



# Renewable Transport Fuel Obligation: Compliance Guidance

## 2026: 01/01/26 to 31/12/26



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# 1. Introduction

## This guidance

- 1.1 The Renewable Transport Fuel Obligation (RTFO) commenced on 15 April 2008 and is intended to deliver reductions in greenhouse gas (GHG) emissions from fuel used for transport purposes by encouraging the supply of eligible low carbon fuels. The legislative basis for the RTFO is found in the Renewable Transport Fuel Obligations Order 2007 No. 3072 ('the RTFO Order'), as amended.
- 1.2 This document relates to fuels that pass the duty point (or alternative assessment time, see paragraph 1.14) between 1 January 2026 and 31 December 2026 i.e. the 2026 obligation period.
- 1.3 This document provides guidance on how to comply with the RTFO Order as well as practical instruction on how to submit the required information to the Administrator. Specifically, it covers the following topics:
  - applying for and maintaining an account with the Administrator (Chapter 2)
  - the obligation that the RTFO Order puts on fuel suppliers and how it is met (Chapter 3)
  - how and when to submit fuel quantities to the Administrator (Chapter 4)
  - applying for Renewable Transport Fuel Certificates (RTFCs) (Chapter 5)
  - Civil penalties policy (Chapter 6)
- 1.4 This document is provided for use by obligated fossil fuel suppliers, eligible low carbon fuel suppliers, verifiers acting on the behalf of suppliers, relevant trade associations and other interested parties. It is recommended that interested parties familiarise themselves with the information contained on the RTFO webpages before reviewing this detailed guidance.
- 1.5 This is a guidance document only and does not constitute legal advice on how the Order should be interpreted.
- 1.6 There are several different types of users who may be required or wish to interact with the RTFO and the Administrator. Accordingly, different chapters of this guidance are likely to be relevant to different individual users, for example, Traders may find chapters 1, 2 and 5 most relevant.

1.7 This document should be read in conjunction with the other guidance documents of the RTFO.

- RTFO and SAF Mandate Technical guidance which includes eligible feedstocks, carbon and sustainability criteria, low carbon fuels and their renewability, and mass balance requirements.
- RTFO and SAF Mandate Third-party assurance guidance, including regarding the use of voluntary schemes.
- Specific guidance relevant to biomethane, renewable fuels of non-biological origin (RFNBOs) and recycled carbon fuels (RCFs).
- Information on recognised voluntary schemes.
- Standard and default carbon intensity data and templates for use when reporting under the RTFO.
- Codes to use when uploading CSV data files to the Renewable Fuels Operating System (ROS) and carbon calculator.

1.8 Queries or comments should be directed to the Department for Transport's (DfT's) Low Carbon Fuels (LCF) Delivery Unit at [rtfo-compliance@dft.gov.uk](mailto:rtfo-compliance@dft.gov.uk).

## The obligation and renewable transport fuel certificates

1.9 Suppliers of relevant transport fuel supplying petrol, diesel, gas oil or eligible low carbon fuel totalling 450,000 litres or more for use in a relevant transport mode during an obligation period must register with the Administrator (see Chapter 2) and ,may be subject to an obligation under the Order (see Chapter 3).

1.10 Obligated suppliers may meet their obligation by redeeming Renewable Transport Fuel Certificates (RTFCs) or by paying a fixed sum for each litre (or equivalent – see paragraph 1.45) of fuel for which they wish to 'buy-out' of their obligation. RTFCs are gained by supplying eligible fuels (see Chapter 5). Those wishing to apply for RTFCs must have an account with the Administrator (see Chapter 2).

1.11 Certificates may be claimed for every litre (or equivalent) of sustainable eligible fuel supplied. Fuel from certain wastes or residues, fuel from dedicated energy crops, and RFNBOs are incentivised by awarding double the RTFCs per litre (or equivalent) supplied.

1.12 To qualify for RTFCs, the eligible fuel must not have been counted and will not be counted under a UK renewable energy obligation other than the RTFO or any other support scheme in the UK, or internationally that benefits the end supply of fuel such as feed-in tariffs or premium payments (see Chapter 5).

1.13 Data on the sustainability of fuel supplied must be verified by an approved third-party verifier before certificates will be issued. The Administrator may require the evidence behind an application to be provided. See Chapter 5 for more information and Chapter 8 of the RTFO and SAF Mandate Technical Guidance for examples of evidence that may be required.

1.14 RTFCs may be traded on the open market. Any supplier of eligible fuels who owns the fuel at the 'duty point' or alternative assessment time may apply to receive RTFCs,

regardless of whether or not they have an obligation under the Order. See Paragraphs 1.28-1.44 for more on assessment times.

1.15 Crop-derived biofuels are allowed to meet a supplier's obligation up to a maximum limit. This decreases year-on-year to reach 3% by 2026 and 2% by 2032. A specific target for 'development fuels' was introduced for the beginning 1 January 2019. Fuels that meet the definition of 'development fuel' can count towards either the main obligation or the development fuel target (see Chapter 3) and are awarded double 'development fuel' RTFCs, with the exception of RCFs which are single rewarded (see [RTFO and SAF Mandate Technical Guidance](#)).

1.16 Actions such as reporting fuel quantities, applying for RTFCs and redeeming RTFCs to meet the obligation are all undertaken through an IT system called the Renewable Fuels Operating System (ROS).

## Relevant fuels and transport modes

1.17 The following fossil fuels are covered by the RTFO Order, where used in a relevant transport mode (see paragraph 1.19) in the UK:

- petrol
- diesel
- gasoil
- the non-eligible portion of any partially eligible fuel

1.18 The following eligible low carbon fuels are covered by the RTFO Order and eligible to receive RTFCs, where used in a relevant transport mode (see paragraph 1.19) in the UK and, where the fuel meets the RTFO sustainability criteria:

- biofuel
- renewable fuels of non-biological origin (RFNBO)
- recycled carbon fuels (RCFs)
- the eligible portion of any partially eligible fuel

1.19 The following relevant transport modes are covered by the RTFO Order:

- road vehicles
- non-road transports (see paragraph 1.20)
- maritime, but only when the fuel used is a RFNBO (see paragraph 1.21)

1.20 For the purposes of the RTFO, "non-road transports" include the following transport modes:

- non-road mobile machinery (NRMM)<sup>1</sup>
- inland waterway vessels which do not normally operate at sea (see paragraph 1.21)

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<sup>1</sup> NRMM is defined as any vehicle which falls within the scope of [Regulation \(EU\) 2016/1628](#) and includes any mobile generator, machinery (including construction and loading vehicles), rail vehicle, inland waterways vessel (excluding ferries) or inshore pleasure craft (that does not need a maritime safety certificate) which makes use of an internal combustion engine.

- recreational craft which do not normally operate at sea (see paragraph 1.21)
- alternatively powered trains that don't already fall within the definition of NRMM (e.g. hydrogen fuel cell-powered trains)
- alternatively powered non-road vehicles which don't already fall within the definition of NRMM
- tractors

1.21 For the purposes of the RTFO, an inland waterway vessel or a recreational craft which does not normally operate at sea is defined as those that do not normally operate beyond the limits of waters in the following categories of waters, as defined in [Merchant Shipping Notice 1837 \(M\) Amendment 2](#):

- category A
- category B
- category C, excluding tidal rivers and estuaries

1.22 Maritime RFNBOs are defined for the purposes of the RTFO as RFNBOs which are used in ships, where ships are defined as vessels used in navigation that don't fall under the definition of non-road transports (see paragraph 1.20). Inland waterway vessels and recreational craft which do not normally operate at sea are already included in the definition of non-road transports (see paragraph 1.20). In practice, this means that "maritime" refers to ships that normally operate at sea.

1.23 A wholly eligible fuel means one where all the energy content of that fuel originates from eligible (low carbon) sources. A biofuel is a type of renewable fuel where the feedstock is wholly biological. A RFNBO is a type of renewable fuel where all the energy of the fuel comes from the input process energy (with no feedstock energy), and all this process energy is from renewable sources other than bioenergy. A RCF is a type of development fuel that is made from a fossil waste which cannot be recycled, reused or prevented. A partially eligible fuel is one where part of the energy content of the fuel is from eligible sources and part is from non-eligible sources. Wholly and partially eligible fuels can be either liquid or gaseous. More information on fuel categories is provided in the [RTFO and SAF Mandate Technical Guidance](#).

1.24 Eligible fuels that do not meet the carbon and sustainability (C&S) criteria of the RTFO (see [RTFO and SAF Mandate Technical Guidance](#)) are treated in the same way as fossil fuels and therefore become subject to an obligation for those suppliers that exceed the 450,000 litres reporting threshold. This is the case regardless of whether fossil fuels supplied to that transport mode are normally subject to an obligation which means, for example, that eligible maritime fuels that do not meet the C&S criteria are subject to the obligation even though fossil fuels used in maritime are not.

1.25 Fuels covered by the following HMRC duty types (code in brackets) are likely to be covered by the RTFO Order (however, any fuel covered by the descriptions in paragraphs 1.17 & 1.18 is covered, regardless of the HMRC duty type that duty is paid under):

- Unleaded petrol (522)
- Unrebated heavy oil (541)
- Gas oil (556)
- Biodiesel for non-road use (571)

- Biodiesel (589)
- Bioethanol (595)
- Aqua methanol (597)
- Natural gas including biogas (591) (only the biogas element of this duty code is covered by the RTFO Order)
- Road fuel gas other than natural gas (592) e.g. liquefied petroleum gas (LPG) (only the renewable gaseous element of this duty code is covered by the RTFO Order)
- Vapour recovery (524)

1.26 Fuels covered by the following HMRC duty codes may also be covered by the RTFO Order, depending on what use the fuel is put to.

- Other unrebated light oil (other than unleaded petrol) (520)
- Waste derived heavy oil (other than kerosene) (540)
- Kerosene, used off road or in an excepted vehicle (542)
- Fuel oil, used in an excepted vehicle or other off-road engine (561)
- Biodiesel gas blend (bioblend), used in an excepted vehicle, machine or appliance. (572)

1.27 Fuel additives and supplements are not covered by the RTFO Order.

## Assessment times for renewable fuels

1.28 The point at which fuels are eligible for RTFCs is termed the 'assessment time'. This is also the point at which it must be demonstrated to the Administrator compliance with the carbon and sustainability (C&S) criteria, and the point at which the obligation is calculated. To claim RTFCs, the assessment time must be located in the UK.

1.29 For fuels that are subject to fuel duty<sup>2</sup>, the assessment time is the HMRC duty point (Hydrocarbon Oil Duties Act 1979 (HODA)).

1.30 For fuels without a suitable duty point in the UK, including renewable hydrogen, RFNBOs used in maritime and renewable gaseous fuels in non-road transports an alternative assessment time must be determined. These assessment points, as well as the duty point for grid gas, are summarised below.

1.31 The required features of an assessment time are that:

- it happens only once
- there is documentation produced which can be used to validate claims
- it is clearly defined and well understood within the industry

1.32 It is preferable to use a point that already exists in administrative systems rather than creating a new point of control. In accordance with these principles, the Administrator has provided that the fuels without suitable duty points named in paragraph 1.30 have the following assessment times.

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<sup>2</sup> Please note that, for the purposes of the RTFO Order, the assessment time for all renewable hydrogen supplied for road transport is the point of sale into the onward supply chain.

## Grid gas duty point

- 1.33 This section concerns the point at which fuel duty becomes payable for gas supplied via a grid for use as a transport fuel. Suppliers intending to supply transport fuel via a gas grid must in the first instance contact HMRC to discuss the payment of fuel duty.
- 1.34 The duty point for methane supplied via gas grid pipelines is when the gas is sent out from the premises of the producer (or dealer) for use as fuel in a road vehicle; or when set aside for use as road fuel; whichever is the earlier. The point of “setting aside” takes place when it is decided that the gas is to be used as a motor fuel, this could be by physical separation or by way of an order being processed for road fuel gas at a depot.
- 1.35 In practice, this means that either the injector of the renewable gas into the grid or the extractor of the gas from the grid could be the duty payer. Therefore, either party, depending on where the duty point is, could be eligible for claiming RTFCs for sustainable renewable methane. It must be noted that only one claim for RTFCs can be made on a given parcel of gas; it is not permitted for both the injector and extractor to make claims for the same consignment.
- 1.36 Any supplier wishing to claim RTFCs for biomethane, or a fuel for which biomethane is a chemical precursor, should also refer to the [RTFO and SAF Mandate Guidance for Biomethane](#). After reviewing the guidance, suppliers are also advised to contact the Administrator to discuss their specific requirements before submitting RTFC claims.

## Assessment time for renewable hydrogen

- 1.37 Renewable hydrogen for transport use is a nascent industry, and supply chains tend to be simple. In general, hydrogen is produced on-site at the filling station and sold directly to the retail user.
- 1.38 For renewable hydrogen, the assessment time is the point of sale into the onward supply chain and so the owner of the hydrogen at this point is the entity eligible to apply for RTFCs. The “point of sale” in this context refers specifically to the point at which the renewable hydrogen is sold to a customer (whether commercial or retail) for consumption in transport applications and not for resale in the course of a trade or business.
- 1.39 For renewable hydrogen that is also classified as a maritime RFNBO, the assessment time specified in paragraph 1.41 must be used.

## Assessment time for maritime RFNBOs

- 1.40 A maritime RFNBO is defined in paragraph 1.22 as RFNBOs which are used ships, where ships are, in practice, defined as vessels used in navigation that normally operate at sea.
- 1.41 The assessment time for a maritime RFNBO is the point at which it is dispensed for use in a ship. This means that the owner of the fuel at the point at which it is dispensed (i.e. the seller) is the entity eligible to apply for RTFCs.

## Assessment time for renewable gases in non-road transports

- 1.42 Renewable gaseous fuel supplied for use in non-road vehicles are not subject to excise duty under HODA. An example is bio-LPG supplied for use in forklift trucks.
- 1.43 For these gases, the assessment time will be when/where the gaseous renewable fuel is 'set aside' for use in non-road transports. For bio-LPG, the Administrator considers this to be the point at which it is put into a liquid offtake container that is not intended for use in road vehicles or for heating.
- 1.44 In situations where it may not be clear where the assessment time occurs, please contact the Administrator.

## Multipliers for specific fuel types

- 1.45 The RTFO operates on a volume basis when calculating obligations and awarding RTFCs. For a small number of fuel types, mostly gaseous fuels, a multiplier is applied when calculating the equivalent volume of eligible fuel for each kilogram or litre of the eligible fuel (see paragraph 1.46). If no multiplier is specified in paragraph 1.46, one kilogram of gaseous fuel is equivalent to 1 litre of eligible fuel.

- 1.46 The specified multipliers are as follows:

- each kilogram of methane is equivalent to 1.9 litres of eligible fuel
- each kilogram of butane or propane is to 1.75 litres of eligible fuel
- each kilogram of hydrogen regardless of application is equivalent to 4.58 litres of eligible fuel
- each kilogram of RFNBO ammonia used in maritime applications is equivalent to 0.66 litres of eligible fuel
- each litre of RFNBO methanol used in maritime applications is equivalent to 0.7 litres of eligible fuel

## Civil penalties

- 1.47 The Administrator has powers to impose civil penalties in certain cases of non-compliance with the requirements of the RTFO Order including:

- failure to register with the Administrator if obligated
- failure to meet the obligation through either the redemption of RTFCs or the payment of the buy-out price
- failure to take reasonable steps to ensure that information provided to the Administrator is accurate

The Administrator may also apply interest to, and will collect, overdue civil penalties and buy-out payments.

- 1.48 The civil penalties policy is set out in full in Chapter 6.

## 2. RTFO Accounts

### Chapter summary

This chapter contains details of who must register with the Administrator, how to register, and the penalties for not doing so.

### Requirement to register with the Administrator

- 2.1 Under the RTFO Order, any supplier that owns and supplies more than 450,000 litres (or equivalent – see paragraph 1.45) of fuel during an obligation year must register with the Administrator. This figure relates to the combined amount of fossil fuel, wholly eligible fuel and partially eligible fuel owned by the fuel supplier.
- 2.2 Fuel used in relevant transport modes (see paragraph 1.19) becomes subject to the RTFO at the point when the fuel becomes liable for excise duty in the UK - termed the 'duty point' - or, for fuels where there is no suitable duty point (i.e. maritime RFNBOs, renewable gas used in non-road transports and renewable hydrogen), their alternative 'assessment times'<sup>3</sup>.
- 2.3 If there is any uncertainty over whether a company is required to register, it is advisable to contact the Administrator.
- 2.4 Suppliers must have begun the process of opening an account within 28 days of having passed the 450,000-litre threshold within an obligation period. Obligation periods under the RTFO Order run from 1 January to 31 December.
- 2.5 If suppliers of less than 450,000 litres of eligible fuels wish to apply for RTFCs, they must first open an account with the Administrator.
- 2.6 As RTFCs are virtual certificates that exist only within the Renewable Fuels Operating System (ROS), any companies wishing to act as RTFC 'traders' (i.e. those who wish to own the RTFCs for onwards sale), must also open an account with the Administrator to

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<sup>3</sup> These assessment times are detailed in paragraphs 1.28-1.44.

be able to access ROS. Companies that wish to facilitate RTFC trade, but who do not wish to own the RTFCs at any point, do not need to open an account.

2.7 Fuels that are physically present within the UK but have not crossed the duty point (i.e. are 'duty suspended') or alternative assessment time (for fuels eligible to claim RTFCs but without a suitable duty point) are not covered by the RTFO Order.

## **Penalties for failure to open an account**

2.8 Obligated parties failing to begin the process of opening an account within 28 days of becoming obligated are liable for a civil penalty.

2.9 This is up to a maximum of £50,000 or 10% of their annual turnover (whichever is the lesser amount). See Chapter 6 for more details.

## **Applying for an account**

2.10 Suppliers use the ROS system to submit information on the volume of fuel they supplied and (where relevant) the sustainability of those fuels. ROS is used to calculate a supplier's obligation, to record the issuing of RTFCs, to enable account holders to transfer RTFCs between themselves and to enable suppliers to redeem RTFCs to meet their obligation.

2.11 ROS is an online accessible database. Data submitted by suppliers is held within the Department's IT systems and is therefore subject to the same level of security and control as the Department's own data and information.

2.12 Those wishing to register for an account should contact the Administrator via [rtfo-compliance@dft.gov.uk](mailto:rtfo-compliance@dft.gov.uk). Once the Administrator is satisfied that they have a valid reason for applying for an account, they will be provided with the website address (the URL) required to access ROS. For security reasons, the website URL is not published.

2.13 More information on how to open and manage a ROS account is available on request from the Administrator.

## **Account refusal**

2.14 The Administrator may refuse to open an account if an applicant is not considered to have a valid reason to hold an account, or if an organisation has refused to accept the conditions of application.

2.15 The Administrator will provide, in writing, the reason why the account has been refused.

## **Changing information concerning an account**

2.16 All account holders are required to ensure that the information concerning their account is accurate. Most information can be updated by a registered user on the ROS system.

2.17 To change a nominated director, a registered user must provide the Administrator with either:

- the same information as was required for the original director; or
- a statement signed by both the incoming and outgoing directors to hand over the 'nominated director' role. The template to do this is available directly from the Administrator.

2.18 The Administrator, after undertaking the necessary checks, will then alter these details for the account holder.

2.19 Companies House registration numbers may also only be altered by the Administrator. Evidence of this change will be required before an alteration is made. This will include a copy of the new incorporation certificate or other communication with Companies House.

## Penalties for failure to maintain correct details

2.20 An account holder must ensure that all information concerning their account is correct and must inform the Administrator within 28 days of any of the information becoming incorrect.

2.21 Failure to maintain correct details may result in the account holder being liable for a civil penalty of up to £50,000 or 10% of turnover (whichever is the lesser amount). See Chapter 6 for more details.

## Account closure

2.22 The Administrator must close an account when a non-obligated supplier:

- no longer has good reason to hold an account; or
- has withdrawn their consent to allow the Administrator to access premises and records.

2.23 The Administrator may close an account when no certificates have been awarded or traded into the account in the preceding 36 months.

2.24 An account will not be closed where there are still certificates that can be redeemed against an obligation in the account.

2.25 If the Administrator considers that an account should be closed, the nominated director of the account will be notified of the reason in writing and will be given 14 days to object to this decision. If there is no response within 28 days, the account will be closed. If a response is received, the Administrator will consider any representations and respond to the recipient within a further 21 days.

2.26 If an account holder wishes to close their account, the nominated director of the company (or owner of a non-limited business) must write to the Administrator as soon as possible stating the reasons for the closure request. These reasons will be considered, and a response will be provided within 21 calendar days. The template to do this is available directly from the Administrator.

2.27 Once an account has been closed, the account will become inactive, and users will be unable to access ROS. Data already recorded will be retained for 10 years and will continue to be reported as official statistics.

## Reinstating a closed account

2.28 The Administrator may reinstate a closed account if the circumstances warrant this. Any such application will be dealt with on a case-by-case basis and the Administrator may require new copies of the evidence required at registration.

## Consolidating an account

2.29 Accounts may be consolidated by the Administrator. The Administrator will do so where one transport fuel supplier has been wholly subsumed into another supplier.

2.30 The sale of assets used in the production or supply of transport fuels from one supplier to another will not be grounds for an account merger. If the original supplier continues to exist, it will still be an account holder under the RTFO Order and must discharge its duties accordingly.

2.31 Any supplier that expects to be in this position must contact the Administrator who will seek further evidence and provide guidance on a case-by-case basis.

## 3. The obligation and how it is met

### Chapter summary

This chapter outlines the mechanism through which a fuel supplier's obligation is calculated and how the obligation can be met.

### Minimum threshold

- 3.1 The RTFO Order places an obligation on any supplier of fuel for relevant transport modes (see paragraph 1.19) who supplies more than 450,000 litres (or equivalent – see paragraph 1.45) of total relevant fuel including both eligible and fossil fuel (see paragraphs 1.17 & 1.18) for use in the UK, in an obligation period.
- 3.2 Suppliers that supply less than this do not have an obligation.

### Obligation periods

- 3.3 The RTFO operates on a calendar year basis. Obligation periods run from 1 January to 31 December each year.

### Calculation of the obligation

- 3.4 The ROS system automatically calculates a supplier's obligation.
- 3.5 The obligation, which is comprised of the 'main obligation' and the 'development fuel target' is calculated from the obligated amount, which is equivalent to the total fossil fuel and non-compliant (unsustainable) eligible fuel supplied, taking account of the multipliers outlined in paragraph 1.46. The obligated amount can be calculated by subtracting the total volume of sustainable fuel (see Paragraph 3.8) from the total volume of relevant fuel supplied. This amount is then multiplied by the obligation percentage for that period as set out in Table 1 below.
- 3.6 For suppliers whose obligated amount is between 450,000 litres and 10 million litres, there is no obligation on the first 450,000 litres supplied and this is therefore subtracted from the obligated amount.

- 3.7 The Administrator rounds a supplier's obligation to the nearest litre.
- 3.8 The volume of sustainable fuel is the volume for which RTFCs have been issued after its sustainability has been proven. See Chapter 5 for information on issuing RTFCs and the [RTFO and SAF Mandate Technical Guidance](#) for guidance on demonstrating compliance with the sustainability criteria. In practice, this means that the obligation is calculated from the volume of fossil fuel and eligible fuel that does not meet the sustainability criteria. The formal calculation of the obligation occurs after the last potential date for RTFC revocation as this is the point at which the amount of eligible fuel is known.
- 3.9 The values used to calculate a supplier's target in Table 1 are expressed as a percentage of the obligated amount (see paragraphs 3.4 & 3.8). The obligation is also sometimes expressed as a percentage of total fuel. The relationship between these two sets of values is summarised in Chapter 7.
- 3.10 A 'running calculator' is provided for suppliers during the year, which shows the volume of obligated fuel that a supplier has submitted and the amount of fuel that has been accepted as sustainable by the Administrator. To prevent confusion, fuel is regarded as sustainable only at the point that RTFCs are issued.

## Development fuel target

- 3.11 A specific 'development fuel target' is set under the RTFO Order. This target takes into account the fuel type, production pathway and feedstock, so as to incentivise those fuel pathways which need greater support and fit the UK's long-term strategic needs (see [RTFO and SAF Mandate Technical Guidance](#) for guidance on demonstrating compliance with the sustainability criteria).
- 3.12 Suppliers are required to meet the developmental fuel target with 'development fuel' RTFCs that are issued to qualifying development fuels. RTFCs from a given year can be carried forward to meet up to 25% of a supplier's obligation in the following year.
- 3.13 The target level each year is set out in Table 1 below. Note that the targets include double counting, so the actual equivalent volume of development fuel supplied is half this level. These targets, together with the main obligation, comprise the specified amount in Table 1.

Obligation period (1 Jan – 31 Dec)	Main obligation	Development fuel target	Total obligation
2023	13.078%	1.142%	14.220%
2024	13.563 %	1.379%	14.942%
2025	14.054%	1.619%	15.673%
2026	14.552%	1.863%	16.415%
2027	15.056%	2.109%	17.165%
2028	15.566%	2.358%	17.924%
2029	16.083%	2.611%	18.694%
2030	16.607%	2.867%	19.474%
2031	17.138%	3.127%	20.265%
2032 onwards	17.676%	3.390%	21.066%

**Table 1** The obligation trajectory. These percentages are converted to quantities by multiplying them by the obligated amount. The percentages for the 2021 obligation year are provided for information.

## The crop cap

3.14 The RTFO Order sets an upper limit, by volume, on the contribution that crop-derived biofuels, excluding dedicated energy crops, can make towards discharging a supplier's obligation (referred to as the 'crop cap'). The level decreases year-on-year as set out in Table 2.

3.15 The feedstock information entered in ROS is used to automatically determine whether the fuel is subject to the crop cap. Suppliers should contact the Administrator when a new feedstock type would be required in ROS. The Administrator will then decide the appropriate classification on a case-by-case basis, based on the definition set out in the [RTFO and SAF Mandate Technical Guidance](#).

3.16 RTFCs for biofuels derived from crops, excluding dedicated energy crops, are labelled as 'relevant crop' RTFCs. The maximum number of 'relevant crop' RTFCs that can be redeemed by each supplier is calculated alongside their obligation. It is calculated by multiplying the total volume of fuel supplied (including eligible fuel) by the relevant value in Table 2. Once this level has been reached, no further 'relevant crop' RTFCs can be redeemed by that supplier.

3.17 The rules for carryover under the RTFO Order apply to all RTFCs. Relevant crop RTFCs that are carried over count towards the following year's crop cap. Up to 25% of 'relevant crop' RTFCs permitted under the crop cap can be from the previous obligation period (see Chapter 5).

Obligation period (1 Jan – 31 Dec)	Crop cap value
2023	3.50%
2024	3.33%
2025	3.17%
2026	3.00%
2027	2.83%
2028	2.67%
2029	2.50%
2030	2.33%
2031	2.17%
2032 onwards	2.00%

**Table 2** The crop cap. These percentages are converted into volumes by multiplying by the total volume of fuel supplied. The crop cap for the 2021 obligation year is provided for information.

## Meeting the obligation

3.18 A supplier is required to discharge their obligation by either redeeming one RTFC per unit of obligation, or by paying a 'buy-out' price. Suppliers also have an obligation to supply a percentage of development fuels. The development fuel obligation is required to be discharged by either redeeming 'development fuel' RTFCs, or by paying the development fuel 'buy-out' price.

3.19 Suppliers are notified of their obligation for an obligation period ahead of the redemption point. Suppliers are notified shortly after the last issuing date for RTFCs, relating to the last possible submission period. In practice, this is around 15 August following the obligation period in question.

3.20 Suppliers are required to redeem RTFCs by 15 September immediately after the obligation period in question.

3.21 The redemption facility on ROS is available for four weeks before that time and can be accessed via the RTFC account for that period's RTFCs.

3.22 A supplier can nominate which RTFCs they wish to redeem. Note that relevant crop RTFCs are only allowed to be redeemed up to the level of the crop cap. Development fuel RTFCs can be "over-redeemed" above the development fuel target level as these RTFCs can also be used to meet the main RTFO obligation.

3.23 The Administrator will calculate any buy-out as soon as is practicable after 16 September and inform the relevant suppliers by email.

3.24 Where a supplier fails to redeem sufficient RTFCs to meet their obligation they must pay a buy-out price of:

- 50 pence per RTFC that would otherwise be required to meet the main obligation
- 80 pence per development fuel RTFC that would otherwise be required to meet the development fuel target

3.25 This sum must be paid to DfT by 26 October following the end of the obligation period.

3.26 Where a supplier fails to make the buy-out payment by 26 October, interest will be payable on that sum at 5% per annum above the Bank of England base rate on 27 October. This interest will be applied daily.

## 4. Submitting fuel volume information

### Chapter summary

This chapter contains details of how suppliers must submit data on the volume of fuel that they supply and how this is assessed by the Administrator.

### What to submit

- 4.1 Obligated suppliers are required to submit information on the volume (in litres for liquids, and kilograms for gasses) of all eligible and ineligible fuels that are covered by the RTFO Order.
- 4.2 If a non-obligated supplier wishes to apply for RTFCs they must submit information on the volume of fuels that are covered by the RTFO Order. They are under no requirement to do so if they do not wish to apply for RTFCs.
- 4.3 The RTFO Order applies to fuels that a supplier owns at the duty point (or alternative assessment time for fuels without a suitable duty point - see paragraphs 1.28-1.44) that are supplied at or for delivery to places in the UK for use in relevant transport modes (see paragraph 1.19). Where that fuel is subsequently supplied outside the UK, or for purposes other than for use in a relevant transport mode, that fuel is not covered by the RTFO Order.
- 4.4 All suppliers that submit volume information must provide information on (also see Figure 1 and paragraph 4.33):
  - a. the volume of fuel, by fuel type, that they owned at the duty point and paid duty upon (termed 'own lifts')
  - b. the volume of fuel, by fuel type, that they owned at the duty point and another supplier paid duty on (termed 'lifts by others')
  - c. the volume of fuel, by fuel type, that another supplier owned at the duty point but which they paid duty on (termed 'lifts from others')
  - d. the volume, by fuel type, that they have paid to HMRC broken down by the form(s) (e.g. HO10, HO930, W50 etc.) on which the duty has been paid

- e. for fuels without a suitable duty point, where the fuel is fully rebated or where there is a duty point but the RTFO Order specifies the use of a different assessment time, the volume of fuel, by fuel type that they owned at the assessment time (See paragraphs 1.28-1.44 for relevant assessment times)
- f. for fuels without a suitable duty point, the volume of fuel, by fuel type that another supplier owned at the assessment time (See paragraphs 1.28-1.44 for relevant assessment time)

4.5 In the case of (b) or (c), the fuel quantities must be broken down by each supplier that a lift to/from has occurred with and reported by both parties. A volume cannot be validated until both parties agree to it. Where a supplier pays all of the duty on the fuel that it owns at the duty point and does not pay any duty on fuel owned by any other party at the duty point, then only the data under (a) and (d) is required.

4.6 Where a supplier subsequently removes the fuel from the UK transport fuel market, and where that fuel volume is confirmed by HMRC, the Administrator will not normally require any further evidence from that supplier. However, the Administrator may require additional evidence to verify the sustainability of fuels, for example in instances where there are concerns that the fuel is either not being recorded for HMRC purposes with the correct split of fossil and eligible transport fuel, or that the fuel in question should have counted towards the supplier's obligation under the RTFO. Evidence may include, but is not limited to: invoices, delivery documentation, export or other tax documentation. More detail on examples of evidence can be found in Chapter 8 of the [RTFO and SAF Mandate Technical Guidance](#).

4.7 In practice, this means that the Administrator will regard the fuels which the RTFO Order applies to as being those quantities of fuel which a supplier is liable to pay duty on - i.e. the 'net' figure of duty liability minus duty reclaim. This means that where fuel is supplied as road fuel by one supplier (A) and then 'marked' for off-road use by another supplier (B), supplier A will be obligated on this fuel as road fuel and supplier B will have a net-zero obligation (as the amount of road fuel deducted will equal the amount of non-road fuel supplied).

4.8 Where a subsequent supply of fuel for non-UK uses results in a duty payment to HMRC becoming 'negative' for a given fuel type (i.e. the duty reclaimed exceeds any duty liabilities), the supplier must inform the Administrator, and advice will be given on a case-by-case basis as to how this fuel should be recorded.

4.9 Where a supplier declares that a fuel is not covered by the RTFO Order, and where no duty rebate has been claimed, the Administrator will examine this on a case-by-case basis. The Administrator may require the supplier to provide evidence that this is the case.

4.10 To facilitate administration, we expect that the monthly submissions to the Administrator should match the net duty payments to HMRC. When fuel crosses the duty point as relevant transport fuel in one month and duty is reclaimed in another (due to the time lag of making duty reclaims against the determination of an amount to be included in a monthly duty payment), deductions from the submission to the Administrator should be made in the month when the duty is reclaimed from HMRC.

4.11 Where the fuel is originally supplied for UK use in one obligation period and then subsequently supplied for non-UK use in another obligation period, the supplier must

inform the Administrator of the fuel types and quantities concerned. The Administrator will determine on a case-by-case basis how this fuel should be recorded in the obligation periods concerned.

- 4.12 Where this subsequent supply for non-UK use across obligation periods is part of a regular series of fuel movements and the overall effect on an obligation period would be balanced at either end of the period, the Administrator will not normally require this fuel to be recorded across different obligation periods.
- 4.13 When submitting fuel quantities to the Administrator, suppliers must report fuel quantities by fuel type, as they are outlined in ROS. Where an HMRC duty code always covers only either a fossil fuel or an eligible fuel, the ROS codes match the HMRC duty codes. Some HMRC duty codes cover different fuels, and, in some cases, this can cover both fossil fuels and eligible fuels. For example, the HMRC duty code for heavy oil covers both fossil diesel and renewable diesel (i.e. HVO). In these instances, there is a separate code in ROS for the different fuel types and suppliers must report their fuel quantities accordingly.
- 4.14 If a non-obligated supplier does not supply any fuel in a reporting period, we do not require them to submit a 'zero' return.

### Denaturant in bioethanol

- 4.15 For ethanol denatured in the UK, HMRC requires a 1% denaturant level (of either petrol (TSDA 10) or denatonium benzoate (TSDA 9)).
- 4.16 As petrol is covered by the obligation, any petrol used as TSDA 10 is subject to an obligation and must be recorded on ROS.
- 4.17 As fossil methanol is not covered by the obligation, any supplied as TSDA 9 is not subject to an obligation and therefore should not be recorded on ROS. You may need to provide supporting evidence to reconcile this with HMRC duty payment data.
- 4.18 The Administrator does not require any further proof of the volume of denaturant supplied, where a 1% denaturant level is submitted for ethanol denatured in the UK. For ethanol denatured outside of the UK, suppliers must submit the relevant amount of denaturant and provide proof of the level used.

### Partially eligible fuels of various combinations

- 4.19 The reported quantities of partially eligible fuels must be split into the eligible and non-eligible elements as outlined in the [RTFO and SAF Mandate Technical Guidance](#). The Administrator has created categories for 'eligible elements of partially eligible fuel' and 'ineligible elements of partially eligible fuel' fuel types on ROS which these fuels must be submitted under, e.g. 'the eligible part of ETBE' and 'the ineligible part of ETBE'. Note that any bioenergy or nuclear energy used in making a part RFNBO, part non-RFNBO fuel has to be recorded in the 'ineligible element of partially eligible fuel' fuel type. The reported quantities of a part RFNBO, part non-RFNBO fuel must therefore be split into corresponding 'eligible element of partially eligible fuel' (i.e. RFNBO) and 'ineligible

element of partially eligible fuel' (i.e. non-RFNBO). For partial RCFs with a combination of any of the above elements, suppliers should refer to the [dedicated RCF guidance](#).

- 4.20 The percentage eligibility of the products must be reported each time a supplier applies for RTFCs. The total amount of eligible fuel reported to the Administrator must not exceed the total amount of eligible fuel produced in a given time period, regardless of the sampling frequency.
- 4.21 Suppliers must submit information on the volume of eligible fuel supplied and the percentage<sup>4</sup> eligibility of the process. Suppliers are encouraged to provide this information to the Administrator in sufficient time for the Administrator to make an assessment. The length of time this assessment takes will depend upon the complexity of the production pathway.
- 4.22 When reporting quantities of fuel to the Administrator, calculations to determine the volume of eligible fuel and non-eligible fuel from a partially eligible fuel production process must be rounded to the nearest litre.
- 4.23 If a supplier of a partially eligible fuel wishes to report just the eligible portion to the Administrator, for example, due to selling the non-eligible portion(s) of that fuel into different market sectors, they will need to inform the Administrator.
- 4.24 How the ineligible element should be entered will depend on how HMRC requires the duty paid on that fuel to be recorded. As HMRC's recording of partially eligible fuels develops, the Administrator will inform suppliers as to how to record the different elements of a particular partially eligible fuel.
- 4.25 Where a supplier wishes to confirm their approach, they can contact the Administrator at [rtfo-compliance@dft.gov.uk](mailto:rtfo-compliance@dft.gov.uk).

## Determining the end use of gas oil

- 4.26 The RTFO Order contains a presumption that low sulphur gas oil and off-road biodiesel is for use in NRMM unless a supplier can satisfy the Administrator to the contrary. This is to minimise administrative burden by not placing a requirement on a supplier to know the end use of their gas oil supply.
- 4.27 Off-road biodiesel will be eligible for RTFCs where duty has been paid (HMRC duty code 571), provided the Administrator is satisfied that the fuel has met the sustainability criteria.
- 4.28 Whilst HMRC's duty code marked gas oil (556) can contain both high sulphur gas oil and low sulphur gas oil which is for NRMM and non-NRMM end uses (such as stationary generators), the presumption set out above means that the Administrator will assume that all fuel dutied under this code is obligated unless the contrary can be demonstrated to the satisfaction of the Administrator.

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<sup>4</sup> Where the partially renewable fuel is a gas, the percentage must be on a mass basis, and the amount of renewable fuel on a kilogram basis.

4.29 Suppliers who produce high sulphur gas oil should contact the Administrator to discuss what evidence can be provided to demonstrate that this fuel is high sulphur gas oil. As the presumption of NRMM use does not apply to high sulphur gas oil, this fuel will only be obligated should there be evidence that the fuel was used in a relevant transport mode (see paragraph 1.19). Any such use is likely to be in contravention of the Motor Fuel Regulations.

4.30 Where a supplier wishes to rebut the presumption that low sulphur gas oil or off-road biodiesel are used in NRMM, they must provide evidence specific to the fuel they supply.

4.31 The Administrator will continue to work with suppliers to determine what that evidence should consist of and will issue a clarification on either a case-by-case or industry-wide basis.

## How the Administrator validates supplier submissions

4.32 In operating the RTFO, it is essential to be able to check that data reported by fuel suppliers is accurate, particularly in relation to the volume of obligated fuel and the number of RTFCs to be issued. The Administrator's process to verify that volume data is correct is termed 'validation' to distinguish it from the verification of C&S information by independent verifiers.

4.33 The principal method that the Administrator uses to validate volume submissions is to check a supplier's submitted figures against HMRC duty payment data. Figure 1 and Figure 2 show how this is done when duty is paid on a duty deferred basis. Also see paragraph 4.4.

4.34 Where a fuel volume is not checkable against HMRC data, for example where a single duty code covers both fossil (ineligible) and renewable (eligible) elements or where a supplier is claiming that a volume that has been charged road transport duty is not in fact used in a relevant transport mode (see paragraph 1.19), or for fuels without a suitable duty point, the Administrator will validate this volume in one of the following ways:

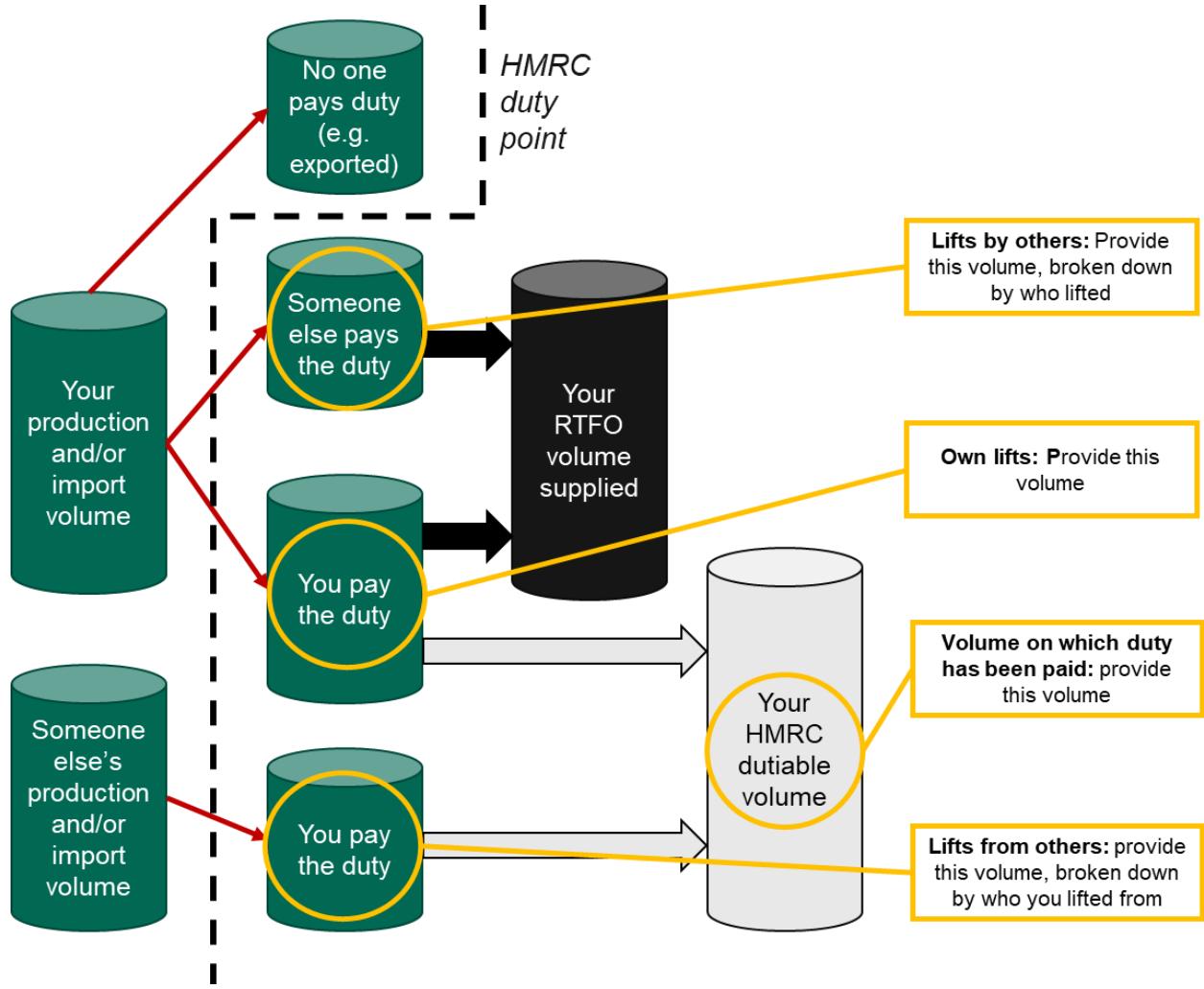
- by requiring the supplier to provide evidence for each and every submission
- by assessing the systems and processes that the supplier uses to derive these quantities on a periodic basis and with the supplier providing assurance to the Administrator that these systems have been used for each submission
- by requesting that a supplier obtains independent verification of the quantities (See the [RTFO and SAF Mandate Third-Party Assurance Guidance](#))

4.35 Which approach is used, and the details of that approach, will be determined on a case-by-case basis and will depend upon the complexity and nature of the issue.

4.36 In some cases, the Administrator may choose to validate data despite discrepancies if those discrepancies are deemed to be trivial or legitimate. These may include cases where there are differences between:

- a supplier's declaration and HMRC duty payment data

- two suppliers' declarations where fuel has been deferred from one duty account to another



**Figure 1** How duty deferring relates to the duty points and what data suppliers need to report to the Administrator in order to validate RTFO volumes.

## Additives

4.37 Additives are not covered by the RTFO Order (see 4.15 for details on denaturants).

4.38 Where a supplier blends additives at the duty point and pays the duty upon them, these do not need to be added to a supplier's obligation. As the quantities supplied each month are small, a supplier may choose to report them during the obligation period and then deduct the total amount supplied in the obligation period from the last reporting period. Proof, as set out in section 4.34, will be needed for this volume.

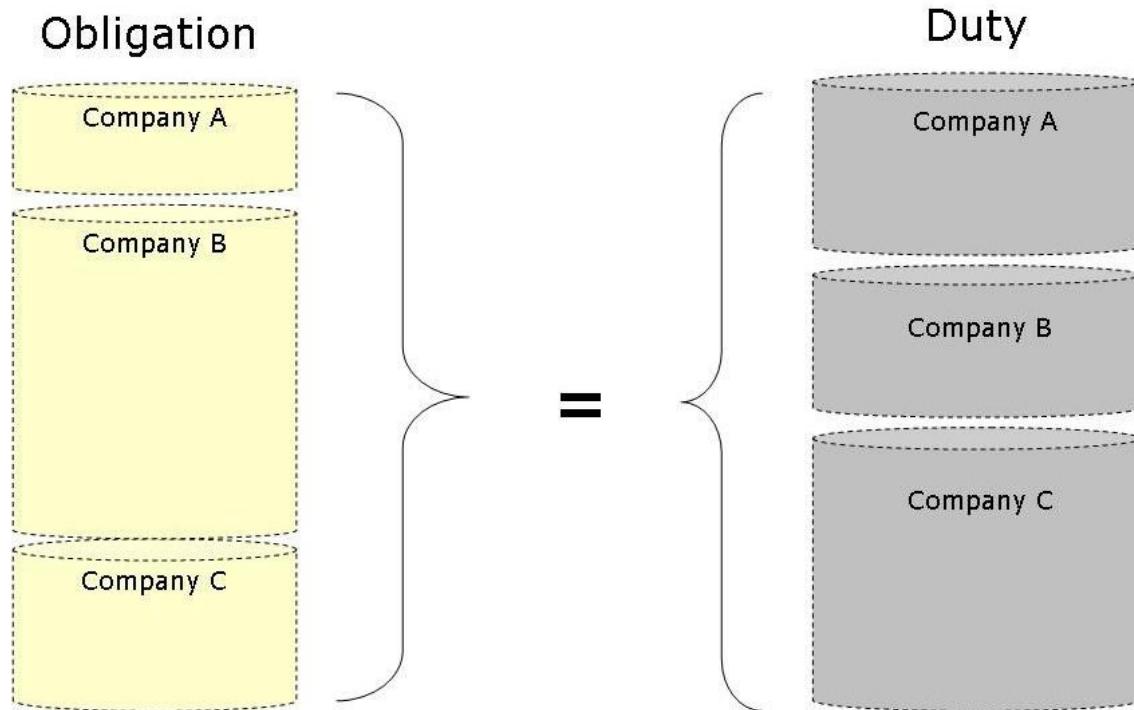
## Energy content

4.39 As the [RTFO and SAF Mandate standard data](#) provides energy content (by volume for liquids and mass for gases) for most fuels that will be covered by the RTFO Order, we do not require suppliers to submit this, unless:

- the fuel is not listed in the RTFO and SAF Mandate standard data

- the supplier is aware that the energy content of their fuel is significantly different to that in RTFO and SAF Mandate standard data

4.40 If a supplier is aware of this, they must inform the Administrator in writing to: [rtfo-compliance@dft.gov.uk](mailto:rtfo-compliance@dft.gov.uk).



**Figure 2** How the duty deferral process outlined in Figure 1 allows cross-checking

## Reporting timetable

4.41 Companies who report to HMRC using the HO10 duty form must submit fuel volume information to the Administrator on a monthly basis for a period beginning on the 15<sup>th</sup> of one month to the 14<sup>th</sup> of the next. The submission to the Administrator for this period must be made by the end of the 14<sup>th</sup> of the month after the one in which the report is submitted to HMRC. For example, for the fuel supplied from 15 September to 14 October, this will be reported to HMRC by 31 October, and then this in turn must be submitted to the Administrator by 14 November. When the 14<sup>th</sup> falls on a weekend or bank holiday, submissions must be made by the previous working day.

4.42 Companies who report to HMRC using the HO10 duty form who also report to HMRC on other forms, e.g. W50, or using the Customs Declaration Service<sup>5</sup>, must submit the fuel quantities to the Administrator with the submission for the month that includes the last day covered by the form: e.g. REDS duty payment covering July (1 - 31) will be reported on ROS in the period 15 July to 14 August, as 31 July falls within this period.

4.43 Companies who report to HMRC using the HO930 form on a **monthly** (calendar month) basis must submit fuel volume information to the Administrator on the same monthly basis. The submission to the Administrator must be made by the end of the 14<sup>th</sup> of the

<sup>5</sup> Note that the CHIEF system has been replaced by the Customs Declaration Service.

month (or previous working day) after the one in which it is reported to HMRC. For example, for the fuel supplied in the month ending 30 September, which is reported to HMRC by 31 October, a submission must be made to the Administrator by 14 November.

4.44 Companies who report to HMRC using the HO930 form on a **quarterly** basis must submit fuel volume information to the Administrator on a quarterly basis. The submission to the Administrator must be made by the end of the 14<sup>th</sup> of the month (or previous working day) after the one in which it is reported to HMRC. For example, for the fuel supplied in the quarter from 1 July to 30 September, which is reported to HMRC by 15 October, a submission must be made to the Administrator by 14 October.

4.45 Companies who report to HMRC using other forms on a calendar month basis only, must submit fuel volume information to the Administrator on a calendar month basis in line with the rules for HO930 monthly reporters as set out in 4.44. This excludes those companies covered by 4.42.

4.46 Companies who report to HMRC using W50 or any other form not discussed above should contact the Administrator for advice as to how to submit fuel volume information.

4.47 Table 3 below shows an example of when different companies must report.

Mid-month to mid-month duty payments		Calendar month duty payments			Quarterly duty payments	
Period end	Reporting deadline	Period end	Reporting deadline	Quarter end	Report deadline	
1 14/01/aa <sup>2</sup>	14/02/aa					
2 14/02/aa	14/03/aa	1 31/01/aa	14/03/aa			
3 14/03/aa	14/04/aa	2 28/02/aa	14/04/aa			
4 14/04/aa	14/05/aa	3 31/03/aa	14/05/aa	31/03/aa	14/05/aa	
5 14/05/aa	14/06/aa	4 30/04/aa	14/06/aa			
6 14/06/aa	14/07/aa	5 31/05/aa	14/07/aa			
7 14/07/aa	14/08/aa	6 30/06/aa	14/08/aa	30/06/aa	14/08/aa	
8 14/08/aa	14/09/aa	7 31/07/aa	14/09/aa			
9 14/09/aa	14/10/aa	8 31/08/aa	14/10/aa			
10 14/10/aa	14/11/aa	9 30/09/aa	14/11/aa	30/09/aa	14/11/aa	
11 14/11/aa	14/12/aa	10 31/10/aa	14/12/aa			
12 14/12/aa	14/01/bb	11 30/11/aa	14/01/bb			
13 31/12/aa <sup>2</sup>	14/02/bb	12 31/12/aa	14/02/bb	31/12/aa	14/02/bb	

**Table 3** Reporting dates for obligation periods running 1 January to 31 December in year 'aa'.

4.48 This section does not deal with the timelines for submission of C&S data to receive RTFCs. This is dealt with in Chapter 5.

4.49 Non-obligated suppliers handling fuels that have an 'alternative assessment time' (see paragraph 1.28-1.44) are not required to adhere to the reporting schedule set out in table 3 above and may choose to submit volumes on the ROS system annually. , Such

volumes must be entered under the correct reporting periods (e.g. the month or quarter when the fuel passed the alternative assessment time).

- 4.50 The RTFO obligation year runs from 1 January to 31 December. To enable HO10 suppliers to report on a mid-month to mid-month basis there is an additional 'month 13' for HO10 suppliers to report fuel quantities supplied between 15 and 31 December. Applications for both the period 15 December to 31 December and 1 January to 14 January the following year must be made by 14 February.
- 4.51 Where suppliers are splitting fuel from one HMRC reporting period, such as at the beginning and end of a calendar year where the RTFO reporting period does not match the HMRC reporting period, suppliers may split their fuel quantities proportionally (e.g. a 50/50 split) or by actual split. Suppliers will be able to show their volume splits using the 'split reporting month' adjustment function on ROS. The Administrator will validate the total fuel quantities over the full reporting period (15 December to 14 January) against HMRC data and may require additional evidence regarding any non-proportionate split of the fuel volume across the two RTFO reporting periods.

## 5. Renewable Transport Fuel Certificates

### Chapter summary

This chapter contains details on:

- how RTFCs should be applied for
- how they will be issued
- how carry-over of RTFCs to subsequent obligation periods works
- when RTFCs will be revoked

The [RTFO and SAF Mandate Third-Party Assurance Guidance](#) should be referred to alongside this chapter.

### Which fuels are eligible for RTFCs

5.1 The total amount of a wholly eligible fuel, the portion of a partially renewable biofuel that is derived from biomass feedstocks, the portion of a part RFNBO, part non-RFNBO fuel that is derived from (non-bioenergy) renewable energy sources, and the portion of a partial RCF that is derived from eligible RCF feedstocks (see [RTFO and SAF Mandate Technical Guidance](#)), is eligible for RTFCs, provided it has been proven, to the Administrator's satisfaction, that they have passed the sustainability criteria.

### Requirements before an application for RTFCs can be made

5.2 To apply for RTFCs, a supplier must:

- have submitted, or intend to submit sufficient fuel volume data, which the Administrator must have validated (See Chapter 4)
- submit C&S information that demonstrates that the fuel has met the sustainability criteria and submit a verifier's assurance report attesting to this (See [RTFO and SAF Mandate Technical Guidance](#) for details on the C&S requirements and [RTFO and SAF Mandate Third-Party Assurance Guidance](#) for details on the verifier's assurance report)

- meet other stipulations under the RTFO Order, as outlined in Chapters 1, 2 & 4. These include: having an account with the Administrator; being the owner of the fuel at the duty point (or equivalent assessment time for fuels which are not subject to duty); having paid all duty that is liable on the eligible or partially eligible fuels to HMRC; having supplied the fuel at, or for delivery into, the UK for use in a relevant transport mode (see paragraph 1.19)

## Multiple incentives

5.3 To be eligible for RTFCs, the eligible fuel or any chemical precursor to that fuel must not, at the time of application or at any time in the future, be:

- counted under a UK renewable energy obligation other than the RTFO
- counted under any other support scheme of the UK, or internationally that benefits the end supply of fuel such as feed-in tariffs or premium payments

Except where the exclusions outlined in paragraph 5.6 apply.

5.4 For the purpose of the RTFO, and specifically paragraph 5.3, “support scheme” means any instrument, scheme or mechanism applied by the UK or internationally 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 renewable fuel obligations, and direct price schemes including feed-in tariffs and sliding or fixed premium payments, and excludes investment aid, tax exemptions or reductions, and tax refunds.

5.5 For the purpose of the RTFO, and specifically paragraphs 5.3 and 5.4, “renewable energy obligation” means a scheme requiring at least one of the following:

- energy producers to include a given share of energy from renewable sources in their production
- energy suppliers to include a given share of energy from renewable sources in their supply
- energy consumers to include a given share of energy from renewable sources in their consumption

5.6 However, paragraph 5.3 does not apply to either of the following situations:

- investment aid benefitting the production plant in which the eligible transport fuel was produced, such as financial support to develop fuels and technologies (e.g. laboratory-scale testing) or support for the construction of demonstration-scale production, whether situated in the United Kingdom or elsewhere
- the reduction in any duty payable in the United Kingdom under the Hydrocarbon Oil Duties Act 1979

5.7 Suppliers are required to declare that the fuel for which they are claiming RTFCs, or any chemical precursor from which that fuel was produced, meets the requirements of paragraph 5.3. This means, for example, that a supplier must not apply for RTFCs if an application has been made or will be made e.g. under the Renewable Heat Incentive, Renewables Obligation or the Hydrogen Production Business Model in relation to that fuel or a chemical precursor to that fuel. This list of schemes is not exhaustive.

## Use of Voluntary Schemes to demonstrate compliance

5.8 A reporting party can provide supporting evidence of compliance with one or all of the RTFO criteria by using one or more voluntary schemes. The scope and version of the voluntary scheme being used must be recognised by the Administrator and appear on the Administrator's list of recognised voluntary schemes. Detail on the process for recognising a voluntary scheme can be found in the [RTFO and SAF Mandate Third Party Assurance Guidance](#) and this is the link to the [list of recognised voluntary schemes](#).

5.9 Using a voluntary scheme provides valuable evidence to support applications for certificates but does not guarantee issuance of certificates. If a reporting party is using a voluntary scheme to support their applications, they must be aware that additional information or evidence from all stages of the supply chain must be provided to verify that fuel meets the requirements of the RTFO if requested from the Administrator. This can include requesting information or evidence for the entire supply chain and each link in the chain of custody to demonstrate that the feedstock and production processes comply with the RTFO sustainability requirements. Reporting parties must therefore ensure that such information or evidence is available on request. More detail on additional checks can be found in Annex A.

5.10 Failure to provide the requested evidence will result in the Administrator refusing to issue certificates for the application in question and the fuel will be treated as fossil for the purposes of calculating the obligation. Therefore, the supplier must ensure that further evidence from each link in the supply chain back to the feedstock, is available if requested by the Administrator. In circumstances where links in the supply chain are unwilling to share evidence with the end supplier, the Administrator can receive evidence directly to overcome commercial sensitivity limitations, however it still remains the end supplier's responsibility to facilitate the sharing of information along the supply chain.

5.11 Examples of evidence that may be requested include but are not limited to:

- Proof of sustainability documentations for each stage of the supply chain,
- Audit reports,
- Invoices,
- Evidence the fuel has been supplied to the UK transport sector,
- Waste transfer notes,
- Weighbridge tickets
- Bills of lading
- Commercial contracts which demonstrate transactions between the supplier and producers / traders / shippers,
- Supporting documentation to suppliers / traders / shippers by the producer

- Additional transactional agreements between the supplier and producers / traders / shippers,
- Documentation demonstrating the sustainable characteristics of the fuel, Screenshots from online systems which demonstrate the volumes being claimed.

5.12 Proof of sustainability documents must be retired upon claiming certificates for the fuel in question and not used for any other scheme. Some voluntary schemes have created documents to allow downstream users to utilise the carbon and sustainability information to meet their own regulatory requirements.

5.13 More detail on the examples of evidence that may be requested can be found in Chapter 8 of the [RTFO and SAF Mandate Technical Guidance](#).

## Timeline for applications

5.14 Once the above requirements have been met, including that the Administrator is satisfied with the accuracy of the information demonstrating compliance with sustainability criteria, suppliers will be able to claim RTFCs on ROS at any time. See the [RTFO and SAF Mandate Technical Guidance](#) for more information about demonstrating compliance with the sustainability criteria.

5.15 Suppliers may apply for RTFCs at any time but must apply by the cut-off date of 14 May (or a later date if specified by the Administrator), after the end of an obligation year.

5.16 Volumes must be reported in the correct months, please see paragraph 4.49 for more information on reporting volumes.

## The flow of information before and during the application process

5.17 The flow of information between the supplier, verifier and Administrator is facilitated on ROS. ROS performs logic checks to flag any data that suggests an eligible fuel has not met the sustainability criteria. The details of how ROS works are contained on the ROS help screens.

5.18 The submission for RTFCs occurs at the level of bundles of individual applications. Each 'application' must correspond to a volume of fuel that has homogeneous sustainability characteristics, as set out in the [RTFO and SAF Mandate Technical Guidance](#). A bundle is one or more applications that a supplier has sought a verifier's assurance report on (see the [RTFO and SAF Mandate Third-Party Assurance Guidance](#) for further information on verification of the C&S data). The assessment of eligibility for RTFCs will occur at the application level.

5.19 A bundle may contain applications from more than one reporting period within an obligation period. However, it must not contain applications from multiple obligation years. Bundles must relate to either the RTFO or the SAF mandate and must not combine RTFCs and SAF Certificate applications.

## How an application is assessed

5.20 The Administrator will not issue RTFCs under certain scenarios, including but not limited to:

- there are outstanding issues concerning that application;
- fossil or eligible fuel quantities for any of the months covered by the application have not been validated or the application is for a larger volume of eligible fuel than has been validated;
- there are any significant account management issues such as the Administrator no longer being satisfied that the account holder is the owner of the fuel at the duty point due to changes in a corporate group's structure etc.;
- a recognised voluntary scheme has been used, but the supplier has been unable to provide further information or evidence requested by the Administrator.

5.21 As set out in the Sustainability Compliance Policy (see Annex A), the Administrator will undertake other work as proportionate and necessary to verify the supplier's declaration that all the eligible fuel covered by the application has met the sustainability criteria.

5.22 The Administrator may require a supplier to provide further information or evidence in support of an application. Examples of evidence that may be required can be found in Chapter 8 of the [RTFO and SAF Mandate Technical Guidance](#).

5.23 If the Administrator isn't provided with sufficient evidence to prove the fuel meets the sustainability criteria, has cause to believe that any portion of the application does not meet the sustainability criteria or any of the other requirements before an RTFC can be issued are not met (see paragraph 5.2), that application will not be approved (see Paragraphs 5.9-5.12). It is the Administrator's decision as to whether the information or evidence provided is sufficient.

5.24 The Administrator will inform the supplier as to why an application has not been approved as soon as is reasonably practical.

5.25 In the event of a verifier being notified of a change in the evidence supporting an application for RTFCs, the verifier must assess that change, taking into account the opinion of any relevant parties. The verifier will also provide a statement as to the materiality of that change and how it bears on the assurance statement issued for the relevant bundle, stating, where relevant, that the opinion of any relevant certification body upon that change has been taken into account.

5.26 If the amendment of evidence supporting an application does not result in a new assurance statement, the verifier will provide a statement that the change is not material to the original assurance, see the [RTFO and SAF Mandate Third Party Assurance Guidance](#) for more details.

## How RTFCs are issued

5.27 RTFCs are credited to the supplier's electronic account on ROS. All other transactions involving RTFCs occur on ROS as well.

5.28 One RTFC is issued per litre (or equivalent – see paragraph 1.45) of eligible transport fuel or eligible part of a partially eligible transport fuel that meets the requirements set out above, except where 5.29 applies.

5.29 Two RTFCs are issued per litre (or equivalent) of eligible or eligible part of partially eligible transport fuel where that fuel meets the requirements above and that fuel has been produced from certain feedstocks that are wastes or residues (with the exception of RCFs), dedicated energy crops, or produced using only renewable energy of non-biological origin (RFNBOs). [See RTFO and SAF Mandate Technical Guidance](#) and the [list of feedstocks online](#) for more information on which fuels are eligible for double reward.

5.30 For fuels that have a multiplier specified in paragraph 1.46, the number of RTFCs awarded per kilogram or litre of fuel is multiplied by the number specified. The resulting number of RTFCs awarded per kilogram or litre of fuel is outlined in Table 4.

Fuel type	Unit multiplier applied to	Multiplier for single counting fuel	Multiplier for double counting or development fuel
Biomethane	kilogram	1.9	3.8
Biopropane and biobutane	kilogram	1.75	3.5
Hydrogen	kilogram	4.58	9.16
RFNBO Ammonia used in maritime	kilogram	0.66	1.32
RFNBO Methanol used in maritime	litre	0.7	1.4
All other liquid eligible fuels	litre	1	2
All other gaseous eligible fuels	kilogram	1	2

**Table 4** Multipliers for calculating the number of RTFCs per kilogram or litre of eligible fuel

5.31 Two 'development fuel' RTFCs will be issued to eligible fuels that meets the definition of a development fuel, with the exception of RCFs which are single rewarded (see [RTFO and SAF Mandate Technical Guidance](#) for details). For fuels which have a multiplier specified in paragraph 1.46, the number of RTFCs awarded is equal to those awarded to double counting eligible fuels of the same type (see Table 4).

## Application of rounding when RTFCs are issued

5.32 As a consequence of how RTFCs are issued for fuels with multipliers (see paragraph 5.30 & Table 4), the Administrator applies rounding when issuing RTFCs. Rounding will be applied to each application rather than to each litre. In practice, this means an approved application for 100,001 kilograms of biomethane (from a single counting material) would be multiplied by the kilograms: litres factor of 1.9, which gives an entitlement to 190,001.9 RTFCs. As 0.9 of an RTFC cannot be issued, this would be rounded to 190,002 RTFCs.

## RTFC categories

5.33 Three categories of RTFC are issued: 'relevant crop', 'development fuel' and 'general' RTFCs.

5.34 Eligible fuels made from feedstocks that fall under the definition of relevant crop and hence are counted towards the crop cap are awarded 'relevant crop' RTFCs. Relevant crop RTFCs cannot be counted towards the development fuel target - for more information see Chapter 3.

5.35 A 'development fuel' is a fuel of a specified fuel type, made from sustainable wastes or residues which the Administrator considers are eligible for double RTFCs (apart from segregated oils and fats such as used cooking oil and tallow), or a non-biological renewable fuel (RFNBO), or a Recycled Carbon Fuel (RCF). Further information is included in the [RTFO and SAF Mandate Technical Guidance](#).

5.36 RTFCs awarded to all other eligible fuels are labelled as 'general'. This category includes fuels from wastes that do not meet the development fuels eligibility criteria and fuels from dedicated energy crops.

5.37 These RTFC categories are summarised in Table 5.

Type of feedstock and / or fuel	Subject to crop cap?	Can be used for development fuel target?	RTFC category
Relevant crop	Yes	No	Relevant crop
Dedicated energy crop	No	No	General
Product which is not a relevant crop or energy crop	No	No	General
1x counting wastes and residues	No	No	General
2x counting wastes and residues, not development fuel type	No	No	General
2x counting wastes and residues, are a development fuel type	No	Yes	Development fuel
RFNBO, not development fuel type	No	No	General
RFNBO, of a development fuel type	No	Yes	Development fuel
Eligible RCF	No	Yes	Development fuel

**Table 5** Summary of RTFC categories

## Identification and 'carryover' of RTFCs

5.38 RTFCs are marked with the obligation period relating to the supply of fuel for which they were issued.

5.39 A supplier's obligation period RTFC account on ROS is divided into the three categories of RTFC and a supplier can choose which category of RTFCs they wish to redeem or transfer from their account. When transferred, an RTFC is credited to the appropriate category in the receiver's account.

5.40 The RTFO Order allows 25% of the main obligation and development fuel target to be met with RTFCs issued in the preceding period - commonly termed 'carryover'. ROS will not accept redemption transactions that attempt to meet more than 25% of the main obligation or development fuel target with RTFCs from the previous obligation period.

5.41 RTFCs carried over from previous obligation years will keep their 'relevant crop', 'development fuel' or 'general' label and will count towards the respective cap or target of the new obligation year. Chapter 3 explains further how 'relevant crop' and 'development fuel' RTFCs are treated when carried over.

## Transferring RTFCs from one account to another

5.42 The RTFO Order allows suppliers to transfer RTFCs from one account to another.

5.43 This is done via the ROS system where a supplier selects how many RTFCs they wish to transfer and the account to which they wish to transfer them.

5.44 A supplier may select which year's RTFCs and which RTFC category to transfer.

5.45 There is a two-step process for suppliers to execute RTFC transfers on ROS, which will allow for better control of the transaction timings.

5.46 For an RTFC to be eligible for redeeming, it must be present in the account of the supplier that wishes to redeem it, during the redemption period.

5.47 Any commercial matters related to a transfer are matters for the two parties involved in the transfer.

5.48 The Administrator will correct any IT system errors that occur in a transaction. However, the Administrator can only reverse a transfer where only one party is disputing that transaction if ordered to do so by a court, as the Administrator does not have the powers to judge which party is correct in the event of a dispute.

5.49 The Administrator will apply a 'first in-first out' principle to tracing RTFCs from the original supplier to a transferee, unless the original supplier or any subsequent transferor notifies the Administrator of a different arrangement for the relevant RTFCs. An example of such a notification would be that a third-party trading entity would be able to state which supplier they had traded the certificates on to.

## Revocation of RTFCs

### Circumstances in which RTFCs may be revoked

5.50 The Administrator may revoke an RTFC where they are satisfied that:

- the declaration that accompanied the application for RTFCs was false;
- RTFCs were issued as a result of fraudulent behaviour, statement or undertaking on the part of the supplier, any connected person or the verifier;
- the information provided on fuel quantities or sustainability information was materially inaccurate or the Administrator decides that any evidence presented to support this information was insufficient<sup>6</sup> to substantiate it; or
- the verifier's assurance report on the sustainability information was materially inaccurate

### Which RTFCs will be revoked

5.51 Whilst the Order applies revocation to individual RTFCs, in practice, the Administrator will revoke all the necessary RTFCs together where one or more of the criteria at 5.50 applies, and actions in the subsequent paragraphs apply to that group of RTFCs.

5.52 Where the reasons for revocation relate to the verifier's assurance report on a bundle, it is likely that all RTFCs relating to that bundle will be revoked, unless the Administrator deems the reason for revocation to only impact part of the bundle.

5.53 Where the reasons for the revocation relate to the sustainability information within an application, the revocation will relate to that specific application.

5.54 Where the reasons for revocation relate to the volume of fuel supplied and the fuel volume in question does not match the volume in one or more applications, the Administrator will decide on a case-by-case basis whether the revocation(s) occur at application or bundle level.

5.55 Where possible the Administrator will revoke RTFCs of the correct obligation period and RTFC category from the original supplier.

5.56 Where the supplier does not have sufficient RTFCs for the Administrator to revoke from the correct obligation period and category, RTFCs of that same category and obligation period will be revoked from a transferee.

5.57 The Administrator will apply a 'first in-first out' principle to tracing RTFCs from the original supplier to a transferee, unless the original supplier or any subsequent transferor notifies the Administrator of a different arrangement for the relevant RTFCs.

5.58 If, upon the notice of revocation being served the original supplier or a subsequent transferor wishes to submit evidence that the assignment of the RTFCs in question to a particular transfer should not be applied on a 'first in-first out' principle or any notification made to the supplier at the point of the transfer, this will be taken into account by the Administrator in determining which RTFCs to revoke.

5.59 For example, 15,000 RTFCs are issued to supplier A for two applications of 7,500l with the same RTFC category. Supplier A then transfers these RTFCs in the following order: 5,000 to supplier B, 5,000 to supplier C and 5,000 to supplier D. The Administrator then determines that RTFCs should not have been issued to one of the applications and

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<sup>6</sup> It is the Administrator's decision as to whether the information or evidence provided is sufficient.

revokes 7,500 RTFCs. As supplier A no longer has any RTFCs of the correct obligation period or category, they must be revoked from one of the suppliers to whom they have been transferred. If the transferor has not provided any evidence as to which RTFCs they purchased, the Administrator will apply the 'first in-first out' principle. This means that 5,000 RTFCs will be revoked from supplier B and 2,500 from supplier C.

- 5.60 When a revocation of RTFCs occurs, relevant C&S data will be removed from ROS.
- 5.61 Where the RTFCs related to a particular amount of eligible fuel are revoked, that amount will no longer be subtracted from the obligation and the quantity of fuel covered by the certificates will be treated as fossil for the purposes of calculating the obligation.

### Process for revoking RTFCs

- 5.62 The Administrator will issue a 'notice of proposal to revoke' to inform a supplier of its intent to revoke an RTFC and inform the supplier as to the grounds for revoking that RTFC.
- 5.63 The Administrator must give the supplier 14 days to make representations before the revocation can occur.
- 5.64 The Administrator may not serve a 'notice of proposal to revoke' after 16 June immediately after the obligation period to which the RTFC in question belongs.

### Making representations against a revocation proposal or decision

- 5.65 Revocation of an RTFC occurs in two stages. First the Administrator issues 'notice of proposal to revoke' which both the original owner and any subsequent owner(s) may make representations against. Should the Administrator decide to, a 'notice of revocation' is then served, against which the original owner and any subsequent owner(s) may appeal.
- 5.66 Any representations against the 'notice of proposal to revoke' or the 'notice of revocation' must be made within 14 days of the notice being received.
- 5.67 The last date the Administrator may issue a 'notice of proposal to revoke' is 16 June after the end of the obligation period. Any representations against this 'notice of proposal' must be considered by 16 July after the end of the obligation period.
- 5.68 The last date the Administrator may issue a 'notice of revocation' is 16 July after the end of the obligation period. Any appeal against this notice must be considered by 15 August after the end of the obligation period.
- 5.69 The Administrator will inform the parties involved of the outcome of its consideration of either a representation against a 'notice of proposal to revoke' or an appeal against a 'notice of revocation' by issuing a 'letter giving decision', which will lay out the decision and justifications for that decision.

5.70 If the Administrator determines that the revocation should not occur at either stage, the relevant parties will be informed, and no further action will be taken.

5.71 The Administrator may allow an oral hearing when considering a representation against a 'notice of proposal to revoke' or an appeal against a 'notice of revocation'.

5.72 If the Administrator fails to make a determination by 15 August, the RTFCs will remain available for the supplier to utilise on ROS.

5.73 If the Administrator confirms that a revocation should occur, the Administrator will revoke the exact number of RTFCs as indicated on the 'notice of revocation' and according to the principles outlined previously (see paragraph 5.51 onwards).

5.74 The Administrator will also action any necessary deletion of applications or bundles relevant to revoked RTFCs, and depending on the grounds of revocation, request the supplier to amend any appropriate fuel volumes to reflect the change in fuel eligibility (see paragraph 5.77).

## **Applying for RTFCs for fuel that has had RTFCs revoked**

5.75 Where RTFCs have been revoked for the fuel in question, suppliers may apply again for RTFCs. However, unless there is new information or evidence to support the application, the Administrator is unlikely to issue RTFCs and that fuel will be treated as fossil with regards to calculating the obligation.

## **Links from RTFC revocation to civil penalties**

5.76 The gaining or attempt to gain an RTFC through the provision of inaccurate information, or the continued ownership of an RTFC where a supplier is aware that the information used to gain that RTFC is inaccurate, but has failed to inform the Administrator, is subject to a civil penalty as set out in Chapter 6.

## **Obligation status of eligible fuel for which RTFCs have been revoked**

5.77 Where RTFCs have been revoked, the eligible fuel in question will no longer be regarded as sustainable. It will therefore not count towards meeting a supplier's obligation and will instead be treated the same as fossil fuel and incur an obligation.

## 6. Civil Penalties Policy

6.1 The RTFO Order empowers the Administrator to issue civil penalty notices, including for example on the following grounds:

- if a supplier does not apply for an RTFO account from the Administrator within 28 days of the supplier becoming obligated (see Chapter 1)
- if a supplier does not wholly discharge either of its obligations by either the redemption of RTFCs or making a buy-out payment
- if a supplier or other person fails to submit a verified annual report on the additional sustainability information in the case that they are required to do so
- if a supplier or other person provides information, or evidence to support information, where they have not taken reasonable steps to ensure it is accurate
- where a supplier or other person has taken reasonable steps to ensure that information or evidence (to support that information) is accurate, but the supplier has subsequently become aware (either through their own or another person's actions) that it is inaccurate and has failed to inform the Administrator, within 20 days of becoming aware

6.2 For information, or evidence supporting information, that relates to the establishment of an account, a supplier or other person is not liable for a civil penalty if they inform the Administrator within 20 days of becoming aware (either through their own actions or another party's actions) that the information is no longer accurate. If the Administrator becomes aware that such information or evidence is inaccurate, a supplier is not liable for a civil penalty if the supplier investigates and, if necessary, remedies the inaccuracy within a time period set by the Administrator.

6.3 For information or evidence supporting information that relates to:

- volume information
- an application for an RTFC
- the revocation of an RTFC

A supplier or other person is not liable for a civil penalty if they inform the Administrator within 20 days of becoming aware that the information is no longer accurate, so long as the Administrator is informed before or on the 16 August immediately after the obligation period to which that volume or RTFC relates. This applies whether this is due to the supplier's own actions or another party's actions. If the Administrator becomes aware

that such information or evidence is inaccurate, a supplier is not liable for a civil penalty if they either:

- are not informed of this by the Administrator before or on 16 August immediately after the obligation period to which that volume or RTFC relates
- investigate, and if necessary, remedy, the inaccuracy within a time period set by the Administrator.

## Communicating civil penalty notices

6.4 A civil penalty notice will be given by written notice, from the Administrator to the defaulter, detailing the amount, the reason for the penalty and informing the supplier or other person of their rights to appeal.

## Amount of civil penalties

6.5 Except in cases where the Administrator is satisfied that an account holder has gained or attempted to gain RTFCs in contravention of the RTFO Order, a civil penalty amount may be up to the lesser of:

- £50,000
- 10% of turnover derived by the account holder from fuels covered by the RTFO Order

6.6 Where the Administrator is satisfied that an account holder has gained or attempted to gain one or more RTFCs in contravention of the RTFO Order, a different rule applies to the calculation of civil penalties. In such cases a civil penalty amount may be up to the lesser of:

- 10% of turnover derived by the account holder from fuels covered by the RTFO Order
- the amount equivalent to twice the value of RTFCs which the account holder gained or attempted to gain (see paragraph 6.7)

6.7 For the purposes of paragraph 6.6, the value of RTFCs depends on the type of RTFCs and when they were applied for:

- for development fuel RTFCs, the value is always twice the development fuel buyout price of £0.80, so £1.60 per development fuel RTFC.
- for RTFCs which count against the main obligation and where the application was made on or before 31st December 2021, the applicable RTFC value is £0.30, so £0.60 per RTFC
- for RTFCs which count against the main obligation and where the application was made on or after 1st January 2022, the applicable RTFC value is £0.50, so £1.00 per RTFC

## Objections to civil penalties

- 6.8 A supplier or other person who wishes to object to a civil penalty must do so in writing within 28 days of being issued with the civil penalty notice. The supplier must state the grounds for the objection.
- 6.9 The Administrator will consider the objection and will inform the supplier or other person in writing of the outcome of that consideration.
- 6.10 The objection will be considered by officials in DfT, other than those working in the LCF Delivery Unit or those involved in the decision to issue the civil penalty notice.
- 6.11 A supplier, or other person, may also challenge the outcome of the Administrator's decision through the courts.

## Appeals to civil penalties

- 6.12 An appeal can be made under section 131 of the Energy Act 2004 on either or both of the following grounds: that the recipient considers that they are not liable to pay the penalty and/or that the amount of the penalty is too high.

## Unpaid civil penalties

- 6.13 Where a civil penalty is not paid by the date specified in the civil penalty notice (i) interest may be applied at 5% above the Bank of England base rate (calculated on a daily basis) as of the day before the civil penalty is due and (ii) the total sum will be a debt recoverable by the Administrator.
- 6.14 Where a supplier objects to, or appeals against, a civil penalty, interest shall accrue while the objection or appeal is being considered, and the supplier shall be liable to pay that interest where an objection or appeal is dismissed.

## 7. The RTFO obligation expressed as a percentage of total fuel

7.1 Chapter 3 of this guidance document outlines how the obligation is calculated by multiplying the obligated amount by the percentage given in Table 1 (see Paragraph 3.13).

7.2 Paragraph 3.9 explains that while the values in Table 1 are expressed as a percentage of the obligated amount (the volume of fossil and ineligible fuel), the obligation is also sometimes expressed as a percentage of total fuel (taking into account double counting, see paragraph 7.3). Both sets of values are provided in Table 6 to show how they relate to each other.

7.3 Because some eligible fuels which are made from eligible wastes or are RFNBOs or are awarded double certificates under the RTFO, this means that the obligation level does not directly show the volume of fuel that needs to be supplied to meet this target. Due to this double counting of certain fuels, the actual amount of fuel supplied will be somewhat less than the stated percentage.

Obligation period (1 Jan – 31 Dec)	Main obligation (% total fuel*)	Main obligation (% obligated amount*)	Development fuel target (% total fuel*)	Development fuel target (% obligated amount*)	Total obligation (% total fuel*)	Total obligation (% obligated amount*)
2022	11.10%	12.60%	0.80%	0.91%	11.90%	13.51%
2023	11.45%	13.08%	1.00%	1.14%	12.45%	14.22%
2024	11.80%	13.56%	1.20%	1.38%	13.00%	14.94%
2025	12.15%	14.05%	1.40%	1.62%	13.55%	15.67%
2026	12.50%	14.55%	1.60%	1.86%	14.10%	16.42%
2027	12.85%	15.06%	1.80%	2.11%	14.65%	17.17%
2028	13.20%	15.57%	2.00%	2.36%	15.20%	17.92%
2029	13.55%	16.08%	2.20%	2.61%	15.75%	18.69%
2030	13.90%	16.61%	2.40%	2.87%	16.30%	19.47%
2031	14.25%	17.14%	2.60%	3.13%	16.85%	20.27%
2032 onwards	14.60%	17.68%	2.80%	3.39%	17.40%	21.07%

**Table 6** The obligation trajectory expressed as a percentage of total fuel and as a percentage of the obligated amount. (\*) Please note that due to double counting, the values given will not directly correspond to the actual volume of fuel supplied.

# Glossary

Term	Definition
<b>Account holder</b>	An organisation holding an account with the Administrator.
<b>Application</b>	An administrative batch of fuel. Any amount of biofuel that has a consistent set of sustainability characteristics. Known as an administrative consignment until January 2023.
<b>Biofuel</b>	Fuel made from recently-living biological material.
<b>Carbon intensity</b>	The rate at which carbon is emitted in relation to the amount of energy produced.
<b>C&amp;S</b>	Carbon and sustainability
<b>Certificates</b>	Synonymous with RTFCs in this guidance document
<b>Dedicated energy crop</b>	Dedicated energy crops are non-food crops including ligno-cellulosic material and non-food cellulosic material, except saw logs and veneer logs. Dedicated energy crops are grown for the purpose of generating heat and electricity, or to produce transport biofuels.
<b>Development fuels</b>	Advanced eligible fuels, a target for which applies from January 2019 – see <a href="#">RTFO and SAF Mandate Technical Guidance</a> for details
<b>DfT</b>	Department for Transport
<b>ETBE</b>	Ethyl-tertiary-butyl-ether. A type of biofuel.
<b>Feedstock</b>	Raw material used to produce eligible fuels
<b>GHG</b>	Greenhouse gas
<b>HMRC</b>	His Majesty's Revenue and Customs
<b>HVO</b>	Hydro treated vegetable oil. A type of biofuel.
<b>Obligated supplier</b>	A transport fuel supplier upon whom a renewable transport fuel obligation is imposed.
<b>Partially eligible fuel</b>	Fuels that are produced in part from eligible feedstocks and in part from ineligible mineral/fossil feedstocks.
<b>Reporting party</b>	A fuel supplier reporting to the Administrator.
<b>RCF</b>	Recycled Carbon Fuel. An eligible transport fuel type that is classified as a development fuel and is made from a fossil waste which cannot be recycled, reused, or prevented, and has been designated as a relevant feedstock following the process and defined criteria.
<b>RFNBO</b>	Renewable fuel of non-biological origin. An eligible transport fuel that does not have any biological content - rather the renewable energy content comes from renewable energy

Term	Definition
	sources other than biomass. For example, renewable methanol produced from waste CO <sub>2</sub> and hydrogen where the process is powered by geothermal electricity.
<b>ROS</b>	Renewable Fuels Operating System
<b>RTFC</b>	Renewable transport fuel certificate
<b>RTFO</b>	Renewable Transport Fuel Obligation. The statutory instrument used to implement the transport elements of the RED.
<b>Supplier</b>	Any company or organisation supplying fuel or its precursors e.g. for biofuel this would include the crop and the virgin oil.
<b>Verifier</b>	The person who undertakes the assurance of eligible fuel sustainability data on behalf of reporting parties. They must be independent of the reporting party whose data they are verifying.
<b>Voluntary scheme</b>	Schemes run by independent organisations that offer a route to providing assurance that eligible fuels meet certain sustainability criteria.

# Annex A Sustainability Compliance Policy

## Introduction

- A.1 This annex sets out how the Administrator undertakes checks on the accuracy of information relevant to the sustainability criteria provided by suppliers and therefore determine whether the sustainability criteria have been met.
- A.2 When applying for RTFCs, a supplier must provide a declaration that the information submitted in the application is accurate. Suppliers are also required to seek independent assurance (verification) of their information relating to compliance with the sustainability criteria and submit the assurance report to the Administrator (See [RTFO and SAF Mandate Third Party Assurance Guidance](#)). The supplier must have processes and procedures in place to ensure that it provides accurate information and can therefore make such a declaration of accuracy. The obligated supplier must also be able to access information and evidence for each link in the supply chain and provide that information and evidence to the Administrator on request. Where an obligated supplier fails to provide sufficient information or evidence to substantiate claims if requested, RTFCs are not issued, and the fuel is treated as fossil for the purposes of calculating the supplier's obligation. It is the Administrator's decision as to whether the information or evidence provided is sufficient.
- A.1 The Administrator has had regard to the [Regulators Compliance](#) in developing this policy.

## Assessing applications for RTFCs

- A.3 Before issuing RTFCs, the Administrator, amongst other things, must be satisfied, so far as is reasonably practicable, that information related to compliance with the sustainability criteria (C&S data) provided by the supplier is accurate. To reach this level of satisfaction, the Administrator carries out checks on the sustainability information provided by the supplier in an application for RTFCs. These can include the following four categories of checks:
  1. A check that the reported fuel volume figures are consistent with the fuel volume figures submitted to HMRC.

2. A check that the C&S data is consistent with the requirements in the [RTFO and SAF Mandate Technical Guidance](#) for demonstrating compliance with the sustainability criteria.
3. A check that the verifier's assurance report provides the required assurance that the C&S data has been prepared in accordance with this guidance (see the [RTFO and SAF Mandate Third Party Assurance Guidance](#) for details).
  1. A check on the accuracy of the reported C&S data relating to specific consignments of fuel in an RTFC application. Accuracy can be checked through, for example, requesting further information and/or evidence from the supplier (see Chapter 8 of the [RTFO and SAF Mandate Technical Guidance](#)). Specific applications are selected for further checks as detailed in A.9.

A.2 This annex focuses on the accuracy checks carried out on selected applications (check four) and sets out the process used to select these individual applications.

A.4 Failure to provide sufficient evidence to substantiate claims result in the Administrator refusing to issue certificates for the application in question and the fuel is treated as fossil for the purposes of calculating the obligation. Therefore, the supplier must ensure that further evidence from each link in the supply chain back to the feedstock, is available if requested by the Administrator.

A.3 Regarding check four, the Administrator uses the following process to check the accuracy of the information on the sustainability criteria for the selected applications. Each stage is described in more detail in the sections that follow.

1. The Administrator requests further information and/or evidence from the supplier(s) concerned
2. Supplier(s) respond
3. The Administrator assesses the response and determines whether RTFCs should be awarded or not and whether any further action should be taken
4. The Administrator communicates any lessons learned to fuel suppliers, verifiers and the wider stakeholder group, as appropriate, and updates its guidance if necessary

### Process of selecting applications for further checks

A.4 When selecting applications for further checks, the Administrator selects some applications at random. Other applications are selected by assessing the likelihood that the sustainability information provided by the supplier for individual applications is inaccurate, together with the impact if the information was not accurate.

A.5 Identification of factors that influence the likelihood of information in applications for RTFCs being inaccurate ('risk factors') is a dynamic process based on information gathering. This information can come from various sources including publicly

available sources, other renewable fuel regulators, other UK public bodies, specific information from within the industry or the analysis of C&S information and evidence provided. The following paragraphs set out some of the types of risk factor which can be considered.

A.6 The Administrator also considers information related directly to applications which have been submitted. For example, RTFC applications containing inconsistent or unusual C&S data, or limitations or exclusions in the verifier's statement, can increase the likelihood that information on the sustainability criteria is inaccurate.

A.7 The Administrator communicates information on risk factors to suppliers, verifiers and other stakeholders as it considers appropriate.

A.8 In determining the likelihood of information being inaccurate, the Administrator considers if any risk factors are relevant to the application and if so carries out an assessment that can include looking at:

- whether the supplier has used an approved voluntary scheme
- the severity of any issue with the C&S information
- the nature of any external information relating to the C&S information reported
- the credibility of the source of the information
- the past record of the supplier in complying with the sustainability criteria in the RTFO, SAF Mandate and any similar legislation, e.g. the Renewable Heat Incentive
- any knowledge the Administrator can have about the supply chain used and its record of compliance
- the nature of the sustainability information reported and the likelihood that it is not accurate

A.9 In assessing the impact, the Administrator can take several factors into account including:

- the cumulative volume of fuel reported by the supplier with the same C&S characteristic(s)
- the number of RTFCs per litre which have been applied for
- the nature of the sustainability information reported, and the impact of any risks associated with that information (for example, whether or not RTFCs would have been issued if accurate information had been provided in the RTFC application)

## Process for further checks

### The Administrator sets out what it requires from the supplier

A.10 Where an application has been selected for further checks, the Administrator reviews the information already provided through ROS and, if necessary, request further information be provided.

A.11 Under the RTFO, applications for RTFCs can be made at any time up to 14 May following the end of an obligation period.

A.12 The obligated supplier must be able to provide information and evidence for each link in the supply chain and that information and evidence must be made available to the Administrator on request. Where an obligated supplier fails to provide such information or evidence, RTFCs are not be issued and the fuel in question is treated as fossil for the purposes of calculating the obligation.

A.13 Where an approved voluntary scheme is used, only the relevant scheme certificate for the application of fuel in question is normally required, however there can be some exceptions to this, such as, but not limited to:

- the scheme does not include a certified chain of custody
- there is a gap in the chain of custody between the certificate issue and point of UK supply
- the scheme certificate does not include the required data (e.g. the feedstock type)
- the Administrator has concerns over information within the documentation provided
- the Administrator has intelligence to warrant a more thorough documentation review
- the Administrator determines that more information is required to ensure that the sustainability requirements of the RTFO have been met (see Chapter 8 of the [RTFO and SAF Mandate Technical Guidance](#) for examples of potential documents to be requested)
- The Administrator randomly samples an application for further checks.

A.14 The Administrator can require that documentation is provided that demonstrates the entire chain of custody.

A.15 When requiring information and/or evidence behind an application, the Administrator can give the supplier an option to provide details of the chain of custody and a list of the evidence which is available for each step before they are asked to provide the evidence in question. This can be part of the evidence pack that was prepared for the verifier in advance of the verification process. The Administrator reviews this list to determine whether it is appropriate to select a sample of evidence for review rather than requiring evidence for the entire chain of custody. Whilst it is not a requirement that the supplier holds such a list, the provision of a list is likely to contribute to a quicker outcome.

A.16 The Administrator recognises that supply chains can be complex and involve many different entities, especially close to the origin of the feedstock. Where further information is warranted, it is likely that the Administrator requests all of the evidence demonstrating the chain of custody for all stages of the supply chain. By providing the Administrator with information and/or evidence involved in a chain of custody, the supplier facilitates the sharing of evidence for review by the Administrator. Examples of evidence that can be requested by the Administrator is found in Chapter 5 of this

guidance and in more detail in Chapter 8 of the [RTFO and SAF Mandate Technical Guidance](#).

## Suppliers respond

A.17 If the supplier is unwilling or unable to respond to the request, they can withdraw their application; however, the Administrator requires the supplier to inform them if they subsequently seek to apply for RTFCs on the fuel in question. If no further application is submitted, the fuel is treated as fossil for the purposes of calculating the supplier's obligation.

## The Administrator reviews the response

A.18 The Administrator reviews the supplier's response, and any information and/or evidence provided. If the Administrator is satisfied that the information relating to compliance with the sustainability criteria is accurate for the selected application(s), the application for RTFCs is approved (subject to all other conditions being met).

A.19 If the Administrator is not satisfied that the information provided is accurate or if the supplier is unable to provide the information required by the Administrator and therefore cannot prove that the sustainability criteria have been met, RTFCs are not issued, and the application is not accepted. The reasons for not accepting the application are communicated to the supplier as appropriate. The supplier are required to inform the Administrator if they subsequently seek to apply for RTFCs for the fuel in question.

A.20 If RTFCs are not issued, the Administrator considers whether further enforcement action is also necessary such as the imposition of a civil penalty (see Chapter 6). If the Administrator considers additional enforcement action, this is also communicated in the notification of the non-issue of certificates. Whilst there may be a link between the non-acceptance of an application for RTFCs and the imposition of civil penalties, the Administrator can consider only imposing a civil penalty where a supplier has not taken reasonable steps to ensure that the information or evidence is accurate.

A.21 The circumstances in which certain enforcement actions can be taken and the processes involved, including those for appeal, are set out in earlier sections of this guidance.

A.22 If the Administrator informs the supplier that the evidence provided is insufficient to substantiate the information, the application(s) can be re-submitted at any time up to the final deadline for submission for that obligation period (subject to the requirement to notify the Administrator of this as set out above). Upon re-submission, the Administrator expects to see additional evidence or further explanation to that already provided and assesses this as set out above.

A.23 If an application for RTFCs has not been accepted, the associated volume is treated as fossil for the purposes of calculating the obligation. Therefore, volumes reported in that obligation year must not be edited or deleted in an attempt to remove this

volume from the supplier's obligation. The Administrator checks that this is the case. If a supplier has made a genuine error in submitting volumes, they must discuss this with the Administrator before making any changes to their volumes on ROS.

A.24 The Administrator considers whether the outcome of any checks on RTFC applications has changed the risk profile such that other checks on RTFC applications either from the supplier in question, or other suppliers, should be initiated. For example, if an issue with a specific supply chain party was discovered, the Administrator can require that all suppliers declare whether their chain(s) of custody included this party.

A.25 Where an RTFC application has not been accepted, the Administrator can, where requested by the supplier, comment on the likely outcome of any future application for the same or similar fuel.

### Communicating lessons learnt

A.26 Lessons learnt about a specific application for RTFCs will be communicated directly with the supplier involved. The Administrator is available for discussions with the supplier and the verifier involved.

A.27 The Administrator will not discuss the specifics of a case directly with a verifier without specific written permission from the supplier concerned. However, the Administrator is available for general discussions with individual verifiers.

A.28 The Administrator will use existing communication channels to keep suppliers, verifiers, and the other stakeholders informed of any developments as appropriate.

### Reviewing RTFCs already issued

A.29 Where the Administrator identifies an issue with applications of eligible fuel supplied for which RTFCs have already been issued, the Administrator needs to review evidence in respect of that fuel. For example, if it became apparent that some consignments of fuel from a particular supply chain did not meet the mandatory sustainability requirements, the Administrator might need to review the evidence for fuels reported through that supply chain.

A.30 In such a case the Administrator informs suppliers and request evidence as considered appropriate.

A.31 If, as a result of the investigation, it becomes apparent that RTFCs have been awarded incorrectly, the Administrator considers the appropriate actions to take, which includes revocation of the RTFCs if in line with timelines and the guidance set out in this document.

A.5 There is a process that allows for representations against the revocation of RTFCs and a reconsideration of the decision to revoke as set out in Chapter 5.

## Annex B Summary of changes (since January 2025 version)

Location	Description
Throughout	Grammatical and consistency edits where appropriate, for example changing 'may' to 'can' and 'will be' to 'are' or 'is', and ensuring 'must' and 'should' are used consistently in relation to the same topic
2.25	Clarified that if a response is received, the Administrator will provide a reply within 21 days rather than make a decision.
4.49	Clarification that non-obligated suppliers can report annually but submissions must be within the month or quarter that the fuel passed the assessment time
5.12	Clarify that Proof of Sustainability documents must not be reused upon claiming certificates against it, including any other schemes
5.16	Clarified volumes must be reported in the correct months
5.24	Clarified response time frame to say 'as soon as is reasonably practicable'