

May 2026

Government expands Aviation Turbine Fuel framework to include sustainable aviation fuel blends

The Ministry of Petroleum and Natural Gas, *vide* notification dated April 17, 2026, has notified the Aviation Turbine Fuel (“ATF”) (Regulation of Marketing) Amendment Order, 2026 (“**Amendment Order**”), under Section 3 of the Essential Commodities Act, 1955. The Amendment Order modifies the ATF (Regulation of Marketing) Order, 2001 (“**ATF Control Order**”) to expand the scope of what constitutes ATF.

The Amendment Order has been issued in the backdrop of India’s efforts to promote Sustainable Aviation Fuel (“**SAF**”) and align with global decarbonisation initiatives in the aviation sector. By bringing SAF-blended ATF within the scope of the ATF Control Order, the Government seeks to enable operationalisation of SAF blending targets and provide regulatory clarity for marketing and sale of such fuels.

Salient features

- Expansion of definition of aviation turbine fuel:** The Amendment Order revises the scope of the definition of what constitutes ATF to include not only conventional petroleum-based fuel conforming to IS 1571. It also includes blends with synthesised hydrocarbons conforming to IS 17081. This effectively brings SAF-blended aviation fuel within the ambit of the ATF Control Order, thereby: (a) enabling its regulated marketing and distribution; (b) permitting entities to obtain authorisation from the Central Government for sale and marketing of such blended fuel; and (c) empowering the Central Government to issue directions relating to its storage, sale, transportation, and disposal.
- Recognition of SAF and global alignment:** SAF, comprising of processed aviation-grade hydrocarbons derived from renewable feedstocks such as agricultural residues and waste materials, is recognised by the International Civil Aviation Organization (“**ICAO**”) as being chemically similar and fully compatible with conventional ATF. The inclusion of SAF within the definition of ATF aligns India’s regulatory framework with Carbon Offsetting and Reduction Scheme for International Aviation (“**CORSIA**”), which is implemented by ICAO, to control emissions from international flights. Mandatory phase of CORSIA begins from 2027, requiring international flights to offset emissions above a baseline level.
- Enabling SAF blending targets and market integration:** The Amendment Order provides regulatory basis for the marketing and sale of SAF blend fuels, which facilitates achievement of indicative SAF blending targets announced by the Government for international flights, including 1% in 2027, 2% in 2028, and 5% by 2030. By incorporating SAF within the ATF definition, the framework facilitates integration of blended fuels into the aviation fuel supply chain and aligns India with global regulatory trends, where several jurisdictions have introduced SAF mandates or incentive mechanisms.

Conclusion

The Amendment Order represents a significant step towards integrating sustainable aviation fuels into India's regulatory framework for aviation fuel marketing. By expanding the definition of ATF to include SAF blends and aligning with global standards, the Government has created an enabling framework to support decarbonisation of the aviation sector. Stakeholders in the aviation, refining, and fuel supply chain sectors should assess the implications of the revised definition, particularly in relation to fuel specifications, supply logistics, and compliance with emerging SAF blending targets.

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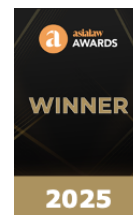
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