

Heathrow warns UK risks slipping behind in development of greener aviation fuel

Heathrow aims to triple usage of greener aviation fuel at the airport this year, but warned the UK risks falling behind other nations in developing production facilities.

Chief executive [John Holland-Kaye](#) told the PA news agency that the west [London](#) airport has “led the way on decarbonising aviation” through sustainable aviation fuel (Saf) but supportive [Government](#) policy is “needed now” to compete with the US and the rest of Europe.

Saf is produced from sustainable sources such as agricultural waste and used cooking oil.

It reduces carbon emissions by up to 70% compared with traditional jet fuel, but is currently several times more expensive to produce.

Heathrow runs a scheme through which it provides Saf to airlines and covers up to half the extra cost through a £38 million fund.

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Last year, 0.5% of the fuel bought at Heathrow was through the initiative, which was oversubscribed.

The airport announced on Tuesday it intends to raise the figure to 1.5% in 2023.

It is targeting Saf usage to hit 11% by the end of the decade.

Airlines participating include British Airways' parent company [IAG](#), Virgin Atlantic, United Airlines, Air France, KLM and JetBlue.

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All Saf provided by Heathrow is imported.

Obtaining the fuel at commercially viable rates is difficult due to high costs and low production volumes.

The UK has an ambition for at least five commercial-scale Saf plants to be under construction in the country by 2025.

The Government has invested money in the development of the sites, and proposed that airlines operating in the UK must ensure Saf makes up at least 10% of their fuel by 2030.

But Heathrow fears a tax credit scheme in the US designed to lure investors in Saf production puts the UK at risk of missing out.

It wants the Government to introduce a mechanism which would reduce the difference in price between Saf and traditional jet fuel.

Mr Holland-Kaye said: "Sustainable aviation fuel is not just about protecting the benefits of aviation in a net zero world.

“It’s about economic opportunity, creating jobs here in the UK and securing the country’s future energy supplies.

“Heathrow has led the way on decarbonising aviation by incentivising airlines to use Saf, and Team Heathrow is now probably the biggest user of Saf in the world.

“But it is currently all imported. If Britain really wants to compete with the scale of ambition and the credible action seen from the US and Europe, supportive Government policy is needed and it is needed now.”

A Department for Transport spokesperson said: “The UK’s sustainable aviation fuels programme is one of the most comprehensive in the world.

“Our £165 million Advanced Fuel Fund is kickstarting production, with five projects already chosen to receive funding, and we are working at pace to put our mandate policy into law.”