

This document is part of the tender material for the tender of an aid scheme for sustainable aviation fuels (SAF) in domestic aviation.

For more information, please visit <https://www.trafikstyrelsen.dk/arbejdsmraader/luftfart/puljer>

Appendix B

Date: 05-08-2025

Version 1

## Appendix B: Order on the competitive tendering of an aid scheme for sustainable aviation fuels (SAF) in domestic aviation

In pursuance of textual note no. 121 ad 28.56.04 to § 28 of the Finance Act for the Financial Year 2025, the following is laid down in accordance with § 13 of Order no. 693 of 18 June 2025 on the Danish Civil Aviation and Railway Authority's tasks and authorities, on the access to complain, and on publication of certain of the Danish Civil Aviation and Railway Authority's publications:

### Chapter 1

#### *Objective and scope*

**§ 1.** This Order lays down the detailed regulations for granting and disbursement of financial aid for the use of sustainable aviation fuels (SAF) in domestic aviation until 31 December 2027.

(2) The objective of the aid scheme is to:

- 1) Reduce greenhouse gas emissions from domestic aviation.
- 2) Support the technological development of sustainable aviation fuels and the green transition of aviation.

**§2.** This Order lays down regulations on the possibility for aid for green operations conducted by airlines offering at least 20 green operations per week on a Danish domestic route between two airports and without intermediate landing in the period from the date on which commitment to award aid is given in pursuance of subsection (3) of § 15 until 31 December 2027.

(2) An airline may apply for aid under this Order if:

- 1) the airline has a valid Danish or European Air Operator Certificate (AOC),
- 2) the airline holds a valid EU operating license pursuant to Regulation (EC) No. 1008/2008,
- 3) the main activity of the airline on the operator route is to carry passengers,
- 4) the airline has experience in operating a commercial passenger route, and
- 5) the airline has an existing sales and marketing organization for commercial passenger operations.

(3) The following weeks are exempted from the minimum requirement of 20 green operations per week:

- 1) All weeks in 2025.
  - 2) The following weeks in 2026: 1-18, 20, 22, 42, 52, 53 and six optional weeks.
  - 3) The following weeks in 2027: 53, 7, 8, 12, 13, 18, 20, 42, 51, 52 and six optional weeks.
- (4) The first green operation under this scheme shall be performed not later than 30 April 2026.

**§ 3.** Aid granted under this Order constitutes State aid within the meaning of Article 107(1) of the Treaty on the Functioning of the European Union. The aid scheme is conditioned on approval by the European Commission under Section 4.1 of the Commission Guidelines on State aid for climate, environmental protection and energy (2022/C 80/01).

#### *Definitions*

**§ 4.** For the purpose of this Order the following definitions shall apply:

- 1) 'Green fuels': Sustainable fuels as defined in Article 3(1), points (7), (8), (9) and (12) of Regulation (EU) 2023/2405. It will be the definition of sustainable aviation fuel in the version of this Order in force at any time, or any other legal act replacing it, which shall apply.
- 2) 'Green operations': Operations refueled corresponding to the expected fuel consumption on the green operation. The fuel shall consist of a blend of green and conventional fuel. The share of green fuel shall be at least 40 per cent.

- 3) 'Operator route': An operator route is a route between two airports operated by an airline. As there may be several operators on one route, there may also be several operator routes on one route.
- 4) 'Scheduled flights': A series of operations for sale to the public which take place between the same two points, either in accordance with a published timetable, or with operations so regular or frequent that they clearly constitute a systematic series.

## **Chapter 2**

### *Aid pool*

**§ 5.** The total possible amount of aid that may be paid out is DKK 21 million in 2025, DKK 83 million in 2026, and DKK 82 million in 2027. All amounts are in 2025-prices.

### *Competitive tendering*

**§ 6.** The aid is subject to competitive tendering by the Danish Civil Aviation and Railway Authority through publication of a tender order and tender documents.

### *Award criterion*

**§ 7.** The aid is awarded on the basis of the award criterion's lowest tendered price in order to reduce one ton of CO<sub>2</sub>.  
(2) In subsection 1, the amount of reduced tons of CO<sub>2</sub> is calculated as described in subsection (2) of § 17.

### *Aid period*

**§ 8.** The aid is granted for 2025-2027 and the Danish Civil Aviation and Railway Authority is entitled to terminate the scheme with effect from 31 December 2026 if the maximum allowed SA -share is increased above 50 per cent.  
(2) A termination of the scheme shall be notified to the operators by 1 July 2026 at the latest.

## **Chapter 3**

### *Submission of tender*

**§ 9.** Airlines adopting to bid for the aid scheme shall, within the time limits specified in the invitation to tender, submit a tender consisting of the following:

- 1) The requested aid amount per reduced ton of CO<sub>2</sub>
- 2) The calculated amount of reduced tons of CO<sub>2</sub> for each of the three years in the aid period. The number of tons of reduced CO<sub>2</sub> shall be calculated in accordance with subsection (2) of § 17 and the calculation shall be attached to the tender.
- 3) Number of operations covered by the tender and broken down into months and years on a given operator route.
- 4) Share of green fuel in the blend refueled in connection with the green operations. The proportion shall be at least 40 per cent, cf. second sentence of subsection (1) of § 4.
- 5) Estimated total aid to be paid out for each of the three years. The calculation shall be attached to the tender.
- 6) Documentation for the conclusion of a fuel purchase agreement from a fuel supplier for green operations on a given operator route.
- 7) A realistic business plan containing information on issues such as business model, route network, total number of operations, type(s) of aircraft, sales and marketing organization, ownership, market assessment as well as explanation of how the green operations will be carried out, including information on refueling airport, fuel supplier, fuel consumption in MJ and the start-up date of green operations on the operator route.
- 8) Documentation for the airline having previous experience in operating a commercial passenger route.
- 9) Documentation for the airline having at its disposal an existing sales and marketing organization for commercial passenger operations.
- 10) A declaration stating that the airline will refrain from requesting aid to cover the price difference between conventional fuel and SAF under the EU ETS, cf. paragraph 6 of Article 3c of Directive 2003/87/EC, for green fuel used in connection with operations for which aid under this scheme is received.
- 11) A solemn declaration stating that the tenderer is not covered by the grounds for exclusion as described in §§ 134a, 135 or 136 of the Public Procurement Act, cf. Consolidation Act No 116 of 3 February 2025, subject to the possibility of submitting documentation for reliability in accordance with § 138, or Article 5k of Regulation (EU) 2022/576 of 8 April 2022.
- 12) A declaration stating that the airline has not received and will not receive other state aid to cover the same costs as aid covered by this aid scheme.
- 13) A declaration stating that the agreement with the fuel supplier, cf. 6), includes an obligation for the fuel supplier not to count the fuel delivered for the green operations in the fuel supplier's compliance with the requirements of Regulation (EU) 2023/2405 (RefuelEU Aviation).

14) A declaration stating that the fuel supplied for the green operations has not received any other state aid to cover the same cost that aid under this aid scheme is intended to cover.

(2) An airline, including the group of companies that the airline belongs to, and all companies controlled by the airline and/or the group of companies, may submit one tender per route.

#### *Exclusion of non-conditional tenders*

**§ 10.** Only tenders which are not covered by grounds for exclusion, cf. no. 11 of subsection 1 of § 9, shall be deemed to be conditional tenders.

**§ 11.** Only conditional tenders with a credible business plan are selected and have the opportunity to win the tender.

(2) The Danish Civil Aviation and Railway Authority assesses whether the business plan for the operator route, cf. no. 7 of subsection (1) of § 9, is credible.

#### *Ranking of conditional tenders and calculation of maximum aid amount*

**§ 12.** The selected tenders, cf. § 11, shall be ranked according to the lowest tender price, cf. first sentence of subsection (1) of § 9.

(2) If two or more tenders contain the same tender price, the Danish Civil Aviation and Railway Authority will draw lots of the order of the two tenders.

(3) For each of the ranked tenders, the maximum amount of aid that an airline may receive for each of the three years of the aid period under the aid scheme shall be calculated.

(4) The maximum aid to an operator route for a given year during the aid period shall be calculated as the product of the tender price, cf. first sentence of subsection (1) of § 9, and the number of tons of reduced CO<sub>2</sub>, cf. second sentence of subsection (1) of § 9 in that year.

#### *Selection of winning airlines*

**§ 13.** If the number of airlines submitting bids that are selected in accordance with § 11 is two or more, at least one airline shall be excluded from being able to win the tender.

(2) The airline excluded under subsection (1) shall be the airline whose best bid is ranked lower than that of other tenderers.

#### *Selection of winning bids*

**§ 14.** Only bids submitted by airlines that are not excluded, cf. § 13, may win the tender.

(2) If there is more than one airline that has submitted a bid, only bids that are either ranked higher than the best bid from the excluded airline, cf. subsection (2) of § 13, or which have the same bid price as the best bid from the excluded airline, may win the tender.

#### *Nomination of winners*

**§ 15.** Starting with the bid ranked after the lowest-priced bid that may win the tender, cf. § 14, it is calculated how many of the bids that, in ranked order, may be contained within the budget framework for each of the years 2025, 2026 and 2027, cf. § 5.

(2) Only bids the summarized maximum aid amounts of which, cf. subsection (3) of § 12, combined can be contained in the budget framework for all three years may win the tender.

(3) The Danish Civil Aviation and Railway Authority will inform the airlines which have submitted bids which airlines and bids have won the right to receive aid after the deadlines specified in the tender.

#### *Documentation for planned start of the route*

**§ 16.** The winners of the tender must document that they plan to carry out the green operations as described in the business plan, cf. number 7 of subsection (1) of § 9.

(2) The documentation shall be submitted to the Danish Civil Aviation and Railway Authority when half of the time between the granting of aid, cf. subsection (3) of § 15, and the expected start of the route, cf. number 7 of subsection (1) of § 9, has gone.

(3) If the airline does not document that it plans to carry out the green operations, the Danish Civil Aviation and Railway Authority will revoke the airline's possibility of receiving aid under the scheme.

## Chapter 4

### *Calculation and payment of aid*

**§ 17.** The state aid for an operator route shall be calculated as the product of the 'amount of tons of reduced CO<sub>2</sub>' and the 'price per ton of reduced CO<sub>2</sub>' for the green operations offered by the airline on for the operator route in question during the validity period of the aid scheme.

(2) 'Amount of tons of reduced CO<sub>2</sub>' shall be calculated as the amount of MJ green fuel used for green operations on the operator route multiplied by 72 g CO<sub>2</sub> per MJ. If more green fuel is filled on the individual green operation than the share stated in the bid, cf. number 4 of subsection 1 of § 9, the fuel exceeding the stated amount shall not be entitled to aid and shall not be counted as amount of MJ in the calculation of the 'Amount of tons of reduced CO<sub>2</sub>'.

(3) 'Price per ton of reduced CO<sub>2</sub>' is equal to the amount stated by the airline in its bid, cf. subsection (1) of § 9.

(4) The amount of aid shall be settled on a monthly basis.

(5) No aid shall be paid to cover any costs relating to VAT.

**§ 18.** Aid may only be granted for scheduled operations with aircraft that are type approved for at least 10 passengers.

(2) Aid is granted for the number of completed green operations meeting the requirements in subsection (1), but only up to the monthly number of green operations for which the tenderer has given a bid, cf. number 3 of subsection (1) of § 9.

(3) If an airline has carried out fewer than 85 per cent of the green operations in a month for which a bid has been given, the right to receive aid for that month shall lapse, cf. however subsection (3) of § 23.

(4) If no aid is paid out for four of the months in a continuous period of more than six months, the right to additional aid under this aid scheme shall lapse.

(5) If the conditions in subsection (2) are met, aid shall only be granted for operations carried out during weeks where the minimum requirement to weekly operations is met, cf. subsection (2) of § 2.

**§ 19.** An airline having won the tender, cf. subsections (1) and (2) of § 15, and being entitled to aid for green operations carried out on an operator route in a given month of the aid period, shall, no later than on the 20th of the following month, submit the following information to the Danish Civil Aviation and Railway Authority for the purpose of calculating the amount of aid to be paid out:

- 1) Number of completed green operations performed per week in the previous month. Only operations for which bids have been submitted, cf. § 9, may be included.
- 2) In so far as the first and/or last week of the previous month overlap with an earlier/later month, information must also be given on the number of green operations carried out in each of these weeks, so that the Danish Civil Aviation and Railway Authority may assess whether the minimum requirement of 20 operations per week has been fulfilled.
- 3) Number of tons of reduced CO<sub>2</sub> per week in the previous month, calculated as described in subsection (2) of § 17. Only CO<sub>2</sub> reduced on green operations covered by the bid, cf. § 9, may be included. If the first and/or the last week of one month crosses two months, only CO<sub>2</sub> emissions from operations performed during the previous month shall be included.
- 4) Documentation proving that the green fuel is green, as well as documentation for the per centage of SAF in the fuel blend.
- 5) Documentation for the green fuel having been filled on each of the green operations in the previous month. It shall appear from the documentation that the quantity of filled fuel, flight number, airline, and the time and date. This information may be shared with the Danish Energy Agency to be used in connection with possible checks on overlaps in aid schemes, so that no aid is granted for the same fuel under several aid schemes.

(2) An airline may, upon agreement with the Danish Civil Aviation and Railway Authority, choose to submit the documentation described in subsection (1) either every two months or every three months. If this is chosen, the aid shall be paid accordingly either every two or three months, irrespective of subsection (4) of § 17.

(3) The airline shall submit annually a declaration given by an independent authorized accountant regarding the information referred to in numbers 1-5 of subsection (1). The accountant's declaration for the period from the start of the route up to and including 31 December 2026 must reach the Danish Civil Aviation and Railway Authority by 1 February 2027 at the latest. The declaration for the period 1 January 2027 to 31 December 2027 must reach the Danish Civil Aviation and Railway Authority by 1 February 2028 at the latest.

## Chapter 5

### *Administration, follow-up, etc.*

**§ 20.** Any entity submitting a bid under, or receiving subsidies under, this Order is obliged, at the request of the Danish Civil Aviation and Railway Authority, to provide any information relevant to the Danish Civil Aviation and Railway Authority's assessment of the bid or supervision of compliance with the terms and conditions laid down.

(2) Any tenderer or beneficiary of a aid under this Order shall bring to the attention of the Danish Civil Aviation and Railway Authority any change in circumstances which may affect the bid, the granted award or the payment of aid, or which conflict with the terms and conditions laid down by the Danish Civil Aviation and Railway Authority.

(3) Notifications under subsection (2) shall be made immediately from the moment when the tenderer or beneficiary has become aware that the situation has occurred or will occur.

**§ 21.** Aid unduly received pursuant to this Order, including aid received in breach of the declarations made in numbers 1-14 of subsection (1) of § 9 shall be paid back by the beneficiary to the Danish Civil Aviation and Railway Authority.

(2) The beneficiary must pay back the amount collected not later than 30 days from the date on which the Danish Civil Aviation and Railway Authority has sent a formal demand to do so.

(3) Interest calculated from the date of payment shall be added to amounts to be refunded in accordance with subsection (2). The interest rate shall be fixed in accordance with the method for fixing interest resulting from Chapter V of Commission Regulation No. 794 of 21 April 2004 implementing Council Regulation (EU) 2015/1589 laying down detailed rules for the application of Article 108 of the Treaty on the Functioning of the European Union with later amendments.

#### *Exemption*

**§ 22.** The Danish Civil Aviation and Railway Authority may in quite exceptional cases grant exemption from the provisions in this Order, when it is deemed to be compatible with the considerations on which the provisions in question are based, including international rules in this area.

**§ 23.** The Danish Civil Aviation and Railway Authority may recognize cases of force majeure and other exceptional circumstances that prevent the beneficiary from carrying out the green operations for a period of time.

(2) Examples of such cases may be, but are not excluded to:

- 1) a serious natural disaster;
- 2) a strike;
- 3) a pandemic or epidemic,
- 4) grounding of the aircraft type normally used on the route in question;
- 5) closure of one of the airports on the route or the airspace concerned;
- 6) the imposition of restrictions in the airspace concerned; or
- 7) serious disruption of operations at the airports concerned.

(3) If the Danish Civil Aviation and Railway Authority recognizes a case as referred to in subsection (1), this will result in a temporary suspension of the requirement for a minimum of 20 operations per week, cf. § 2, and the requirement for a minimum number of operations per month, cf. subsection (3) of § 18, and the period shall not be counted in the calculation of whether the beneficiary meets the requirements laid down in subsection (4) of § 18 and can therefore not result in cancellation of commitments.

(4) it is a condition for recognition of force majeure that the beneficiary could not have taken precautions without excessive costs.

(5) If the beneficiary wishes to invoke force majeure, this shall be notified in writing to the Danish Civil Aviation and Railway Authority within 15 working days from the start of the event. The notification shall be accompanied by adequate documentation.

#### *Access to complain*

**§ 24.** Decisions taken in accordance this Order may be brought before the Minister for Transport. The complaint shall be submitted to the Danish Civil Aviation and Railway Authority within 14 days after the decision having reached the complainant. If the decision is upheld, the Danish Civil Aviation and Railway Authority shall submit the case and its documents to the Minister for Transport as soon as possible and no later than 14 days upon receipt of the complaint.

### **Chapter 6**

#### *Implementation*

**§ 25.** This Order comes into force on 01 September 2025.

**§ 26.** This Order shall not apply to the Faeroe Islands and Greenland.

[The end]