

ERA Position on Jet Fuel Supply Disruption

ERA welcomes the announced ceasefire in the Middle East and hopes it marks the start of lasting and durable peace. However, despite the reopening of the Strait of Hormuz, disruptions to jet fuel availability and pricing in Europe are expected to persist in the near term as global supply chains take time to normalise.

In practice, restored crude and jet fuel flows do not reach European airports immediately. Tankers require several weeks to load, transit and discharge, followed by refining, blending, certification and inland distribution. As a result, supply shortfalls, uneven availability and elevated prices are likely to persist until fuel stocks are fully back in circulation.

ERA members have experienced a sharp and very volatile increase in jet fuel prices over a short period of time, in some cases more than doubling relative to late-February levels. Significant disparities between suppliers and locations have also been reported, creating an increasingly unpredictable planning environment. Fuel surcharges, hedging and limited capacity adjustments can offset only part of these increases, with a substantial share of additional costs absorbed directly by operators and, in some cases, passed on to customers.

While ERA airlines report that there is not currently an overall shortage of jet fuel across Europe, localised disruptions have already emerged at specific airports. For example, in Italy, fuel rationing measures and NOTAMs have been published requiring airlines to tanker fuel from point of departure, with uplifts in Venice, Brindisi and others being prioritised for long-haul services. Members also highlight limited visibility on fuel stock levels and supplier behaviour, as well as a growing reluctance by some fuel suppliers to take on new customers, significantly reducing contingency options should existing supply arrangements weaken. This increases the risk that uncertainty itself becomes a driver of disruption.

Some ERA airlines have already reduced capacity, suspended routes and initiated detailed contingency planning for further reductions should current conditions persist. Both passenger and freight operators are reviewing their networks, contracts and turnaround times, while actively assessing route adjustments and schedule changes.

The current situation highlights broader structural vulnerabilities in Europe's jet fuel supply system, particularly in relation to import dependency, production capacity and logistics. It also raises questions regarding the feasibility and proportionality of certain regulatory obligations under crisis conditions.

Against this backdrop, ERA believes that targeted, proportionate and immediately deployable measures should be considered to support short-term operational resilience and protect regional connectivity until such time as fuel availability and supply patterns have fully stabilised.

ERA Policy Asks

- **Improve transparency on jet fuel availability across Member States**
Transparency on jet fuel availability, stock levels and supply constraints across Member States is required to enable airlines to plan operations with greater certainty and reducing the risk that market uncertainty itself becomes a source of disruption.
- **Strengthen EU level coordination on fuel supply and allocation**
The Commission should use its role to strengthen coordination between refiners, logistics providers, fuel suppliers and Member States, including a more joined up EU level view of fuel supply pressures and allocation practices to avoid fragmentation, ensure fair distribution and prevent a concentration of supply.
- **Apply operational flexibility where fuel supply is constrained**
Where airports face fuel rationing or limited availability, temporary and targeted operational flexibility, particularly in relation to tankering requirements, should be applied on a case-by-case basis to avoid unnecessary cost, safety or network impacts. These flexibilities should be carefully assessed to avoid unintended consequences, such as reduced availability at smaller and regional airports.



- **Slot flexibility and justified non-use**
Fuel supply disruptions beyond airline control should be appropriately reflected in the application of Justified Non-Use of Slots (JNUS) under Article 10 of the Slot Regulation (Council Regulation (EEC) No 95/93), allowing for a consistent and proportionate approach limited to the affected airports and duration of the disruption.
- **Avoid compounding fuel volatility with additional regulatory cost pressures**
ERA underlines that ETS-related costs further exacerbate fuel price pressures during periods of extreme volatility, with disproportionate impacts on regional and freight operators that have limited hedging options and reduced ability to pass costs through.
- **Strengthen fuel supply resilience and infrastructure**
Airlines already contribute to fuels stocks through compulsory obligations. The Commission should evaluate options to support increase storage capacity and strategic fuel stocks, which would strengthen resilience for both civil and military purposes.
- **Fuel shortage crisis & EU261 exceptional circumstances**
Fuel shortages arising from geopolitical events such as those being experienced, should be treated as extraordinary circumstances under Regulation (EC) No 261/200, allowing flexibility on 30-day cancellation limit so that available fuel can be used in the most operationally effective manner. Such an interpretation would be consistent with existing case law of the European Court of Justice (Case C-308/21), which has recognised that a generalised breakdown in the supply of fuel originating outside the airline's control can qualify as extraordinary circumstances.
- **Safeguard continuity of Public Service Obligation (PSO) routes**
Airlines operating under PSOs should be granted temporary contractual flexibility to adjust schedules without financial penalties and to revise compensation where fuel cost increases exceed normal economic fluctuations, ensuring the continuity of these essential services and safeguarding connectivity.
- **Keep financial support as a contingency measure**
Should the situation deteriorate significantly or remain prolonged, targeted financial support measures may need to be considered to safeguard essential passenger and freight connectivity; however, such intervention should remain a measure of last resort.

Summary

Whilst fuel markets are recovering, improving transparency on fuel availability and strengthening EU-level coordination remain the most realistic and immediately effective measures in the near term, and ones that the Commission could quickly support. Temporary operational flexibility can provide immediate relief and reduce administrative burdens where fuel supply is constrained. Fuel shortages arising from geopolitical events should be considered exceptional circumstances under passenger rights frameworks, while also being appropriately reflected in the application of slot usage and Public Service Obligation arrangements. Financial intervention should only be contemplated as a last resort should market conditions worsen.

