

The Rise of Renewable Diesel (RD), Hydrotreated Vegetable Oil (HVO), & Sustainable Aviation Fuel (SAF)

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As the world pivots towards cleaner energy solutions, renewable diesel (RD) and hydrotreated vegetable oil (HVO), alongside sustainable aviation fuel (SAF), have emerged as front-runners in the renewable fuels market. These fuels are crucial in reducing greenhouse gas emissions and promoting sustainability. These fuels are now moving in large volumes on many routes across the globe on both international and domestic vessels.

Renewable diesel (RD) and hydrotreated vegetable oil (HVO) are chemically similar to petroleum diesel but are produced from renewable sources such as used cooking oil, tallow, vegetable oils and yellow grease. Their production is seeing significant growth globally, and there are new production sites and expansions of current plants taking place in North America, Asia, and Europe. The EU has been at the forefront of reducing greenhouse gas emissions and has policies in place with a target of reducing net emissions by at least 55% by 2030 (in comparison to 1990) which an end goal of zero emissions by 2050.

Sustainable aviation fuel (SAF) is another burgeoning market. SAF is pivotal in reducing the aviation industry's carbon footprint, with significant production

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underway in Europe and North America. Although current production volumes are insufficient to meet global demand, ongoing investments and technological advancements are expected to bolster supply.

Both RD and HVO, along with SAF, play vital roles in the transition to greener energy, with their production processes contributing to the development of a more sustainable fuel economy. As the global focus on reducing carbon emissions intensifies, the demand and production of these renewable fuels are set to rise, driving innovation and environmental stewardship in the energy sector.



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