainable waste management criteria;

"sustainable waste management criteria" means the criteria set out in paragraph 4 of Schedule 1;

"type of SAF certificate" means the specification as to the type of sustainable aviation fuel to which a SAF certificate relates in accordance with article 18(4);

"verifier's assurance report" means a report which meets the requirements of article 17(1);

"verifier's declaration" means a declaration which meets the requirements of article 17(2);

"waste" means any substance or object which the holder discards, or intends or is required to discard, but does not include any substance or object that has been intentionally modified or contaminated for the purpose of transforming it into a waste;

"working day" means any day other than a Saturday or a Sunday, or a day which is a bank holiday under the Banking and Financial Dealings Act 1971(**a**).

(2) For hydrogen produced using wastes of fossil origin, that hydrogen is only to be considered a specified type of renewable transport fuel under paragraph (c) of the definition of "sustainable aviation fuel" if the carbon emitted during its production is captured and stored in a manner determined by the Administrator and published in guidance under article 14(1)(f).

(3) For the purposes of paragraph (d) of the definition of "renewable transport fuel" in section 132(1) of the 2004 Act, solid, liquid or gaseous fuel that does not fall within paragraphs (a) to (c) of that definition, and which is produced wholly or partly from a feedstock described in paragraphs (a) to (d) of the definition of relevant feedstock, is designated as a renewable transport fuel.

(4) For the purposes of section 131D(1)(a) of the 2004 Act, sustainable aviation fuel produced wholly from wastes of fossil origin designated as a relevant feedstock is designated as a recycled carbon fuel.

(5) For the purposes of section 131D(1)(b) of the 2004 Act, energy-derived aviation fuel produced wholly from nuclear sources is designated as a nuclear-derived fuel.

(**a**) 1971 c. 80. Schedule 1 was amended by section 1 of the St. Andrew's Day Bank Holiday (Scotland) Act 2007 (asp 2).

(6) For the purposes of this Order and of section 132(4) of the 2004 Act, "biomass" means the biodegradable portion of—

(a) processing residue;

(b) any product;

(c) residues from agriculture, aquaculture, fisheries or forestry; or

(d) any waste.

(7) In this Order, residues from agriculture, aquaculture, fisheries or forestry must be directly generated from agriculture, aquaculture, fisheries or forestry and exclude residues from related industries or processing.

# PART 2

## The SAF obligation

**The SAF obligation**

**3.**—(1) Subject to paragraph (2), a SAF obligation is imposed on every supplier that, in a specified period, supplies relevant aviation turbine fuel.

(2) An obligation in paragraph (1) does not apply to a supplier that, in a specified period, supplies an amount of relevant aviation turbine fuel that has a total energy content of less than 15.9 terajoules.

(3) For the purposes of the SAF obligation—

"evidence" means SAF certificates issued in accordance with article 18;

"specified amount" means the sum of the main obligation and the power-to-liquid aviation fuel obligation for an obligated supplier for an obligation period;

"specified date" means 15th September of the year immediately following an obligation period (or the next working day after 15th September if 15th September is not a working day); and

"specified period" means a period beginning on 1st January and ending on the following 31st December and any such period is referred to in this Order as an "obligation period".

(4) A supplier's main obligation for an obligation period within column 1 of the table in paragraph (7) is the amount of sustainable aviation fuel that has a total energy content equal to the percentage of the supplier's obligated amount for that period set out in the corresponding entry in column 2 of the table.

(5) A supplier's power-to-liquid aviation fuel obligation for an obligation period within column 1 of the table in paragraph (7) is the amount of power-to-liquid aviation fuel that has a total energy content equal to the percentage of the supplier's obligated amount for that period set out in the corresponding entry in column 3 of the table.

(6) The obligated amount for an obligation period is determined as follows—

(a) calculate the notional amount of relevant aviation turbine fuel which the supplier has supplied during the obligation period (see paragraph (8)); and

(b) if the notional amount has a total energy content of less than 344 terajoules, deduct the first 15.9 terajoules of that amount.

(7) The table is as follows—

| (1) Obligation period or periods | (2) % which, when applied to the obligated amount, gives the main obligation | (3) % which, when applied to the obligated amount, gives the power-to-liquid aviation fuel obligation |
|---|---|---|
| 1st January 2025 to 31st December 2025 | 2.041% | 0.000% |
| 1st January 2026 to 31st December 2026 | 3.734% | 0.000% |
| 1st January 2027 to 31st December 2027 | 5.485% | 0.000% |
| 1st January 2028 to 31st December 2028 | 7.082% | 0.215% |
| 1st January 2029 to 31st December 2029 | 8.952% | 0.218% |
| 1st January 2030 to 31st December 2030 | 10.556% | 0.556% |
| 1st January 2031 to 31st December 2031 | 11.485% | 0.560% |
| 1st January 2032 to 31st December 2032 | 12.465% | 0.850% |
| 1st January 2033 to 31st December 2033 | 13.467% | 1.146% |
| 1st January 2034 to 31st December 2034 | 14.493% | 1.449% |
| 1st January 2035 to 31st December 2035 | 15.882% | 1.765% |
| 1st January 2036 to 31st December 2036 | 17.344% | 2.273% |
| 1st January 2037 to 31st December 2037 | 18.856% | 2.798% |
| 1st January 2038 to 31st December 2038 | 20.421% | 3.342% |
| 1st January 2039 to 31st December 2039 | 22.040% | 3.904% |
| 1st January 2040 to 31st December 2040 and subsequent obligation periods | 23.718% | 4.487% |

(8) For the purposes of paragraph (6)(a), the notional amount of relevant aviation turbine fuel, expressed in megajoules, which an aviation fuel supplier has supplied during an obligation period is determined in accordance with the following formula—

$$FN = (MT \times LHV_k) - \sum_{i}^{j} (MA_i \times LHV_i \times R_i \times \frac{S_i}{T_i})$$

where—

FN is the notional amount of relevant aviation turbine fuel;

MT is the total mass (in kilograms) of relevant aviation turbine fuel supplied during that period;

$LHV_k$ is the lower heating value of aviation turbine fuel;

i is the first consignment of relevant sustainable aviation fuel supplied during the obligation period for which the supplier has submitted an application for certificates to the Administrator in accordance with article 16;

j is the final consignment of relevant sustainable aviation fuel supplied during the obligation period for which the supplier has submitted an application for certificates to the Administrator in accordance with article 16;

MA is the total mass (in kilograms) of relevant sustainable aviation fuel which was supplied during that period;

LHV is the lower heating value of the relevant sustainable aviation fuel;

R is the percentage of MA which is attributable to a relevant feedstock;

S is the mass of MA (in kilograms) which meets the sustainability criteria; and

T is the mass of MA (in kilograms) which is attributable to a relevant feedstock.

**Determination of amounts of sustainable aviation fuel**

**4.**—(1) Subject to article 23(4), where it is shown that a person owns an amount of aviation fuel at the assessment time, it is presumed that that amount of fuel is supplied by that person at, or for delivery to, places in the United Kingdom at that time.

(2) The presumption in paragraph (1) is to be displaced only if the Administrator is satisfied that the fuel will not be supplied at, or for delivery to, places in the United Kingdom.

(3) In relation to sustainable aviation fuel at its assessment time, an amount of relevant sustainable aviation fuel only counts towards the discharging of a person's SAF obligation for an obligation period if it meets the sustainability criteria.

(4) For the purpose of discharging a person's SAF obligation or of issuing SAF certificates, the amount of sustainable aviation fuel, expressed in megajoules, is the notional amount determined in accordance with the following formula—

$$RN = \sum_{i}^{j} MA_i \times LHV_i \times RF_i \times \left(\frac{s_i}{T_i}\right) \times \left(\frac{CF - CS_i}{CF - CR}\right)$$

where—

RN is the notional amount of relevant sustainable aviation fuel;

i is the first consignment of relevant sustainable aviation fuel supplied during the obligation period for which the supplier has submitted an application for certificates to the Administrator in accordance with article 16;

j is the final consignment of relevant sustainable aviation fuel supplied during the obligation period for which the supplier has submitted an application for certificates to the Administrator in accordance with article 16;

MA is the total mass (in kilograms) of relevant sustainable aviation fuel supplied by that person during the obligation period;

LHV is the lower heating value of the relevant sustainable aviation fuel;

RF is the percentage of MA which is attributable to a relevant feedstock;

S is the mass (in kilograms) of MA which meets the sustainability criteria;

T is the mass (in kilograms) of MA which is attributable to a relevant feedstock;

CF is the average lifecycle carbon intensity of fossil jet fuel equal to 89gCO2e/MJ;

CS is the lifecycle carbon intensity (in gCO2e/MJ) of relevant sustainable aviation fuel supplied during the obligation period;

CR is the average reference lifecycle carbon intensity of sustainable aviation fuel of 26.7 gCO2e/MJ.

(5) For the purposes of paragraph (4)—

(a) to the extent that relevant sustainable aviation fuel consists of energy-derived aviation fuel—

(i) where the process energy used to produce the energy-derived aviation fuel is electricity that is entirely taken from the national electricity grid of the country in which the energy-derived aviation fuel is or was produced, RF is taken to be the annual average percentage of electricity for that country's national grid which is produced from nuclear sources and renewable sources other than biomass; or

(ii) if the Administrator considers that it is not appropriate to use the methodology in sub-paragraph (i) to determine the value for RF, RF is to be determined in accordance with such other methodology as the Administrator may consider appropriate in a particular case,

for that portion of relevant sustainable aviation fuel;

(b) where hydrogen is used for hydroprocessing during the production of aviation fuel, RF is to be determined by excluding that hydrogen; and

(c) where hydrogen is physically incorporated into synthetic aviation fuel during its production, RF is to be determined by including that hydrogen.

(6) Where fossil fuel is blended with other fuel, the fossil fuel proportion of the blended fuel is to be disregarded for the purposes of—

(a) calculating the notional amount of relevant sustainable aviation fuel under paragraph (4); and

(b) determining whether an amount of sustainable aviation fuel meets the sustainability criteria.

(7) In this article—

"fossil fuel" means coal, substances produced directly or indirectly from coal, lignite, natural gas, crude liquid petroleum, or petroleum products;

"hydroprocessing" means refining aviation fuel using hydrogen—

(a) to remove atoms, such as but not limited to sulphur, oxygen and nitrogen, from an existing hydrocarbon molecule; or

(b) to shorten an existing hydrocarbon molecule (hydrocracking processes);

"synthetic aviation fuel" means an aviation fuel in which hydrocarbons are created from a mixture of hydrogen and other molecules.

# PART 3

## The Administrator

### The Administrator

**5.** The Administrator is the Secretary of State for Transport.

### Establishment of SAF accounts

**6.**—(1) The Administrator must establish and maintain an account, in which the balance of SAF certificates held and other matters are to be recorded, for each person that—

(a) is, or is likely to become, subject to a SAF obligation,

(b) applies for an account, and

(c) satisfies the Administrator that the person is, or is likely to become, a supplier.

(2) A person must apply for an account under paragraph (1)(b) not later than the end of the period of 28 days beginning on the date on which the person becomes an obligated supplier.

(3) The Administrator may establish and maintain an account for each of the following that apply for an account—

(a) a supplier who is not, and is not likely to become, subject to a SAF obligation, and

(b) any other person that intends to trade or invest in SAF certificates.

(4) The Administrator must not establish an account for a supplier or other person referred to in paragraph (3) unless the Administrator is satisfied that the supplier or other person—

(a) has good reason to hold an account, and

(b) has consented to allowing the Administrator such access to premises (other than a dwelling), computers, records, or documents, as the Administrator may require in order to verify information given by the supplier or other person in relation to the account.

(5) A supplier or other person who applies for an account under this article must provide such information or produce such evidence (or both) to the Administrator as the latter may reasonably request in order to satisfy the Administrator that—

(a) in the case of an application under paragraph (1), the person is, or is likely to become, a supplier, or

(b) in the case of an application under paragraph (3), the supplier or other person has good reason to hold an account and has consented to the access referred to in paragraph (4)(b).

(6) The Administrator may reject any application under this article if the Administrator reasonably believes that the information provided to the Administrator under this article is inaccurate or incomplete.

(7) A supplier or other person who applies for an account under this article must ensure that the information provided or evidence produced is accurate to the best of the supplier's or other person's knowledge and belief.

(8) An account referred to in this article must be established and maintained in electronic form or in such other form as the Administrator determines is appropriate (or in both forms).

**Powers of the Administrator to require further information or evidence**

**7.**—(1) Where the Administrator has reason to believe that an account holder for which an account has been established under article 6(1)—

(a) is not subject, and is not likely to become subject, to a SAF obligation, or

(b) does not have good reason to hold an account,

the Administrator may require the account holder to provide such information or produce such evidence (or both) to the Administrator as may be necessary for the Administrator to become satisfied as to whether the account holder is subject, or is likely to become subject, to a SAF obligation, or has good reason to hold an account.

(2) Where the Administrator has reason to believe that an account holder for which an account has been established under article 6(3) does not have good reason to hold an account, the Administrator may require the account holder to provide such information or produce such evidence (or both) to the Administrator as may be necessary for the Administrator to become satisfied as to whether the account holder does have good reason to hold an account.

(3) An account holder must—

(a) provide the information or produce the evidence required under this article, and

(b) ensure that the information provided or evidence produced is accurate to the best of the account holder's knowledge or belief.

**Closure of accounts**

**8.**—(1) The Administrator must close the account of an account holder where—

(a) the Administrator—

(i) is no longer satisfied that the account holder has a good reason to hold the account, or

(ii) is satisfied that the account holder has withdrawn the consent which was given under article 6(4)(b); and

(b) all SAF certificates standing to the credit of the account have been revoked or may no longer be produced as evidence pursuant to section 124(2) of the 2004 Act.

(2) The Administrator may close the account of an account holder where, in the immediately preceding period of 36 months—

(a) no SAF certificate has been issued to the account holder, or

(b) no SAF certificate has been credited to the account of the account holder.

**Managing Accounts**

**9.** Subject to the provisions in this Part, the Administrator may manage an account, including amending details of an account, and may consolidate the accounts of an account holder, as the Administrator thinks fit.

**Processing of information and evidence**

**10.**—(1) The Administrator must—

(a) record and retain information submitted for the purpose of—

(i) establishing that a supplier is, or reasonably expects to be, subject to a SAF obligation, or

(ii) calculating the amount of sustainable aviation fuel for which a supplier is required to produce evidence under article 4(4),

(b) record and retain information which is submitted by an account holder in support of an application for a SAF certificate,

(c) record each SAF certificate which is issued, and

(d) correct any error which is discovered in information stored by the Administrator in relation to an account.

(2) The period for which the Administrator must retain any information under paragraph (1) is such period as the Administrator considers is reasonable, but it must not be a period of less than ten years beginning on the date of receipt of the information.

(3) The Administrator may record and retain, for purposes connected with the carrying out of its functions, such other information as the Administrator thinks fit.

**Duty to require information from suppliers**

**11.**—(1) The Administrator must, by the specified date referred to in article 3(3), require each obligated supplier, and any non-obligated supplier who applies for a SAF certificate, to provide the Administrator with—

(a) information as to—

(i) whether the supplier has supplied relevant aviation turbine fuel during each relevant period;

(ii) whether the supplier has supplied relevant sustainable aviation fuel during each relevant period;

(iii) the amount of relevant aviation turbine fuel and relevant sustainable aviation fuel which has been supplied by the supplier during each relevant period;

(iv) the amount of relevant aviation turbine fuel and relevant sustainable aviation fuel which a supplier has received from another supplier at places in the United Kingdom during each relevant period;

(v) the types of relevant aviation turbine fuel and relevant sustainable aviation fuel supplied or received as described in paragraphs (iii) and (iv) during each relevant period and, in respect of each type—

(aa) the mass (in kilograms) supplied;

(bb) the energy content; and

(cc) in the case of partially sustainable aviation fuel, the mass (in kilograms) attributable to relevant feedstocks;

(vi) the compliance of relevant sustainable aviation fuel supplied with the sustainability criteria, excluding the mass (in kilograms) of that fuel which is not attributable to relevant feedstocks;

(vii) the mass (in kilograms) of the portion of relevant sustainable aviation fuel supplied that is attributable to relevant feedstocks which meet the sustainability criteria;

(viii) the mass (in kilograms) of relevant sustainable aviation fuel supplied which meets the sustainability criteria;

(b) the additional sustainability information for relevant sustainable aviation fuel supplied, excluding the mass (in kilograms) of that fuel which is not attributable to relevant feedstocks; and

(c) in the case of power-to-liquid aviation fuel, information to show that the fuel meets the definition of power-to-liquid aviation fuel.

(2) In paragraph (1), a "relevant period" means such period as the Administrator may notify to the obligated supplier for the purposes of that paragraph or, in the absence of such notice, a period during an obligation period for which information has not been provided by the supplier under this article and which—

(a) begins with 15th December and ends with the 31st December immediately following,

(b) begins with 1st January and ends with the 14th January immediately following, or

(c) begins with the 15th day of any month other than December and ends with the 14th day of the immediately following month.

(3) As part of the requirement referred to in paragraph (1), the Administrator must set out—

(a) the form in which the information must be provided,

(b) the methodology to be used in calculating and providing the information, and

(c) the period within which the information must be provided.

(4) The Administrator may require a supplier to produce such evidence, which may include a verifier's assurance report and a verifier's declaration, as the Administrator may determine is necessary to substantiate information which the supplier is to provide or has provided to the Administrator under this article.

(5) The Administrator may impose requirements as to—

(a) the form in which the evidence must be produced,

(b) the methodology to be used in compiling and producing the evidence, and

(c) the period within which the evidence must be produced.

(6) The supplier must provide any information, or produce any evidence, required under this article and ensure that it is—

(a) accurate to the best of their knowledge or belief; and

(b) produced in the form, and using the methodology, and within the period, as the Administrator requires.

(7) In this article, "partially sustainable aviation fuel" means sustainable aviation fuel other than sustainable aviation fuel produced wholly from a relevant feedstock.

**Power to require information**

**12.**—(1) The Administrator may require a supplier to provide it with such information as it may require for purposes connected with the carrying out of its functions.

(2) As part of the requirement referred to in paragraph (1), the Administrator may set out—

(a) the form in which the information must be provided,

(b) the methodology to be used in calculating and providing the information, and

(c) the period within which the information must be provided.

(3) Without prejudice to the generality of paragraph (1), the Administrator may require a non-obligated supplier that has not applied for a SAF certificate to provide it with the information, for that supplier, which is referred to in article 11(1); and references in that paragraph to the "relevant period" are to be treated as references to such period during an obligation period as the Administrator notifies to the supplier for the purposes of this paragraph.

(4) The Administrator may require a supplier to produce such evidence as the Administrator may determine is necessary in order to substantiate information which the supplier has provided under this article.

(5) The supplier must provide any information, or produce any evidence, required under this article and ensure that it is—

(a) accurate to the best of their knowledge or belief; and

(b) for information required under paragraph (1), provided in the form, using the methodology, and for the period, as the Administrator requires.

**Mass balance system**

**13.**—(1) A supplier must use a mass balance system in accordance with this article for the purposes of producing any information which the supplier is required to provide, or evidence which the supplier is required to produce, under articles 11(6) and 12(5).

(2) In using a mass balance system, and notwithstanding articles 11(6)(a), and 12(5)(a), a supplier may report that the relevant feedstock or fuel has sustainability characteristics other than its actual sustainability characteristics if the condition in paragraph (3) is met.

(3) That condition is that none of the relevant feedstock or fuel which is subject to that mass balance system is reported to have sustainability characteristics other than those attributed to it by that system.

(4) In this article, "report" means report under articles 11(6) and 12(5), and "reported" is to be construed accordingly.

(5) A mass balance system is a system which—

(a) allows amounts of relevant feedstock or fuel with different sustainability characteristics to be mixed ("the mixture");

(b) provides for the sustainability characteristics of amounts added to the mixture to be attributed to other amounts withdrawn from the mixture; and

(c) requires the sustainability characteristics attributed to the sum of the amounts withdrawn from the mixture to be the same, and in the same quantities, as the sustainability characteristics attributed to the sum of the amounts added to the mixture.

(6) For the purposes of paragraphs (2) to (5), the sustainability characteristics of relevant feedstock or fuel include—

(a) its type;

(b) its place of origin; and

(c) any other matter relevant to its compliance with the sustainability criteria.

**Other duties imposed and powers conferred on the Administrator**

**14.**—(1) In addition to the duties imposed on the Administrator elsewhere in this Order, the Administrator has the following duties—

(a) to carry out such calculations or analysis as may be required for purposes connected with the implementation of provision made by or under Chapter 5 of Part 2 of the 2004 Act;

(b) to publicise the SAF obligation to ensure that it is brought to the attention of suppliers that are or may be subject to it;

(c) where a SAF certificate is transferred between account holders, to record that fact in the relevant accounts;

(d) where an account holder that is a supplier has supplied information on the masses of fuel supplied by that supplier under article 11(1)(a), to verify that information so far as reasonably practicable;

(e) to ensure, so far as reasonably practicable, that there is no obligated supplier that, having failed to produce the evidence required to discharge fully its SAF obligation for an obligation period, fails to pay the sum due under article 21;

(f) to publish guidance explaining—

(i) the information that constitutes additional sustainability information;

(ii) how the Administrator is to be satisfied that the soil carbon criteria are met;

(iii) for the purposes of paragraph 7 of Schedule 1, how the GHG emissions saving from the use of an amount of renewable transport fuel is to be determined and, in particular, how default values and actual values are to be determined for an amount of renewable transport fuel;

(iv) how the Administrator is to be satisfied that the land criteria are met;

(v) how the Administrator is to be satisfied that the forest criteria are met;

(vi) how the Administrator is to be satisfied that the sustainable waste management criteria are met;

(vii) how the Administrator is to be satisfied that carbon emitted during the production of hydrogen using wastes of fossil origin has been captured and stored appropriately;

(viii) the lower heating values of aviation fuels determined by the Administrator;

(ix) for the purposes of paragraph 7 of Schedule 1, how the minimum GHG emissions saving from the use of an amount of recycled carbon fuel are determined and, in particular, how default values and actual values are determined for an amount of recycled carbon fuel.

(2) In addition to the powers conferred upon the Administrator elsewhere in this Order, the Administrator has power—

(a) to take reasonable steps to promote good working relationships with suppliers and others having an interest in the implementation of provision made by or under Chapter 5 of Part 2 of the 2004 Act, and

(b) to publish such reports and guidance as the Administrator thinks fit for purposes connected with the implementation of provision made by or under that Chapter.

(3) But the Administrator must exclude from any reports referred to in paragraph (2)(b), so far as reasonably practicable—

(a) information on the amount of relevant aviation turbine fuel which has been notified by a particular supplier to the Administrator; and

(b) any other information from which that amount may be deduced.

**Eligibility of feedstock produced from wastes of fossil origin**

**15.**—(1) The Administrator must determine the wastes of fossil origin that may be used in the production of a recycled carbon fuel and designate each such waste as a relevant feedstock.

(2) In making a determination under paragraph (1), the Administrator must consider—

(a) whether the production, supply or use of a fuel produced using a waste of fossil origin has one or more of the effects described in section 126(4) of the 2004 Act; and

(b) any alternative uses and disposal outcomes available for that waste.

(3) The Administrator must publish a list of each waste of fossil origin designated as a relevant feedstock under paragraph (1).

# PART 4

## Certificates

**Application for SAF certificates**

**16.**—(1) An application for a SAF certificate must be made by the supplier—

(a) in electronic form, through a website of the Administrator, or

(b) in another form, in a case where the Administrator determines that it is appropriate to allow an application in that form.

(2) An application must include—

(a) a declaration from an individual nominated by the supplier which confirms that—

(i) the information submitted in the application and required by the Administrator under article 11(1)(a) to (c) is accurate to the best of the applicant's knowledge or belief;

(ii) the applicable sustainable aviation fuel, or a chemical precursor to it, has not already been, and will not be, counted under a support scheme, or a United Kingdom renewable energy obligation other than the SAF obligation of the supplier; and

(b) such other evidence as the Administrator may reasonably determine is necessary, and in such form as the Administrator may reasonably determine is appropriate, to substantiate the information provided by the supplier for the applicable sustainable aviation fuel.

(3) For the purposes of section 127(3)(c) of the 2004 Act, the other conditions which must be satisfied for the issue of a SAF certificate are that—

(a) the supplier has a SAF account;

(b) the supplier has provided the Administrator with the information required by the Administrator under article 11(1)(a) to (c);

(c) the supplier has provided the Administrator with a verifier's assurance report for information relating to the compliance of the applicable sustainable aviation fuel with the sustainability criteria which has been submitted in the application or is contained in the information referred to in sub-paragraph (b);

(d) the supplier has provided the Administrator with a verifier's declaration for information relating to the amount of sustainable aviation fuel which is contained in the information referred to in sub-paragraph (b);

(e) the Administrator is satisfied so far as is reasonably practicable that the information provided by the supplier under sub-paragraph (b) fulfils the criteria set out in paragraph (6);

(f) the Administrator is satisfied that the applicable sustainable aviation fuel, or a chemical precursor to it, has not already been, and will not be, counted under a support scheme, or a United Kingdom renewable energy obligation other than the SAF obligation of the supplier;

(g) any duty of excise payable on the relevant sustainable aviation fuel has been paid;

(h) the supplier makes the application for the SAF certificate—

(i) by 12th May of the year immediately following the obligation period (or the next working day after 12th May, if 12th May is not a working day); or

(ii) such later date as the Administrator may notify to the supplier for the purposes of this sub-paragraph; and

(i) the Administrator is satisfied that, at the assessment time, the supplier owns or owned the fuel for which the application for a SAF certificate is made.

(4) For the purposes of this article and article 18, "applicable sustainable aviation fuel" is the relevant sustainable aviation fuel for which a SAF certificate has been applied for by the supplier.

(5) The person who makes the declaration referred to in paragraph (2)(a) must ensure that the information submitted in the application is accurate to the best of their knowledge or belief.

(6) The criteria referred to in paragraph (3)(e) are that the information is—

(a) accurate to the best of the supplier's knowledge or belief;

(b) provided in the form, using the methodology, and for the period, as the Administrator notifies for the purposes of article 11(3) or 12(2) or, failing such notification, as the Administrator notifies for the purposes of this paragraph.

**Verifier's assurance procedures, reports and declarations**

**17.**—(1) Subject to paragraph (4), the requirements for a verifier's assurance report are that it must—

(a) confirm that the assurance procedures used in the preparation of the report—

(i) met the requirements for limited assurance engagements prescribed in ISAE 3000, or an equivalent standard; and

(ii) were undertaken by a person with appropriate expertise who is not the supplier or a connected person of the supplier;

(b) be prepared by a person with appropriate expertise who is not the supplier or a connected person of the supplier and in accordance with the requirements for limited assurance engagements prescribed in ISAE 3000, or an equivalent standard ("the verifier");

(c) consider whether the systems used to collate and report information relating to the compliance of sustainable aviation fuel with the sustainability criteria are likely to produce relevant data which is reasonably accurate and reliable and whether there are controls in place to help protect against material misstatements due to fraud or error;

(d) where the verifier intends to use as evidence work performed by the supplier or another party, consider the frequency and methodology of sampling used by that party and the robustness of the relevant data; and

(e) state whether anything has come to the verifier's attention to indicate that—

(i) the relevant data has not been prepared in accordance with any guidance produced by the Administrator under article 14(2)(b); and

(ii) the information provided by the supplier under article 11 or 12 for the sustainable aviation fuel covered by the application is not accurate.

(2) The requirements for a verifier's declaration are that it must confirm that—

(a) the assurance procedures used in the making of the declaration met the requirements for reasonable assurance engagements prescribed in ISAE 3000, or an equivalent standard; and

(b) the information related to an amount of sustainable aviation fuel required by the Administrator under article 11(1)(a) to (c) is reasonably accurate.

(3) In paragraph (1)—

"ISAE 3000" means the International Standard on Assurance Engagements 3000 promulgated by the International Federation of Accountants(**a**); and

"relevant data" means—

(a) the information referred to in article 16(3)(c); and

(b) any other information or data on which that information is based.

(4) If the Administrator requires a supplier to produce a verifier's assurance report under article 11(4), then paragraph (1) has effect as if for "limited assurance engagements", in both places where the words occur, there were substituted "limited assurance engagements or, if the Administrator requires, reasonable assurance engagements".

(**a**) The International Standard on Assurance Engagements 3000 is set out from page 292 of Part II of the publication entitled "Handbook of International Quality Control, Auditing, Review, Other Assurance, and Related Services Pronouncements" (2010 edition) (ISBN 978-1-60815-052-6) published by the International Federation of Accountants (IFAC). Copies can be obtained from IFAC, 529 5th Avenue, New York, New York 10017 or from www.ifac.org.

**Issue of SAF certificates**

**18.**—(1) Where each of the requirements in article 16(1) to (3) has been met, the Administrator must issue a SAF certificate to a supplier for each unit of applicable sustainable aviation fuel.

(2) For the purposes of paragraph (1), units of applicable sustainable aviation fuel are determined by dividing the notional amount of that fuel, determined in accordance with article 4(4), by the lower heating value of aviation turbine fuel.

(3) A SAF certificate must be issued as soon as reasonably practicable after an application for it has been made in accordance with article 16.

(4) Each SAF certificate must specify to which of the following type of sustainable aviation fuel the certificate relates—

(a) sustainable aviation fuel derived from segregated oils and fats;

(b) power-to-liquid aviation fuel; or

(c) sustainable aviation fuel of a type not falling within sub-paragraphs (a) or (b).

(5) For the purposes of section 127(2)(d) of the 2004 Act, "the other specified facts" are that the supplier has notified the Administrator of each of the matters listed in section 127(2)(a) to (c).

(6) For the purposes of this Order, the Administrator issues a SAF certificate to a supplier by recording the credit of a SAF certificate in the SAF account of the supplier.

(7) As soon as reasonably practicable after issuing a SAF certificate, the Administrator must notify the supplier of the issue of the certificate, and of the date and time of issue.

(8) As soon as reasonably practicable after receiving a request for the information from an account holder, the Administrator must inform the account holder of the number of SAF certificates (if any) held to the credit of that account holder's SAF account, and of the date and time of issue of those certificates.

**Transfer of SAF certificates**

**19.**—(1) A transfer of a SAF certificate may be made between any persons who are account holders.

(2) A transfer is not effective unless—

(a) the transferor notifies the Administrator of the following details of the transfer—

(i) the name and account number of the account holder to which the certificate is to be transferred,

(ii) the date of the transfer ("the notified date"), and

(iii) the obligation period for which the certificate was issued;

(b) the transferor so notifies the Administrator—

(i) through a website of the Administrator, or

(ii) in another manner, in a case where the Administrator determines that it is appropriate to allow notification in that manner;

(c) the transferor so notifies the Administrator—

(i) on the date of the transfer, or

(ii) before the date of the transfer, within the period of one month ending immediately before the date of the transfer;

(d) the transfer is to one transferee;

(e) the SAF certificate is held to the credit of the transferor's account at the date and time of the transfer, and

(f) the Administrator is satisfied that, at the date of the transfer, there is no reason to consider the revocation of the certificate under article 20.

(3) Where—

(a) a transfer relates to some (but not all) of the SAF certificates held by a transferor on the date of the transfer, and

(b) the SAF certificates held by the transferor on that date were not all issued at the same date and time,

it is to be presumed, unless the transferor notifies the Administrator otherwise at the same time as notifying the Administrator of the details of the transfer in accordance with paragraph (2)(a), that the transfer relates to the certificates which were issued at the earlier dates and times.

(4) In the event of there being an insufficient number of certificates held to the credit of a transferor's account on the notified date to transfer certificates to two or more transferees, the Administrator must give priority to the transfer which was first notified to the Administrator.

(5) For the purposes of this Order, the Administrator transfers a SAF certificate from one account holder ("the transferor") to another account holder ("the transferee") by recording a debit of a SAF certificate in the transferor's SAF account and a credit of a SAF certificate in the SAF account of the transferee.

**Revocation of a SAF certificate**

**20.**—(1) The Administrator may revoke a SAF certificate on request by the supplier to whom the certificate was issued or, where the certificate has been transferred to another person to whose credit the certificate is held (a "transferee"), on request by that transferee.

(2) Subject to the following paragraphs, the Administrator may revoke a SAF certificate where the Administrator is satisfied that—

(a) the declaration provided for that certificate under article 16(2)(a) was false;

(b) the certificate was issued as a consequence of any fraudulent behaviour, statement or undertaking on the part of the supplier to whom it was issued, any connected person or any person who has produced a verifier's assurance report or a verifier's declaration;

(c) the information provided to the Administrator for the certificate under article 11(1) was materially inaccurate;

(d) the evidence provided for the information referred to in sub-paragraph (c) was insufficient to substantiate it; or

(e) the verifier's assurance report or the verifier's declaration was materially inaccurate.

(3) Before revoking a SAF certificate, the Administrator must give notice in writing to the supplier to whom the certificate was issued and any transferee.

(4) The notice must state—

(a) that the Administrator is proposing to revoke the SAF certificate,

(b) the grounds for the proposed revocation,

(c) that the supplier and any transferee may make representations in writing to the Administrator in relation to the proposed revocation, and

(d) that any such representations must be made within such period as the Administrator specifies, being a period of not less than 14 days beginning on the date of receipt of the notice.

(5) The Administrator—

(a) must consider any representations which are made under paragraph (4),

(b) must decide whether to revoke the SAF certificate, and

(c) may not revoke the certificate—

(i) within a period of 28 days beginning on the date of the notice, and

(ii) later than the revocation date.

(6) Where the Administrator revokes a SAF certificate, the Administrator must, within a period of seven days beginning on the date of revocation, but in any event not later than the applicable date—

(a) give notice in writing of such revocation to the supplier to whom the certificate was issued, and to any transferee, and

(b) state in that notice—

(i) the grounds for the revocation,

(ii) that the supplier or any transferee may apply to the Administrator by notice in writing to reconsider the revocation, and

(iii) the requirements about reconsideration of that notice which are set out in paragraph (8).

(7) Where the Administrator revokes a SAF certificate, the supplier to whom the certificate was issued or any transferee may apply to the Administrator by notice in writing to reconsider the revocation.

(8) A notice under paragraph (7) must—

(a) be given to the Administrator within a period of 14 days beginning on the date of receipt of the notice of revocation, but in any event not later than the notification date,

(b) set out the grounds for reconsidering the revocation, and

(c) contain any representations which the supplier or transferee wishes to make about the reconsideration of the revocation.

(9) The Administrator must—

(a) consider any representations which the supplier or transferee has made under paragraph (8), and

(b) reconsider the revocation not later than the reconsideration date.

(10) On reconsidering the revocation, the Administrator must—

(a) re-instate the SAF certificate, or

(b) confirm the revocation of the certificate on the grounds referred to in paragraph (6)(b)(i) or on other grounds.

(11) The Administrator must give notice in writing of its decision by the reconsideration date and, in the case of a confirmation of a revocation of a SAF certificate, of the grounds for that revocation to the supplier to whom the certificate was issued and to any transferee.

(12) Where—

(a) the Administrator does not reconsider the revocation by the reconsideration date, or

(b) a SAF certificate is revoked but is subsequently re-instated,

the certificate is taken to have been re-instated as at the end of the obligation period to which the certificate relates.

(13) The Administrator may hold an oral hearing before making a decision on a proposed revocation or on a reconsideration of a revocation.

(14) A person who provides information or produces evidence to the Administrator for a proposed revocation or a reconsideration of a revocation must ensure that such information or evidence is accurate to the best of their knowledge or belief.

(15) In this article—

"applicable date" means 23rd July of the year immediately following the end of the obligation period during which the SAF certificate was issued (or the next working day after 23rd July, if 23rd July is not a working day);

"notification date" means 6th August of the year immediately following the end of the obligation period during which the SAF certificate was issued (or the next working day after 6th August, if 6th August is not a working day);

"reconsideration date" means 15th August of the year immediately following the end of the obligation period during which the SAF certificate was issued (or the next working day after 15th August, if 15th August is not a working day);

"revocation date" means 16th July of the year immediately following the end of the obligation period during which the SAF certificate was issued (or the next working day after 16th July, if 16th July is not a working day).

# PART 5

## Discharge of an obligation

**Payments**

**21.**—(1) As soon as reasonably practicable after the end of an obligation period, the Administrator must notify each obligated supplier of the following—

(a) the specified amount of relevant sustainable aviation fuel which the Administrator calculates should, in accordance with section 124(2)(b) of the 2004 Act and article 3(3), have been supplied at or for delivery to places in the United Kingdom during that obligation period, and

(b) the number of each type of SAF certificate being held to the credit of the supplier's SAF account, and the number of each type of SAF certificate which may be used as evidence for the purposes of meeting the supplier's SAF obligation for that obligation period.

(2) For the purposes of paragraph (1)(b), the maximum number of SAF certificates for relevant sustainable aviation fuel derived from segregated oils and fats that may be used to meet (or towards meeting) the supplier's SAF obligation may not exceed the number of such certificates which corresponds with the amount calculated under article 22.

(3) A certificate may be produced as evidence by the supplier under this Order—

(a) by means of an electronic submission transmitted to a website of the Administrator, which identifies the credit of a certificate in the supplier's SAF account, or

(b) by other means, in a case where the Administrator determines that it is appropriate to allow production of a SAF certificate by those means.

(4) A supplier must notify the Administrator of the number and type of SAF certificates held in the supplier's SAF account which are to be counted towards the discharge of the supplier's SAF obligation for an obligation period, and which are to be debited by the Administrator from the SAF account.

(5) That notification must be given to the Administrator by the specified date referred to in article 3(3).

(6) Any SAF certificate for power-to-liquid aviation fuel supplied by a supplier during an obligation period, which is not required to meet the supplier's power-to-liquid aviation fuel obligation for that period, may count towards the discharge of the supplier's main obligation for that period.

(7) Where a supplier fails to notify the Administrator of the number of SAF certificates to be counted towards the discharge of its SAF obligation by the date mentioned in paragraph (5), the Administrator must take the number to be nil.

(8) A supplier that does not wholly discharge its SAF obligation for an obligation period by the production of evidence in accordance with paragraph (3) by the specified date referred to in article 3(3) must pay to the Administrator a sum (the "buy-out amount") determined in accordance with paragraph (9).

(9) The "buy-out amount" is determined as follows.

*Step 1*

Calculate in megajoules—

(a) the PtL amount; and

(b) the SAF amount.

*Step 2*

Calculate in megajoules—

(a) the PtL obligation shortfall; and

(b) the main obligation shortfall.

*Step 3*

Multiply the PtL obligation shortfall by £0.145 ("sum A").

*Step 4*

Multiply the main obligation shortfall by £0.137 ("sum B").

*Step 5*

Add sum A and sum B to obtain the buy-out amount.

(10) In paragraph (9)—

"PtL amount" means the amount of power-to-liquid aviation fuel for which the supplier has produced SAF certificates as evidence towards meeting the supplier's power-to-liquid aviation fuel obligation during the obligation period;

"PtL obligation shortfall" means the amount by which the PtL amount falls short of the amount needed to meet the supplier's power-to-liquid aviation fuel obligation;

"SAF amount" means the amount of sustainable aviation fuel of any type for which the supplier has produced SAF certificates as evidence towards meeting the supplier's main obligation during the obligation period; and

"main obligation shortfall" means the amount by which the SAF amount falls short of the amount needed to meet the supplier's main obligation.

(11) For the purposes of section 128(1) of the 2004 Act and this Order, the period within which the buy-out amount, calculated under paragraph (9), must be paid to the Administrator (the "buy-out payment period") is the period beginning on 1st January of the year immediately following the obligation period for which the buy-out amount is calculated and ending on the 26th October of that year.

(12) Where a supplier fails to pay the full buy-out amount to the Administrator before the end of the buy-out payment period—

(a) any unpaid part of the buy-out amount is to increase at the rate specified in paragraph (13), and the increase is to be calculated in accordance with paragraph (14); and

(b) the increased buy-out amount is a debt due from the supplier to the Administrator until it has been paid in full.

(13) The rate referred to in paragraph (12)(a) is 5 percentage points above the base rate of the Bank of England on the day immediately after the last day of the buy-out payment period in question.

(14) The increase is calculated on a daily basis beginning on the day immediately after the last day of the buy-out payment period in question, and ending on the date on which payment is received by the Administrator.

**Segregated oils and fats**

**22.** The maximum number of SAF certificates relating to sustainable aviation fuel derived from segregated oils and fats that may be used to meet an obligated supplier's main obligation in the obligation period listed in column 1 of the following table is the number of SAF certificates issued for amounts of such fuel equal to the percentage, listed in the corresponding entry in column 2, of the main obligation for that obligated supplier during that obligation period—

| Obligation period | Number of SAF certificates issued for amounts of sustainable aviation fuel that may be derived from segregated oils and fats as a percentage of the main obligation |
|---|---|
| 1st January 2025 to 31st December 2025 | 100.00% |
| 1st January 2026 to 31st December 2026 | 100.00% |
| 1st January 2027 to 31st December 2027 | 92.31% |
| 1st January 2028 to 31st December 2028 | 87.88% |
| 1st January 2029 to 31st December 2029 | 80.49% |
| 1st January 2030 to 31st December 2030 | 74.74% |
| 1st January 2031 to 31st December 2031 | 73.17% |
| 1st January 2032 to 31st December 2032 | 69.09% |
| 1st January 2033 to 31st December 2033 | 65.53% |
| 1st January 2034 to 31st December 2034 | 61.60% |
| 1st January 2035 to 31st December 2035 | 57.78% |
| 1st January 2036 to 31st December 2036 | 53.79% |
| 1st January 2037 to 31st December 2037 | 50.32% |
| 1st January 2038 to 31st December 2038 | 47.27% |
| 1st January 2039 to 31st December 2039 | 44.57% |

| Obligation period | Number of SAF certificates issued for amounts of sustainable aviation fuel that may be derived from segregated oils and fats as a percentage of the main obligation |
|---|---|
| 1st January 2040 to 31st December 2040 and subsequent obligation periods | 42.16% |

**Use of SAF certificates in later obligations periods**

**23.**—(1) Any SAF certificate may count towards the discharge of no more than 25% of a supplier's main obligation in the next obligation period.

(2) A SAF certificate for power-to-liquid aviation fuel may count towards the discharge of no more than 25% of a supplier's power-to-liquid aviation fuel obligation in the next obligation period.

(3) A SAF certificate for sustainable aviation fuel derived from segregated oils and fats may count towards the discharge of no more than 25% of the maximum amount of sustainable aviation fuel derived from segregated oils and fats that may count towards the discharge of the supplier's main obligation, determined in accordance with article 22, in the next obligation period.

(4) If, as a result of this article, a SAF certificate may count towards the discharge of any part of a supplier's SAF obligation in the next obligation period, the production of the certificate by the supplier to the Administrator counts as evidence that the amount of sustainable aviation fuel stated in the certificate was supplied by the supplier at, or for delivery to, places in the United Kingdom during that period.

(5) In this article "next obligation period", in relation to a SAF certificate, means the obligation period immediately following the obligation period for which the SAF certificate was issued.

# PART 6

## Civil Penalties

**Civil Penalties**

**24.**—(1) The following provisions are designated for the purposes of section 129 of the 2004 Act: articles 6(2) and (7), 7(3), 11(6), 12(5), 16(5), 20(14) and 21(8).

(2) A supplier is liable for a civil penalty if that supplier contravenes article 6(2) or 21(8).

(3) A supplier or other person is liable for a civil penalty if at the time that supplier or other person provides the information or produces the evidence referred to in article 6(7), 7(3), 11(6), 12(5), 16(5) or 20(14)—

(a) that supplier or other person has not taken reasonable steps to ensure that the information or evidence is accurate to the best of their knowledge or belief, or

(b) that supplier or other person has taken reasonable steps to ensure that the information or evidence is accurate to the best of their knowledge or belief, but the condition set out in paragraph (4) or (5) is subsequently satisfied.

(4) In the case of article 6(7) or 7(3), the condition is that the supplier or other person has subsequently—

(a) become aware that the information or evidence may be inaccurate but has not informed the Administrator of that fact within twenty working days of so becoming aware,

(b) been informed by the Administrator that the information or evidence may be inaccurate but has not investigated and, if the information or evidence is inaccurate, remedied the inaccuracy within such period as may reasonably be allowed by the Administrator, or

(c) become aware (other than by being informed by the Administrator) that the information or evidence may be inaccurate but has not investigated and, if the information or evidence is inaccurate, remedied the inaccuracy within such period as may reasonably be allowed by the Administrator.

(5) In the case of article 11(6), 12(5), 16(5) or 20(14), the condition is that the supplier or other person has subsequently, but on or before the applicable date in paragraph (6)—

(a) become aware that the information or evidence may be inaccurate, but has not informed the Administrator of that fact within twenty working days of so becoming aware,

(b) been informed by the Administrator that the information or evidence may be inaccurate, but has not investigated and, if the information or evidence is inaccurate, remedied the inaccuracy within such period as may reasonably be allowed by the Administrator, or

(c) become aware (other than by being informed by the Administrator) that the information or evidence may be inaccurate, but has not investigated and, if the information or evidence is inaccurate, remedied the inaccuracy within such period as may reasonably be allowed by the Administrator.

(6) For the purposes of paragraph (5), the "applicable date" is 16th August of the year following the obligation period for which the information or evidence was provided.

(7) For the purposes of section 129(2) of the 2004 Act, a civil penalty notice must be given by written notice to the defaulter.

(8) For the purposes of section 129(3)(a) of the 2004 Act, "the specified amount" is—

(a) in the case of an account holder who has gained, or attempted to gain, one or more SAF certificates by contravening a provision referred to in paragraph (1), an amount equivalent to twice the value of the SAF certificates which the account holder has gained, or attempted to gain, and

(b) in any other case, £100,000.

(9) For the purposes of paragraph (8)(a), the value of a SAF certificate is an amount equal to the amount under article 21(8) for the amount of fuel to which the certificate relates (if that fuel were to fall within the PtL shortfall or the main obligation shortfall).

(10) For the purposes of section 129(3)(b) of the 2004 Act, the turnover of the specified business of the defaulter is the applicable turnover for the business year preceding the date of the civil penalty notice.

(11) Where the business year preceding the date of the civil penalty notice does not equal 12 months, the turnover is the amount which bears the same proportion to the applicable turnover during that business year as 12 months does to the period of that business year.

(12) Where there is no preceding business year, the turnover is the applicable turnover of the defaulter for the period of 12 months ending on the last day of the month preceding the month in which the date of the civil penalty notice falls.

(13) Where in the application of paragraph (12) the defaulter has applicable turnover for a period of less than 12 months, the turnover is the amount which bears the same proportion to the applicable turnover during the period for which the defaulter has applicable turnover as 12 months does to that period.

(14) Where a defaulter does not pay the penalty, or any part of it, to the Administrator on or before the date on which the civil penalty must be paid—

(a) the sum outstanding is to increase at the rate specified in paragraph (15) and the increase is to be calculated in accordance with paragraph (16); and

(b) the increased sum is a debt due from the defaulter to the Administrator until it has been paid in full.

(15) The rate for the purposes of paragraph (14)(a) is 5 percentage points above the base rate of the Bank of England on the day after the date on which the civil penalty must be paid to the Administrator.

(16) The increase is to be calculated on a daily basis beginning on the day after the date on which the civil penalty must be paid to the Administrator, and ending on the date on which payment is received by the Administrator.

(17) In this article—

"applicable turnover" means the amounts, ascertained in conformity with normal accounting practice in the United Kingdom, which are—

(a) derived by the defaulter from the supply of relevant aviation turbine fuel, and

(b) computed on an accruals basis so that those amounts relating to the period for which the turnover is being determined are taken into account, without regard to the date of invoice or receipt of payment,

after deduction of trade discounts, value added tax and any other taxes based on such amounts;

"business year" means a period of more than six months for which a defaulter publishes accounts or, if no such accounts have been published for the period, prepares accounts; and

"date of the civil penalty notice" means the date on which the Administrator gives notice under section 129(2) of the 2004 Act.

**Objections to civil penalties**

**25.**—(1) For the purposes of section 130(2)(b) of the 2004 Act, the manner in which the notice of objection must be given to the Administrator is—

(a) by delivering it to the Administrator,

(b) by leaving it at the address of the Administrator, or

(c) by sending it by post to the Administrator at that address,

and "delivering" includes transmitting by means of an electronic communications network, or by other means but in a form that nevertheless requires the use of apparatus by the recipient to render it intelligible.

(2) For the purposes of section 130(2)(b), the period within which the notice must be given is a period of 28 days beginning on the day immediately after the day on which the civil penalty notice is given.

(3) For the purposes of section 130(5), the manner in which the notification of the outcome of the Administrator's consideration must be given is—

(a) by delivering it to the objector,

(b) by leaving it at the objector's address, or

(c) by sending it by post to the objector at that address,

and "delivering" includes transmitting by means of an electronic communications network, or by other means but in a form that nevertheless requires the use of apparatus by the recipient to render it intelligible.

(4) For the purposes of section 130(5), the period before the end of which the notification must be given is a period of 28 days beginning on the day immediately after the day on which the notice of objection is given to the Administrator.

(5) In this article, the objector's address is the address provided by the supplier to the Administrator for use in respect of its SAF account.

# PART 7

## Amendment of the Renewable Transport Fuel Obligations Order 2007

### Introductory

**26.** The Renewable Transport Fuel Obligations Order 2007(**a**) is amended as follows.

### Amendment of article 2

**27.** In article 2(1) (interpretation)—

(a) in the definition of "assessment time"—

(i) omit paragraph (a);

(ii) in paragraph (d), omit ", other than fossil fuel for use in aircraft,"; and

(b) in the definition of "support scheme"—

(i) omit "applied by an EEA state, a group of EEA states or the United Kingdom,";

(ii) omit "investment aid, tax exemptions or reductions, tax refunds,"; and

(iii) after "payments", insert ", and excludes investment aid, tax exemptions or reductions, and tax refunds".

### Amendment of article 3

**28.** In article 3 (definitions of fuels and fuel products)—

(a) omit paragraphs (1A) and (1B);

(b) in paragraph (2D), omit sub-paragraphs (a) and (b);

(c) in paragraph (10)(b), omit "aircraft,".

### Amendment of article 4

**29.** In article 4 (the renewable transport fuel obligation), in paragraph (8)(a)(ii), omit "aircraft,".

### Amendment of article 5

**30.** In article 5 (determinations of the amounts of transport fuel), in paragraph (2A)(a), omit "aircraft,".

### Amendment of article 16

**31.** In article 16 (application for RTF certificates), omit paragraph (6).

---

(**a**) S.I. 2007/3072 as amended by S.I. 2009/843, 2011/493, 2011/2937, 2013/816, 2015/534, 2018/374, 2020/1541, 2021/1115, 2021/1420 and 2024/634.

**Amendment of article 17**

**32.** In article 17 (issue of RTF certificates), in paragraph (1)(a), omit "aircraft,".

# PART 8

## Miscellaneous

**Review**

**33.**—(1) The Secretary of State must from time to time—

(a) carry out a review of the regulatory provision contained in this Order; and

(b) publish a report setting out the conclusions of the review.

(2) A report published under this article must, in particular—

(a) set out the objectives intended to be achieved by the regulatory provision contained in this Order;

(b) assess the extent to which those objectives are achieved;

(c) assess whether those objectives remain appropriate; and

(d) if those objectives remain appropriate, assess the extent to which they could be achieved in another way which involves less onerous regulatory provision.

(3) The first report must be published before the end of the period of five years beginning with the date on which this Order comes into force.

(4) Subsequent reports must be published at intervals not exceeding five years.

(5) In this article, "regulatory provision" has the same meaning as in section 28 of the Small Business, Enterprise and Employment Act 2015(**a**).

Signed on authority of the Secretary of State for Transport

Parliamentary Under Secretary of State
Department for Transport

Address
Date

(**a**) 2015 c. 26.

# SCHEDULES

## SCHEDULE 1

Article 2

### Sustainability criteria

**1.** In this Schedule—

"GHG emissions saving threshold" means the threshold established in accordance with paragraph 5; and

"minimum GHG emissions saving" means the percentage amount determined in accordance with paragraph 7.

**2.** To the extent that relevant sustainable aviation fuel was produced from a feedstock listed in column (2) of the table below, that feedstock meets the sustainability criteria if it meets the conditions specified for the feedstock concerned in column (3) of the table.

| (1) Entry number | (2) Feedstock | (3) Conditions that the feedstock must meet in order to comply with sustainability criteria |
|---|---|---|
| 1 | Forest biomass, including residues from forestry or wastes from forestry | The GHG emissions saving threshold and the forest criteria |
| 2 | Residues, including processing residues, which are not residues from agriculture, aquaculture, fisheries or forestry | The GHG emissions saving threshold |
| 3 | Wastes of biological origin, which are not wastes from agriculture, aquaculture, fisheries or forestry | The GHG emissions saving threshold |
| 4 | Residues from agriculture or wastes from agriculture | The GHG emissions saving threshold, the land criteria and the soil carbon criteria |
| 5 | Renewable energy of non-biomass origin or nuclear energy | The GHG emissions saving threshold |
| 6 | Wastes of fossil origin | The GHG emissions saving threshold, the land criteria and the sustainable waste criteria |
| 7 | Any feedstock not falling within entries 1 to 6 above | The GHG emissions saving threshold and the land criteria |

**3.** A feedstock meets the soil carbon criteria if the supplier provides evidence, by reference to the guidance published by the Administrator under article 14(1)(f), that satisfies the Administrator that adequate monitoring or management plans are in place for the land concerned which address the impacts on soil quality and soil carbon of the harvesting of the relevant feedstock from that land.

**4.** A waste of fossil origin meets the sustainable waste management criteria if the supplier provides evidence, by reference to the guidance published by the Administrator under article

14(1)(f), that satisfies the Administrator that adequate monitoring or management plans are in place to address the local environmental impacts caused by sourcing or processing the waste.

**5.** Subject to paragraph 6, an amount of sustainable aviation fuel meets the GHG emissions saving threshold if the GHG emissions saving from its use is equal to or greater than the minimum GHG emissions saving applicable to that fuel.

**6.** Where the sustainable aviation fuel is produced partly from raw materials other than sustainable feedstocks, the minimum GHG emissions saving for the purposes of this Schedule applies only to the mass (in kilograms) of that fuel which is attributable to sustainable feedstocks.

**7.** The minimum GHG emissions saving from the use of an amount of relevant sustainable aviation fuel is the greater of—

(a) where applicable, the default value determined by reference to the guidance published by the Administrator under article 14(1)(f); or

(b) the actual value determined by reference to the guidance published by the Administrator under article 14(1)(f).

# SCHEDULE 2

Article 2

## Land criteria

**1.** A relevant feedstock meets the land criteria if the supplier provides evidence, by reference to the guidance published by the Administrator under article 14(1)(f), that satisfies the Administrator that the relevant feedstock was not obtained from land of a description falling within paragraphs 2 to 5, subject to the exceptions set out in those paragraphs.

**2.** Land with a high biodiversity value that had one of the following statuses in or after January 2008, whether or not the land continues to have that status—

(a) primary forest or other wooded land of native species, where there is no clearly visible indication of human activity and the ecological processes are not significantly disturbed;

(b) land not falling within sub-paragraph (a) which is, or which has been identified as, highly biodiverse forest or other wooded land that is species-rich and not degraded, unless—

(i) the land is designated for nature protection purposes; and

(ii) evidence is provided that satisfies the Administrator that the production of the relevant feedstock did not interfere with the nature protection purposes for which the land is designated;

(c) land not falling within sub-paragraphs (a) or (b) which is designated for nature protection purposes, including for the protection of rare, threatened or endangered ecosystems or species, unless evidence is provided that satisfies the Administrator that the production of the relevant feedstock did not interfere with the nature protection purposes for which the land is designated;

(d) highly biodiverse grassland spanning more than one hectare that is—

(i) natural grassland that would remain as grassland and that maintains its natural species composition and ecological characteristics and processes in the absence of human intervention; or

(ii) non-natural grassland that would cease to be grassland in the absence of human intervention and that is species-rich and not degraded and which has been identified as being highly biodiverse, unless evidence is provided that satisfies the

Administrator that the harvesting of the raw material is necessary to preserve its status as highly biodiverse grassland.

**3.** Subject to paragraph 4, land with high-carbon stock that had one of the following statuses at any time in January 2008 and which no longer has that status—

(a) wetlands, where the land is covered with, or saturated by, water permanently or for a significant part of the year;

(b) continuously forested areas spanning more than one hectare with trees higher than five metres and a canopy cover of more than 30%, or trees able to reach those thresholds in situ;

(c) land spanning more than one hectare with trees higher than five metres and a canopy cover of between 10% and 30%, or trees able to reach those thresholds in situ, unless evidence is provided that satisfies the Administrator that the GHG emissions saving from the use of the sustainable aviation fuel concerned is equal to or greater than the minimum GHG emissions saving applicable to the fuel at the time when it is used, as set out in Schedule 1.

**4.** Paragraph 3 does not apply if, at the time the relevant feedstock was harvested, the land concerned had the same status as it had in January 2008.

**5.** Land that was peatland at any time in January 2008, unless evidence is provided that satisfies the Administrator that the cultivation and harvesting of the raw material concerned did not involve drainage of previously undrained soil.

# SCHEDULE 3

Article 2

## Forest criteria

**1.** In this Schedule—

"forest regeneration" means the re-establishment of a forest stand by natural or artificial means following the removal of the previous stand by felling or as a result of natural causes, including fire or storm;

"sourcing area" means a geographically defined area—

(a) from which the forest biomass is sourced;

(b) for which reliable and independent information is available to show that the requirements in paragraph 3(a) to (e) were met, and

(c) where conditions are sufficiently homogeneous to evaluate the risk of the sustainability, and legality characteristics, of the forest biomass.

**2.** Forest biomass meets the forest criteria if the supplier provides evidence, by reference to the guidance published by the Administrator under article 14(1)(f), that satisfies the Administrator that the requirements in paragraphs 3 to 6 are met, subject to the exceptions set out in those paragraphs.

**3.** Subject to paragraph 4, the country in which the forest biomass was harvested has in place a legal framework, including monitoring and enforcement systems, to ensure that—

(a) the forest biomass has been harvested in accordance with applicable laws;

(b) the area of harvesting of the forest biomass is subject to forest regeneration;

(c) the forest biomass has not been harvested from wetlands, peatlands or from a protected area, unless—

(i) the land is designated for nature protection purposes; and

(ii) the production of the relevant feedstock did not interfere with the purposes for which the land is designated for nature protection purposes;

(d) the harvesting of the forest biomass has been carried out with consideration for the maintenance of, and with the aim of minimising any decline in, soil quality and biodiversity; and

(e) the harvesting of the forest biomass has been carried out in a manner that maintains or improves the long-term production capacity of the forest from which it was harvested.

**4.** Where evidence is not available to demonstrate that the legal framework described in paragraph 3 is in place in the country concerned, the Administrator must be satisfied that management systems at the forest sourcing area level were in place in that country to ensure that the conditions in paragraph 3(a) to (e) were met.

**5.** Subject to paragraph 6, the country or regional economic integration organisation of origin of the forest biomass is a party to the 2015 Paris Agreement(**a**) and—

(a) has submitted a nationally determined contribution ("NDC") to the United Nations Framework Convention on Climate Change, covering emissions and removals from agriculture, forestry and land use which ensures that changes in carbon stock associated with forest biomass harvest are counted towards the country's commitment to reduce or limit greenhouse gas emissions as specified in the NDC; or

(b) has laws in place, which are applicable in the area of the harvesting, and which regulate the harvesting of forest biomass, to conserve and enhance carbon stocks and sinks, and which require that evidence is provided to show that reported land-use, land-use change and forestry-sector emissions do not exceed removals.

**6.** Where evidence is not available to demonstrate that the requirement in paragraph 5 is satisfied, the Administrator must be satisfied that management systems were in place at the forest sourcing area level to ensure that carbon stocks and sink levels in the forest are maintained or increased over the long-term.

(**a**) The Agreement adopted at Paris on 12 December 2015 by the Conference of the Parties to the United Nations Framework Convention on Climate Change at its 21st session. A copy of the Agreement is available at https://unfccc.int/sites/default/files/resource/parisagreement_publication.pdf.

## EXPLANATORY NOTE

*(This note is not part of the Order)*

This Order implements Chapter 5 of Part 2 of the Energy Act 2004, and imposes an obligation on aviation fuel suppliers that supply aviation turbine fuel in the United Kingdom to produce evidence that a specified amount of sustainable aviation fuel has been supplied in the United Kingdom (the "SAF obligation") (Part 2).

Part 3 makes the Secretary of State the Administrator under the Order (article 5) and makes provision for the administration and management of accounts for suppliers to ensure a record is kept of obligations and certificates (articles 6, 8 and 9). This Part also places specific duties on the Administrator in respect of the processing and collection of information, provision of guidance and determining feedstock eligibility (articles 10, 11, 14 and 15), and provides the Administrator with powers to enable it to fulfil those duties (articles 7, 12 and 14).

Part 4 sets out the application requirements for SAF (sustainable aviation fuel) certificates (article 16) along with the requirements for verifiers' reports and declarations (article 17). This Part also provides for the issue of SAF certificates to suppliers who are subject to a SAF obligation, and to other suppliers who are not obligated (article 16). These certificates can then be produced as evidence that the obligation has been discharged. Certificates may also be transferred (article 19) or revoked (article 20).

Part 5 provides for the discharge of a SAF obligation by payment in cases where a supplier has not wholly discharged the obligation by producing sufficient SAF certificates (article 21); sets a limit on the maximum amount of SAF derived from segregated oils and fats that may be counted towards meeting a supplier's main obligation (article 22); and sets limits on the proportion of SAF certificates issued for one obligation period that may be used to discharge a supplier's obligation in a later obligation period (article 23).

Part 6 provides for a person that contravenes certain provisions to be liable to a civil penalty (article 24). It also provides for the process of objecting to a civil penalty (article 25). Section 131 of the Energy Act 2004 provides for appeals to be made to the High Court (in England and Wales or Northern Ireland) or the Court of Session (in Scotland) where a person disputes a liability to a penalty or claims that the penalty is too high.

Part 7 makes consequential amendments to the Renewable Transport Fuel Obligations Order 2007 to remove fuel supplied for use in aircraft from that Order. This Part also amends the definition of support schemes in that Order so that the definition includes all support schemes not just those which apply within the European Economic Area and excludes investment aid, tax exemptions and reductions, and tax refunds.

Part 8 places a duty on the Secretary of State to review the regulatory provision contained in this Order every five years and publish a report setting out the conclusions of that review.

An impact assessment, in the form of a cost benefit analysis, on the effect that this Order will have on the costs of business and the voluntary sector is available from the Low Carbon Fuels Division, Department for Transport, Great Minster House, 33 Horseferry Road, London, SW1P 4DR. The impact assessment is annexed to the Explanatory Memorandum which is available alongside this Order on the UK legislation website at http://www.legislation.gov.uk.

© Crown Copyright 2024

Printed and published in the UK by The Stationery Office Limited under the authority and superintendence of Jeff James, Controller of His Majesty's Stationery Office and King's Printer of Acts of Parliament.

http://www.legislation.gov.uk/id/ukdsi/2024/9780348262575