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• [Department for Transport \(https://www.gov.uk/government/organisations/department-for-transport\)](https://www.gov.uk/government/organisations/department-for-transport)

## Renewable Transport Fuels Obligation

The Renewable Transport Fuel Obligation order is the principle legislation for the regulation of biofuels used for transport in the UK.

### Introduction

The Renewable Transport Fuel Obligation (RTFO) order obligates fossil fuel suppliers to produce evidence showing that a percentage of fuels for road transport supplied in the UK come from renewable sources and are sustainable, or that a substitute amount of money is paid. All fuel suppliers who supply at least 450,000 litres of fuel a year are obligated. This includes suppliers of biofuels as well as suppliers of fossil fuel.

### RTFO guidance

In December 2011, the RTFO order was amended to implement the sustainability criteria of the Renewable Energy Directive (RED). This introduced mandatory sustainability criteria which biofuels must meet for those fuels to be eligible for renewable transport fuel certificates (see below).

Biofuels that do not meet these criteria are considered fossil fuels for the purposes of the order and accrue an obligation to supply sustainable biofuels in the same manner.

The mandatory sustainability criteria include a minimum greenhouse gas saving and those relating to land use, which require fuel suppliers to demonstrate that the cultivation of feedstocks for their fuels did not damage areas of high carbon stocks or high biodiversity.

The 2011 amendment also introduced double rewards for some fuel types, including those made from waste materials such as used cooking oil, and a requirement to have data on the carbon and sustainability performance of fuels to be independently verified before Renewable Transport Fuel Certificates (RTFCs) are awarded.

The obligation is assessed according to who owns the fuel when it crosses the duty point (the point when a fuel becomes chargeable for duty).

The amount of biofuel that must be supplied increases annually until April 2013 when it will reach 4.75% of total road transport fuel supplied by volume. There are currently no plans to increase this trajectory.

Owners of biofuel at the duty point are awarded one (RTFC) per litre of biofuel, or kilogram of biomethane, supplied. Fuels produced from certain feedstocks are eligible for double counting. These include fuels derived from wastes and residues as well as those from ligno-cellulosic and non-edible cellulosic material.

RTFCs may be earned irrespective of the volume of biofuel owned, providing a potential revenue stream for even the smallest suppliers. RTFCs may be traded between participants in the scheme.

At the end of the year, suppliers of fossil road transport fuel demonstrate compliance with the RTFO by redeeming the appropriate number of RTFCs to demonstrate the required volume of biofuel was supplied. Alternatively, obligated fossil fuel suppliers can pay a buy-out price per litre of obligation, the buy-out price being set in the RTFO order.

Suppliers are allowed to carry over RTFCs from one year to the next, provided that no more than 25% of the supplier's obligation to supply biofuel for the later year is met by carrying over RTFCs and the fuels supplied met the sustainability requirements of the period in which the certificates are redeemed. This enables suppliers to 'bank' certificates against unforeseen circumstances.

The RTFO only covers biofuels used in the transport sector. For information on using bioliquids or biomass to generate heat or electricity please see Ofgem sustainability (<http://www.ofgem.gov.uk/Sustainability/Environment/RenewableObl/FuelledStations/ro-sustainability/Pages/index.aspx>).

The department publishes extensive guidance on the RTFO providing support for fuel suppliers, independent verifiers and others involved in the supply of biofuels for use in road transport in the UK.

This guidance is divided into 3 parts: process guidance, carbon and sustainability guidance and guidance for verifiers. There are also a number of supporting documents such as lists of materials considered wastes and an outline of voluntary schemes recognised as providing evidence of having met the sustainability criteria of the RED.

- RTFO Guidance (<https://www.gov.uk/government/publications/rtfo-guidance>)

## What are the benefits of registration?

Under the RTFO, any company that owns and supplies 450,000 litres or more of any road transport fuels, for use in the UK, during the course of an obligation year, must register with the DfT. This figure relates to the combined volume of fossil fuel and biofuel owned by the company.

Also, any company that owns sustainable biofuel for use in road transport as it crosses the UK duty point, regardless of its size, is eligible to claim Renewable Transport Fuel Certificates (RTFCs), which may be traded. This means that even the smallest biofuel producers may claim certificates and these can potentially be sold to obligated companies that may then use them to meet their obligation.

There is no guaranteed value to RTFCs. Rather, the value is set entirely by the market. From April 2012, the 20 pence duty incentive that has been available for biofuel from used cooking oil will end, though this fuel is eligible for double counting. At that point, the potential income stream represented by the awarding of RTFCs will become the main government support mechanism for biofuels in the UK.

## How do I register?

If you would like to register for the RTFO please contact [RTFO-compliance@dft.gsi.gov.uk](mailto:RTFO-compliance@dft.gsi.gov.uk)

Tel: 020 7944 8555 to request the link to the RTFO operating system (ROS).

What information you will need to register:

- full legal name of your organisation
- Companies House number and date of incorporation (if your organisation is a company) The legal status of your organisation (e.g. plc, limited company, partnership, sole trader etc)
- VAT number if you have one
- Pollution Prevention and Control (PPC) certificate number, if your organisation has one
- full contact details for the organisation, yourself and the director

We will also require individual proofs of identity for at least 1 director who will be responsible for ensuring the organisation is fully compliant with the RTFO.

## RTFO account holders

- Organisations that hold accounts with the RTFO administrator (<https://www.gov.uk/government/publications/renewable-transport-fuels-obligation-account-holders>)

## Consultations

- consultation on the post implementation review of the Renewable Transport Fuels Obligation (<https://www.gov.uk/government/consultations/renewable-transport-fuel-obligation-a-draft-post-implementation-review>)
- consultation on the Renewable Transport Fuel Obligation (RTFO) guidance for Year 6 (<https://www.gov.uk/government/consultations/renewable-transport-fuel-obligation-guidance-for-suppliers>)
- consultation on the Renewable Transport Fuel Obligation (RTFO) guidance (<https://www.gov.uk/government/consultations/consultation-on-the-renewable-transport-fuel-obligation-rtfo-guidance>)
- targeted consultation on proposed amendments to the Biofuel (Labelling) Regulations 2004 (<https://www.gov.uk/government/consultations/targeted-consultation-on-proposed-amendments-to-the-biofuel-labelling-regulations-2004>)
- DfT response to EC consultation on Annex III of the RED (<https://www.gov.uk/government/consultations/accounting-methods-and-conditions-for-the-10-renewable-energy-in-transport-target-and-on-the-need-for-additional-types-of-biofuels-being-listed-in-annex-iii-of-the-renewable-energy-directive>)
- RFA formal written consultation on C&S Technical Guidance for RTFO Year 4 (<https://www.gov.uk/government/consultations/rfa-formal-written-consultation-on-c-s-technical-guidance-for-rtfo-year-4-starting-15-april-2011>)
- consultation on the implementation of the transport elements of the Renewable Energy Directive (<https://www.gov.uk/government/consultations/implementation-of-the-transport-elements-of-the-renewable-energy-directive>)
- implementation of the transport elements of the Renewable Energy Directive (<https://www.gov.uk/government/consultations/implementation-of-the-transport-elements-of-the-renewable-energy-directive>)  
(Consultation on proposals to implement Articles 7a to 7e of the EU Fuel Quality Directive (FQD) (Directive 98/70/EC as amended by 2009/30/EC) requiring suppliers to reduce the lifecycle greenhouse gas intensity of transport fuels and introducing sustainability criteria for biofuels)
- previous consultation on the Carbon and Sustainability Technical Guidance (<http://webarchive.nationalarchives.gov.uk/+/http://www.renewablefuelsagency.gov.uk/consultation>)
- C&S technical guidance consultation papers (<http://webarchive.nationalarchives.gov.uk/+/http://www.renewablefuelsagency.gov.uk/consultation>)

## Carbon calculator

The carbon calculator (<https://www.gov.uk/government/publications/biofuels-carbon-calculator>) is a standalone programme that allows users to assess the greenhouse gas savings from a given batch of biofuels.

## Data on biofuel supply

Suppliers obligated under the RTFO are required to provide data on the volumes and source of biofuel brought to market in the UK. A summary of the latest verified data can be found below, along with links to current and archived datasets as well as supplier sustainability reports.

## Latest data

- latest statistics on biofuel supply (<https://www.gov.uk/government/organisations/department-for-transport/series/biofuels-statistics>)

## Other data

- Renewable Transport Fuels Obligation (RTFO) orders supplier sustainability reports (<https://www.gov.uk/government/organisations/department-for-transport/series/renewable-transport-fuels-obligation-rtfo-orders-supplier-sustainability-reports>)

## Archived data

- verified data for year 1 of the RTFO (<http://webarchive.nationalarchives.gov.uk/20110410141810/http://www.renewablefuelsagency.gov.uk/yearone>)
- verified data for Year 2 of the RTFO (<http://webarchive.nationalarchives.gov.uk/20110410141810/http://www.renewablefuelsagency.gov.uk/yeartwo>)
- data published prior to April 2011 (<http://webarchive.nationalarchives.gov.uk/20110410141810/http://www.renewablefuelsagency.gov.uk/carbon-and-sustainability/rtfo-reports>)
- supplier sustainability reports for year 1 of the RTFO (<http://webarchive.nationalarchives.gov.uk/20110410141810/http://renewablefuelsagency.gov.uk/reportsandpublications/yearoneofthertfo/supplierannualreports2008-09>)
- supplier sustainability reports for year 2 of the RTFO (<http://webarchive.nationalarchives.gov.uk/20110410141810/http://renewablefuelsagency.gov.uk/reportsandpublications/yeartwoofthertfo/supplierannualreports2009-10>)

## Voluntary sustainability schemes

Using feedstocks produced under a recognised sustainability standard scheme offers suppliers one route for demonstrating their biofuel meets certain criteria. These standards provide assurance that crops or fuel have been produced according to certain practices, in the same way that the Fairtrade label shows goods have been produced according to social standards or Soil Association certification proves farm produce is organic.

Since the amendment of the RTFO in December 2011, meeting sustainability criteria is mandatory.

The European Commission has recognised a number of voluntary schemes as offering sufficient evidence of meeting all 3 sustainability criteria and is currently assessing a number of other schemes. The RTFO administrator's approach to schemes not recognised by the commission can be found in the RTFO guidance (<https://www.gov.uk/government/publications/rtfo-guidance>). A document outlining the schemes recognised by the commission is published alongside the guidance.

## Biofuel stakeholder engagement

From the outset, stakeholder engagement has been at the core of the planning and implementation of the RTFO with fuel suppliers, trade bodies, non-governmental organisations (NGOs) and other involved parties actively involved to ensure delivery runs as smoothly as possible. We run a programme of regular stakeholder events and publish a monthly newsletter with updates on important developments.

- biofuel events calendar (<https://www.gov.uk/government/publications/biofuels-events-calendar>)
- low carbon fuels newsletter (<https://www.gov.uk/government/publications/low-carbon-fuels-newsletter>)
- RTFO Expert Advisory Group (<https://www.gov.uk/government/policy-advisory-groups/renewable-transport-fuels-obligation-expert-advisory-group>)

- Renewable Energy Directive Stakeholder Advisory Group  
(<http://webarchive.nationalarchives.gov.uk/20111005175249/http://www.dft.gov.uk/publications/red-sag>)

## Legislation

The 2007 Order was amended in December 2011 to transpose the transport elements of the EU Renewable Energy Directive (RED) 2009/28/EC (<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=Oj:L:2009:140:0016:0062:en:PDF>). It was amended again in 2013 to implement the closely related requirements of articles 7a-e of the EU Fuel Quality Directive 2009/30/EC (<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=Oj:L:2009:140:0088:0113:EN:PDF>).

- The Renewable Transport Fuel Obligations (Amendment) Order 2013 (<http://www.legislation.gov.uk/ukxi/2013/816/contents/made>)
- The Renewable Transport Fuel Obligations (Amendment) Order 2011  
(<http://www.legislation.gov.uk/ukxi/2011/2937/contents/made>)
- The Renewable Transport Fuel Obligations (Amendment) Order 2009  
(<http://www.legislation.gov.uk/ukxi/2009/843/contents/made>)
- The Renewable Transport Fuel Obligations Order 2007 (<http://www.legislation.gov.uk/ukxi/2007/3072/contents/made>)

The RTFO scheme is closely aligned to reporting requirements placed on suppliers under the Motor Fuel (Road Vehicle and Mobile Machinery) Greenhouse Gas Emissions Regulations 2012 (<http://www.legislation.gov.uk/ukxi/2012/3030/contents/made>), which also form part of the UK's transposition of the EU Fuel Quality Directive 2009/30/EC.

In 2011 the functions of the administrator of the RTFO were transferred to the RTFO unit in the Department of Transport. The RTFO unit administers schemes under both the Renewable Transport Fuel Obligations Order 2007 and the Motor Fuel (Road Vehicle and Mobile Machinery) Greenhouse Gas Emissions Regulations 2012.

- The Office of the Renewable Fuels Agency (Dissolution and Transfer of Functions) Order 2011  
(<http://www.legislation.gov.uk/ukxi/2011/493/contents/made>)

## Contact details

The general email address for the biofuels team is [biofuels.transport@dft.gsi.gov.uk](mailto:biofuels.transport@dft.gsi.gov.uk).

For queries relating to the administration of the RTFO please email [RTFO-compliance@dft.gsi.gov.uk](mailto:RTFO-compliance@dft.gsi.gov.uk).

For queries about carbon and sustainability reporting under the RTFO please email [Biofuel-sustainability@dft.gsi.gov.uk](mailto:Biofuel-sustainability@dft.gsi.gov.uk).

The postal addresses are:

Low Carbon Fuels  
Zone 1/32  
Great Minster House  
33 Horseferry Road  
London  
SW1P 4DR

RTFO Unit  
Ashdown House  
Sedlescombe Road North  
St Leonards-on-Sea  
East Sussex  
TN37 7GA, UK

The DfT switchboard can be reached on 0300 330 3000.

## More like this

## All detailed guidance about

- Environmental management for transport (<https://www.gov.uk/browse/driving/businesses/environmental-management-for-transport>)

## This is part of a collection

- Renewable Transport Fuels Obligation (RTFO) orders (<https://www.gov.uk/government/collections/renewable-transport-fuels-obligation-rtfo-orders>)
- Renewable Transport Fuels Obligation (RTFO) orders supplier sustainability reports (<https://www.gov.uk/government/collections/renewable-transport-fuels-obligation-rtfo-orders-supplier-sustainability-reports>)



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