

Neutralization of Fuel Tankering Emissions for Environmental Sustainability

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Green Team

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OUR MAIN OBJECTIVE

VERIFY IF THE BRAZILIAN
AVIATION INDUSTRY CAN
NEUTRALIZE THE CARBON
EMISSIONS FROM FUEL
TANKERING AND BE
**ENVIRONMENTALLY
SUSTAINABLE**

Fuel Tankering
impacts

Carbon Credits
compensations



Introduction

Fuel Tankering

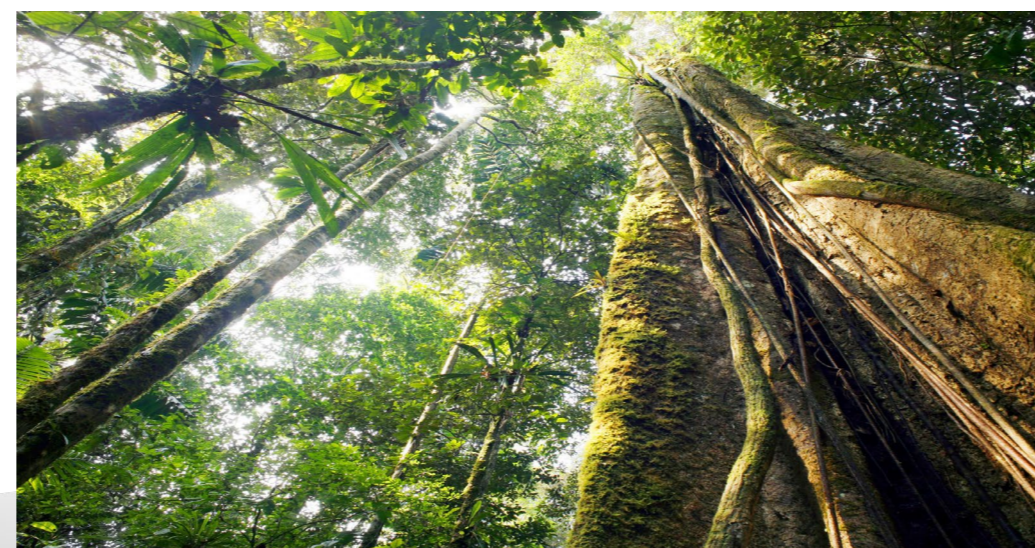


FUEL EXPENSES IN BRAZIL

Airline highest operational costs

30-35% In Brazil

23% Worldwide



Carbon Credits



SUSTAINABILITY

Fuel tankering is not environmentally friendly

Literature Review

Fuel Tankering
Economic savings

Primary focus on financial savings

Environmental
sustainability

Society and market pressure for companies with ecological results

Methodologies
minimize fuel tankering

Programs and initiatives aimed to reduce aviation CO2 emission

Brazilian
scenario

ICMS: tax rates defined independently by each State



Methodology



DATA FROM MORE THAN 90% OF BRAZILIAN DOMESTIC MARKET IN 2019

Fuel Tankering Data

Cost of Weight: 4-5%

X

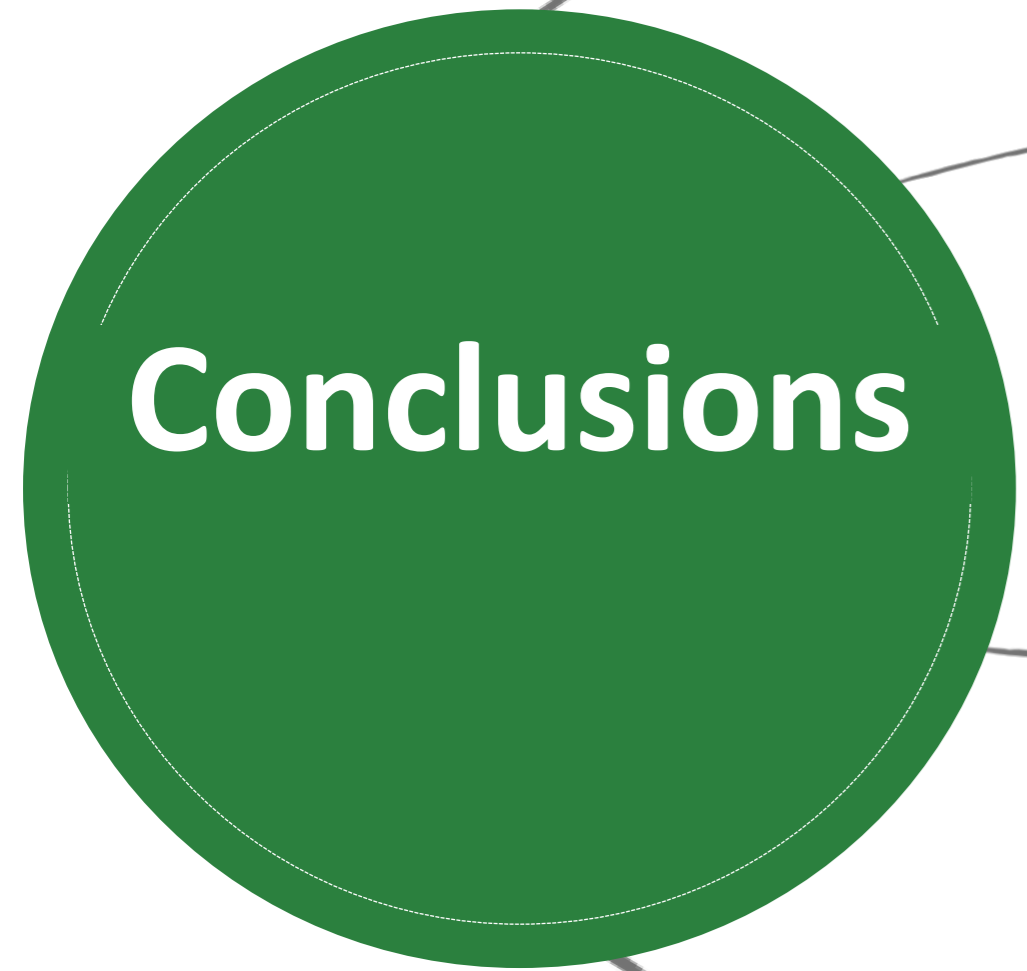
Carbon Emission Data

Carbon emission: 3.16 (kg CO₂ / kg fuel)

Carbon Credits to neutralize the emissions from Fuel Tankering practice

Total Fuel Tankering (Kg)	Extra Total fuel burned (Kg)	Carbon Credits Required
377.783.583	34.000.522	1.074.417

Conclusion



1

Financial investments to neutralize the carbon emission from Fuel Tankering practice has not been considered by the airlines

2

In Brazil, the difference between ICMS taxation is one of the root causes of Fuel Tankering existence

3

The Fuel Tankering environmental consequences have not been part of the airlines account savings

4

Carbon emission compensation/neutralization policies have not been detailed and cleared in the Brazilian aviation market.

Recommendations



Future Research and Lessons Learned

Future Research

- ✓ Same research in a post-pandemic scenario comparing the findings;
- ✓ Implemented policies in Brazil;
- ✓ State taxes and its impacts in the Fuel Tankering practice.

Lessons Learned

- ✓ Confidential data x Competitiveness;
- ✓ Investments for carbon neutralization is relatively low when compared to the savings provided;
- ✓ ICMS has been one of the main factors contributing to the Fuel Tankering practice.

Questions

Any Questions?



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THANK YOU!

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