

Sustainable Aviation Fuel (SAF) Incentive at Heathrow 2027

Guidance for Airlines

Issued: 30 October 2026

Heathrow

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1 How SAF is defined

For the purpose of the SAF Incentive, SAF which is captured under the definition[1] of SAF as set out in the UK SAF Mandate and Department for Transport's ("**DfT**") technical and compliance guidance (as amended, updated or replaced from time to time). The UK SAF mandate came into force in January 2025 and replaced the RTFO for aviation[2]. The conditions below have been adjusted accordingly.

Qualifying SAF must meet the DfT's minimum requirements, unless otherwise provided for under Section 1.1 (Power-to-Liquid (PtL) SAF):

- Reduce CO2e by at least 40% relative to fossil kerosene on a lifecycle basis;
- Eligible SAF must be made from sustainable, waste or residues derived from:
    - biomass (e.g. used cooking oil or forestry residues)
    - fossil wastes that cannot otherwise be avoided, reused or recycled (such as unrecyclable plastics)
    - renewable or nuclear power
    - SAF produced from food, feed or energy crops is not eligible.

Heathrow's clear preference is for recycled carbon fuels ("**RCF**s"). RCFs are fuels produced from fossil and biogenic wastes that cannot be avoided, reused or recycled – such as fuels produced from municipal solid waste, cellulosic waste (such as forestry and agricultural residues) and used cooking oil, and RFNBO including 'power-to-liquid' fuels using renewable electricity in their production. Use of RCFs and RFNBO, however, is not a requirement for this SAF Incentive.

At present, Heathrow does not differentiate between the minimum requirement and leading-edge SAF, unless otherwise provided for under Section 1.1. We continue to believe the priority remains to support the SAF market and help it gain momentum. As this SAF Incentive progresses over the coming months and years, we intend to keep sustainability standards under constant review and we will likely consult on more stringent sustainability standards for future scheme years.

1.1 Power-to-Liquid (PtL) SAF

Power-to-Liquid (PtL) is a SAF pathway that includes fuels made from low carbon power sources, such as from renewable energy. Airlines interested in delivering PtL SAF to Heathrow as part of the incentive are invited to contact us at saf@heathrow.com in advance.

Recognising the important role that PtL SAF is expected to play in the long-term decarbonisation of aviation, Heathrow will accept PtL SAF under the 2027 SAF Incentive Scheme where it is aligned with internationally recognised standards, even where it may not yet fully satisfy eligibility requirements of the UK SAF Mandate.

[1] See The SAF Mandate: an essential guide - GOV.UK

[2] See RTFO and SAF Mandate Technical Guidance and figure in Annex 1 for how fuels can be classified under the RTFO and the SAF Mandate depending on their feedstock and fuel type

2 Criteria for SAF usage at Heathrow Airport

Provided that it offers an auditable and verifiable path, measurement, reporting, and verification of SAF use should align with the UK SAF Mandate sustainability criteria and eligibility[3]. We welcome feedback as part of our annual airline engagement on how to make this SAF Incentive scheme both easy to use and effective.

2.1 Documentation required to verify sustainability

In line with the UK ETS, the EU Emissions Trading Scheme ("EU ETS"), and the ICAO Carbon Offsetting and Reduction Scheme in International Aviation ("CORSIA"), to ensure that the fuel is sustainably produced, Heathrow requires a copy of sustainability documentation such as a Proof of Sustainability (POS). A Product Transfer Document (PTD) received by the airline when it places its order for SAF with its fuel supplier may contain information that complements the POS depending on the framework used by the supplier. In these cases, a PTD is required to ensure Heathrow receives the mass, carbon intensity, fuel density and full chain of custody of the SAF uplift.

Since the incentive supports only voluntary SAF demand beyond the UK SAF Mandate, airlines must obtain written confirmation from the fuel supplier that the SAF volumes claimed:

1. Comply with the same sustainability criteria as the UK SAF Mandate, if not already included in the POS; and
2. Have not been claimed under any mandated scheme.

This confirmation can be provided in one of the following formats:

- A formal letter from the fuel supplier confirming the SAF volume is additional, voluntary, and not used to meet any mandated schemes (e.g. UK SAF Mandate or ReFuelEU SAF Mandate). The letter should specify the volume delivered, contract number, and batch identifier.

  or

- A clear statement within the PTD, or POS confirming the SAF is outside any mandated obligation[4] (e.g. the POS has not been retired).

The manufacturing facility and the SAF supplier must be certified to[5]:

- The Roundtable on Sustainable Biomaterials ("**RSB**");
- The International Sustainability and Carbon Certification ("**ISCC**");
- Other certification recognised by Government.

As stated in Section 1.1, Heathrow will also accept PtL[6] SAF that does not yet fully satisfy eligibility requirements of the UK SAF Mandate, provided it meets internationally recognised standards.

Airlines claiming PtL SAF must provide evidence demonstrating that the fuel:

- delivers a credible lifecycle greenhouse gas emissions reduction relative to conventional jet fuel;
- is produced using low-carbon electricity sources;
- is supported by robust sustainability and chain-of-custody documentation;

[3] Heathrow will support PtL in 2027 that is yet not fully compliant with the UK SAF mandate.
[4] See Annex 2 for SAF Product Transfer Document Template
[5] Please contact Heathrow at saf@heathrow.com if you have any questions.
[6] Power to liquid – this pathway includes fuels made from low carbon power sources, such as from renewable energy. Airlines interested in delivering PtL SAF to Heathrow as part of the incentive are invited to contact us at saf@heathrow.com in advance.

- is independently certified or verified under a recognised sustainability framework or certification scheme; and
- has not been claimed under a mandate or compliance obligation.

Examples of recognised standards and certification schemes may include:

- The Roundtable on Sustainable Biomaterials ("**RSB**");
- The International Sustainability and Carbon Certification ("**ISCC**");
- CORSIA-approved sustainability certification schemes; or
- Other equivalent frameworks accepted by Government.

Heathrow reserves the right to request additional evidence where required and will keep the eligibility criteria for PtL SAF under review as relevant regulatory frameworks continue to evolve.

2.2 Documentation required to prove uplift at Heathrow Airport

SAF is considered to have been delivered to Heathrow Airport on the provision of evidence of receipt at London Heathrow Airport or delivery into a pipeline connected to London Heathrow Airport, on a mass balance basis. Airlines may choose to use a global standard density for jet fuel of 0.8 for the purposes of calculating delivered SAF weight into LHR **if this information is not provided by the fuel supplier.**

Evidence can include a suitable batch delivery or 'movement ticket', or another accepted proof of delivery to a Heathrow Airport fuel supply location (e.g. POS with airport delivery point).

A copy of the Product Transfer Document(s) and the associated movement ticket for the batch should be sent by email to: saf@heathrow.com. Any commercially sensitive financial information on these documents can be redacted as necessary, so long as Heathrow is able to determine the information required for the purpose of the SAF Incentive, for example, the type of SAF claimed for and the volume delivered to the Airport.

For 2027 claims, evidence of SAF delivery to the Airport must be provided by 31 January 2028 and will be required for verification before allocation of any applicable SAF Credit. Heathrow may use an independent verifier to check the documentation that proves uplift at Heathrow and compliance with sustainability criteria.

We welcome airline feedback on required documents.[7]

[7] The SAF market is global and nascent. Documentation required to prove sustainability, additionality to the mandate, and delivery at Heathrow on mass balance basis may vary and evolve rapidly.

3 How the SAF Incentive Scheme works

The legal terms applicable to the SAF Incentive are set out in the Heathrow Conditions of Use[8] and those terms are supported by the information set out in this guidance[9]. As outlined in our 2027 airport charges decision document, the SAF Incentive Scheme will collect the incentive pot through the Aircraft Landing and Take-off fees and re-distribute the pot back to airlines that participate in the SAF Incentive Scheme and who have delivered SAF to Heathrow in 2027. The SAF Incentive is calculated by reference to reducing the premium price gap between fossil kerosene and SAF fuel by approximately 50%. For the purpose of the SAF Incentive Scheme in 2027, Heathrow has assumed the premium to be £1400 GBP per tonne, so will incentivise SAF delivery to Heathrow Airport on the basis of £700 per tonne, up to the maximum cap set out in the Conditions of Use.

In 2027, to recognise that this increase in the Aircraft Landing and Take-off fees will drive additional revenue outside the MAY due to cargo ATM charges there will be two SAF incentive pots. One pot for Passenger ATMs and a separate pot for Cargo ATMs which will be funded via the cargo minimum departure charge. The Passenger ATM SAF Incentive Scheme pot will be allocated based on an airlines' Revenue Passenger Kilometres ("**RPK**"). Similarly, the Cargo ATM SAF Incentive Scheme pot will be allocated based on Freight Tonne Kilometres ("**FTK**").

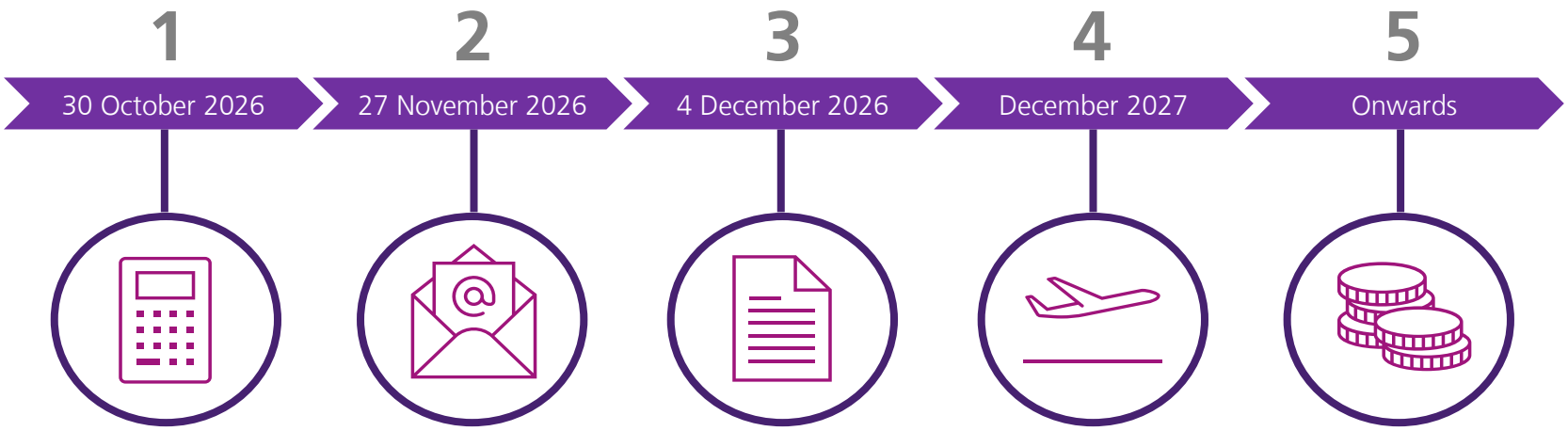
4 How to obtain SAF at Heathrow Airport

Airlines should work directly with fuel suppliers who can arrange delivery of SAF to the airport. Heathrow is not directly involved in the aviation fuel supply chain – the fuel farm and hydrant infrastructure system at the airport is managed, maintained and operated by the Heathrow Hydrant Operating Company Limited ("**HHOpCo**"). However, airlines should contact fuel companies not HHOpCo to obtain SAF for delivery to Heathrow Airport.

[8] See Heathrow Airport Conditions of Use - 2027 at Flight conditions of use | Heathrow

[9] Airlines should note that in the event of any conflict, the terms of the Conditions of Use prevail over anything stated in this guidance document.

5 Timeline for the 2027 SAF Incentive Scheme



1. On 30 October 2026, Heathrow will calculate and communicate the initial SAF tonnage allocation based on the relevant LHR Revenue Passenger Kilometres ("**RPK**") and Freight Tonne Kilometres ("**FTK**") (as set out further below) for all airlines currently operating from Heathrow Airport. The calculation will be based on the 12-month operating period from October 2025 – September 2026. Ad-hoc carriers, airlines with fewer than 10 operations and discontinued airlines will not be included in the calculation.

2. By 5pm (UK time) on 27 November 2026, all Airlines wishing to participate in the SAF Incentive for 2027 must have contacted Heathrow to state their intention to do so by sending an email to saf@heathrow.com outlining:
   (i) the number of tonnes of SAF they propose to deliver to Heathrow Airport in 2027; and
   (ii) their nominated contact person for the SAF Incentive.
   The subject line of the email should read: [Airline Name] – SAF Incentive 2027.

3. By 5pm (UK time) on 4 December 2026, Heathrow will review airline submissions, calculate, and communicate each final allocation. An example of the calculation methodology is set out in page 10, below.

4. Airlines must ensure that all allocated SAF is physically delivered to Heathrow Airport by 31 December 2027. Airlines must provide Heathrow with evidence of the delivery and the necessary certificates (as set out above).

5. Subject to compliance with the terms of the SAF Incentive Scheme terms, as set out in the Conditions of Use, Heathrow will allocate the relevant credit to the Airline's Heathrow Airport charges account. Further terms applicable to this are set out on page 8 of this guidance.

6 How the size of the incentive pot is calculated

Calculation Element	Example
Forecasted movements at Heathrow in 2027	474k movements
Fuel requirement	≈5.8m tonnes
Desired SAF mix outcome	2.00%
50% of SAF Premium	£1,400 x 50% = £700
Incentive pot	**≈ 5.8m t x 2.00% ≈ 116k t x £700 ≈ £81m**

7 2025 SAF Carry-Forward in 2027 Pricing

A funding balance of £7.0m remains from the 2025 SAF accrual due to actual SAF incentive claims being lower than the amount originally collected through airport charges. In line with the Conditions of Use, and to ensure efficient use of funds and avoid over-recovery from airlines, this balance has been carried forward and applied to the 2027 SAF incentive scheme.

The total 2027 SAF incentive pot is £81.24m. After applying the £7.0m carry-forward balance, the amount required to be recovered through aircraft landing and take-off fees is £74.24m.

8 Quarterly and Annual Credit Allocation Process

All credits are contingent upon compliance with the terms in the Conditions of Use and submission of verified evidence that meets Heathrow's sustainability criteria, as set out in this guidance. Only after successful verification will the credits be applied to the airline's Heathrow Airport charges account.

Airlines can choose whether to receive these credits on a quarterly or annual basis.

Quarterly Credits: subject to compliance with the terms in the Conditions of Use, and provision of the required evidence within the specified deadlines below, the corresponding credit will be applied to the airline's Heathrow charges account.

Evidence Deadlines:

Period	Submission Deadline	Credit Issuance
Q1	April 30 2027	June 30 2027
Q2	July 31 2027	September 30 2027
Q3	October 31 2027	December 31 2027
Q4	January 31 2028	March 31 2028

Annual Credit: Airlines opting for a single annual credit must submit all evidence by 31 January 2028, and the full year's credit will be applied by 31 March 2028.

9 SAF Allowance Adjustments for 2027

Allowances are subject to change in accordance with the terms set out in Schedule 6 of the Conditions of Use, and in particular but not limited to, the consequences set out in paragraphs 1.14 (Passenger ATMs) and 2.14 (Cargo ATMs) regarding failures to deliver the allocated amounts. Where any participating airlines exceed their SAF allocation, and there is any additional amount left in the incentive pot, Heathrow may reallocate any remaining amounts in the SAF Incentive Pot among those airlines that have over-delivered in accordance with the Conditions of Use and the general allocation procedure set out in these guidelines. This process is separate from the Mid-Year SAF Review described in Section 10.

10 Mid-Year SAF Review for 2027

On or after 1 June 2027, Heathrow will commence a Mid-Year SAF Review to allow Airlines to voluntarily return and make available for reallocation certain SAF volumes.

As part of the Mid-Year SAF Review:

- Heathrow will write to participating Airlines inviting them to voluntarily return up to 50% of their allocated SAF tonnage that they do not expect to utilise by the end of the year;
- Participating Airlines will have two weeks from the date of Heathrow's request to notify Heathrow of any SAF tonnage they wish to return;
- Following the close of the allocation return window, Heathrow will notify participating Airlines of the total volume of SAF tonnage available for reallocation;
- Participating Airlines may submit requests for additional SAF Allocation during a two-week reallocation window;
- Heathrow will review requests for additional SAF Allocation and, within one week of the close of the reallocation window, reallocate available SAF tonnage in accordance with the SAF allocation methodology set out in Section 11;
- No penalty will apply to Airlines voluntarily returning SAF Allocation through the Mid-Year SAF Review process.

For the avoidance of doubt, participation in the Mid-Year SAF Review is voluntary and Airlines are not required to return any portion of their allocation.

11 How the incentive pot is allocated to airlines

The table below illustrates how Heathrow calculates the SAF incentive allocation per airline using RPK for Passenger ATMs. The same process will be applied for the Cargo ATM incentive pot using FTK.

POT (T)	POT (£)	1. Heathrow to publish SAF Incentive allowance per airline based on RPK		2. Airlines to submit proposal to HAL	3. HAL to calculate SAF allowances per airline based on received proposals			4. HAL to publish final SAF allocations by airline	
116070	£81,249,000	By 30 of October 2026		By 27 of November 2026	Final allocation calculation period			By 4 of December 2026	
Name	RPK share	Allowance £	Allowance T	Airline Proposal T	**Step 1**	**Step 2**	**Step 3**	Final Allocation T	Final Allocation £
A	B	C	D	E	F	G	H	I	J
Airline 1	30%	24,374,700	34821	70,000	34821	24021	6228	65070	£45,549,000
Airline 2	20%	16,249,800	23214	18,000	18000	0	0	18000	£12,600,000
Airline 3	15%	12,187,350	17411	25,000	17411	7590	0	25000	£17,500,000
Airline 4	10%	8,124,900	11607	0	0	0	0	0	£0
Airline 5	5%	4,062,450	5804	8,000	5804	2197	0	8000	£5,600,000
				121000	76035	33807	6228	**116070**	**£81,249,000**

Step 1: Proposals within allowances (D) are assigned, any airline proposal (E) higher than the allowance (D) goes to step 2.

Step 2: As Airlines 2 and 4 did not utilise their full allowance (D), we will redistribute unallocated tonnage to airlines wishing to purchase above their initial allowance (D). The remaining tonnage is allocated based on the RPK shares of Airlines 1, 3, and 5. The calculation will continue until the proposal number (E) for each airline is reached. Airlines 3 and 5 have already been allocated their full proposal amount (E) at this stage. Any remaining tonnage after this step will proceed to step 3.

Step 3: So far, Airlines 2, 3, 4, and 5 have been allocated their full proposal amounts (E). Since the difference between Airline 1's proposal (E) and what has been allocated so far (F) and (G) exceeds 6228, the entire remaining tonnage will be allocated to Airline 1. If there are more airlines with unused allocations at this stage, we will repeat the allocation process from step 2 until the full tonnage allowance of 116,070 is allocated.

12 SAF Incentive initial allocation per airline for 2027 based on RPK[10]

Airline	%	Tonnes
British Airways Plc	35.97%	41,753
Virgin Atlantic Airways Ltd	10.16%	11,793
American Airlines Inc	6.11%	7,092
United Airlines Ltd	4.42%	5,130
Air Canada	2.86%	3,322
Cathay Pacific Airways Ltd	2.77%	3,215
Singapore Airlines Ltd	2.66%	3,083
Delta Air Lines Inc	2.63%	3,049
Emirates	2.54%	2,953
Air India	2.35%	2,728
Qatar Airways Ltd	2.23%	2,592
Qantas Airways Ltd	2.17%	2,514
Etihad Airways	1.53%	1,776
Saudi Arabian Airlines	1.12%	1,301
China Southern Airlines Company Limited	1.12%	1,297
Air China (Caac)	1.05%	1,217
Malaysia Airlines Berhad	1.04%	1,203
Thai International Airways	0.93%	1,075
Japan Airlines Co. Ltd	0.75%	865
Tam Linhas Aereas S/A	0.74%	854
Turkish Airlines	0.66%	765
Eva Airways	0.60%	692
Sri Lankan Airlines Ltd	0.54%	624
China Eastern Airlines	0.51%	592
Interglobe Aviation Limited	0.51%	587
Scandinavian Airlines System	0.46%	539
Asiana Airlines	0.45%	525
Gulf Air	0.45%	519
Korean Air	0.44%	510
Aerovias Del Continente Americano Sa Avianca	0.43%	502
Westjet	0.42%	486
Aerovias De Mexico Uk Branch	0.41%	474
Vietnam Airlines	0.40%	462
Jetblue Airways Corporation	0.38%	443
Ethiopian Airlines Sc	0.38%	440
Oman Air B/G	0.37%	427
All Nippon Airways Co Ltd	0.36%	415
Egyptair	0.35%	403
Iberia L.A.E. S.A. Operadora	0.33%	388
China Airlines	0.33%	386
Kenya Airways	0.31%	360
Lufthansa German Airlines	0.31%	360
Kuwait Airways	0.31%	360
El Al Israel Airlines Ltd	0.30%	343
Aegean Airlines Sa	0.29%	336
Biman Bangladesh Airlines Ltd	0.28%	327
Shenzhen Airlines Co Ltd	0.28%	324
Aer Lingus	0.28%	324
Transportes Aereos Portugueses	0.28%	319
Finnair Plc	0.27%	315
Swiss International Air Lines Ltd	0.23%	272
Rwandair Ltd	0.19%	221
Hainan Airlines Holding Co. Limited	0.18%	204
Royal Jordanian Airline	0.17%	202
Tianjin Airlines Co Ltd	0.17%	199
Eurowings Gmbh	0.17%	196
Vueling Airlines S.A.	0.17%	192
Royal Brunei Airlines	0.15%	170
Alaska Airlines	0.14%	166
Austrian Airlines	0.14%	165
Icelandair	0.12%	143
Lot Polish Airlines	0.12%	141
Riyadh Air	0.11%	129
Beijing Capital Airlines	0.11%	128
Km Malta Airlines Ltd	0.11%	123
Middle East Airlines Liban	0.10%	120
Pakistan International Airlines Corpo	0.10%	117
Lufthansa City Airlines Gmbh	0.09%	109
Royal Air Maroc	0.07%	78
Air Peace Ltd	0.06%	64
Air France	0.05%	61
Uzbekistan Airways	0.05%	58
Cjsc Air Astana	0.05%	56
Air Serbia A.D.	0.05%	54
Azerbaijan Airlines	0.04%	49
Italia Trasporto Aereo Spa	0.04%	48
Klm Royal Dutch Airlines	0.04%	44
Klm Cityhopper B.V.	0.04%	41
Air Algerie	0.03%	31
Brussels Airlines Nv/Sa	0.02%	29
Bulgaria Air Ad	0.02%	26
Loganair Ltd	0.02%	25
Croatia Airlines D.D	0.02%	19
Xiamen Airlines	0.02%	18
Tunisair	0.01%	12

[10] As noted above, allowances are subject to change in accordance with the terms set out in Schedule 6 of the Conditions of Use.

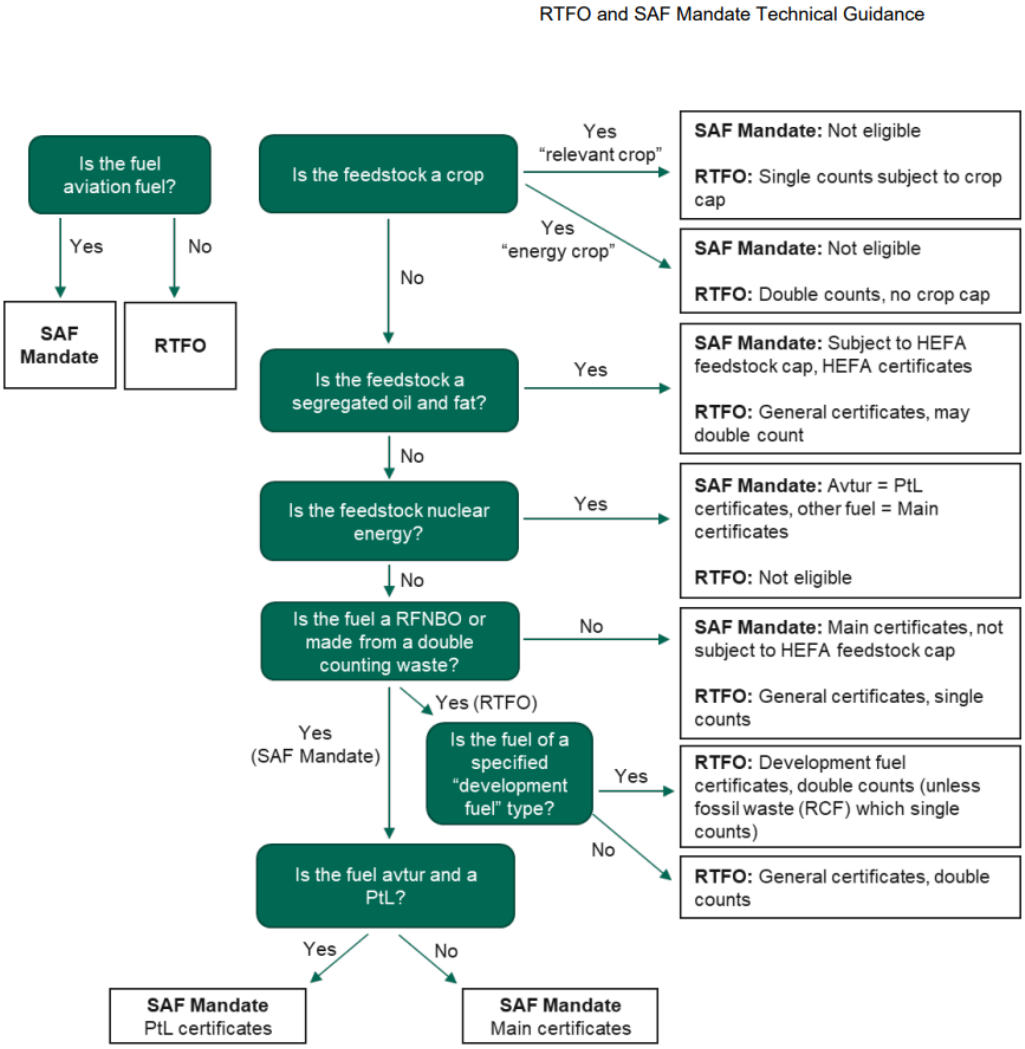
13 Cargo ATM Incentive initial allocation per airline for 2027 based on FTK[11]

Airline	%	Tonnes
Cathay Pacific Airways Ltd	26.95%	158
Korean Air	25.82%	151
Singapore Airlines Ltd	22.46%	132
Qatar Airways Ltd	11.72%	69
European Air Transport	9.05%	53
Emirates	2.52%	15
British Airways Plc	1.47%	9

[11] As noted above, allowances are subject to change in accordance with the terms set out in Schedule 6 of the Conditions of Use.

Annex 1 - Fuel Classification under RTFO & SAF Mandate

Flow chart outlining how fuels can be classified under the RTFO and the SAF Mandate depending on their feedstock and fuel type



Annex 2 - SAF Product Transfer Document Template

SUSTAINABLE AVIATION FUEL (SAF)
PRODUCT TRANSFER DOCUMENT (PTD)

PRODUCT AND DELIVERY INFORMATION

Has this SAF volume been claimed under any mandated scheme?	**Yes**	**No**
If Yes, what mandated scheme?		
SAF Purchaser		
Type/Grade of Underlying Product		
SAF Producer		
Production Location		
Production Origin		
Producer Certificate Number		
Producer Delivery Reference		
Batch Number (unblended)		
Batch Certificate Number (blended)		
Blending Location		
Transfer Location		
Transfer Date		

SUSTAINABILITY INFORMATION

Feedstock		
Feedstock Country(s) of Origin		
SAF Volume/Weight (Unblended)		
Litre Band Allocated From/To		

Carbon Intensity (g CO_2e/MJ)		
Fossil Baseline (g CO_2e/MJ)		
GHG Lifecycle Reduction		
Tank-to-Wake Emissions Avoided (tonnes CO_2e)		
Well-to-Wake Emissions Avoided (tonnes CO_2e)		

CALCULATION ASSUMPTIONS