

HVO consumption increased sharply

UFOP: greenhouse gas reduction quota legislation drives HVO consumption

Berlin, 05 August 2026 – Hydrogenated vegetable oil (HVO) defines the sales trend for incorporation in diesel blends. At approximately 205,000 tonnes, HVO use increased significantly compared with the same period of the previous year. According to the Union zur Förderung von Oel- und Proteinpflanzen e. V. (UFOP), the reasons are the raise of the GHG quota obligation from 10.6 per cent in 2025 to 12 per cent in 2026, the retrospective elimination as of 1 January 2026 of the double counting of biofuels derived from certain waste-based feedstock, and the provision that quota obligations from the obligation years 2025 and 2026 may not be met by using over-fulfilments from the respective previous year. The main reason given by UFOP is the statutory blending rate limit of 7 per cent under the diesel standard.

According to information from the Federal Office for Economic Affairs and Export Control (BAFA), the amount of biodiesel consumed in May 2026 remained virtually unchanged from the previous month at 263,600 tonnes, while rising almost 39 per cent year-on-year. At the same time, the use of HVO rose sharply, amounting to 270,700 tonnes in the first five months of the running year and significantly exceeding the previous year's 64,900 tonnes. Consumption of diesel totalled approximately 2.4 million tonnes, representing a 16 per cent increase on the previous month. The blending quota of biodiesel including HVO was 9.3 per cent, up 2 per cent from the year-earlier period. At 11.3 per cent, it had reached a two-digit figure for the first time in April. Under the diesel fuel standard, the biodiesel quota is limited to a maximum of 7 per cent. UFOP has estimated that, extrapolated linearly over the calendar year, HVO consumption would reach approximately 0.65 million tonnes and biodiesel consumption 2.05 million tonnes. However, looking ahead to the 2027 quota year, UFOP has pointed out that the trend in consumption may not continue in the same way. The quota obligation will rise sharply, by 5.5 per cent to 17.5. per cent, under the revised greenhouse gas reduction quota legislation. However, the mineral oil companies that are subject to quota obligations can use any unused GHG reduction quotas for offsetting purposes. UFOP expects the increased quotas to offset these quota volumes, meaning that physical demand will remain at its 2026 level. This had been the political aim of bringing forward the raise of quota obligations for 2027 (to 17.5 per cent) and 2028 (to 19.5 per cent) as called for by the biofuels associations and approved by the Bundestag.



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INFORMATION
Union zur Förderung von Oel- und Proteinpflanzen e. V.

Domestic consumption of biofuels
in Germany, in 1,000 tonnes

	cumulated						
	Jan.	Feb.	Mar.	Apr.	May	2026	2025
Biodiesel for blending	173.0	203.3	226.0	267.5	263.6	1,133.7	988.9
of which HVO	27.6	48.3	58.1	77.1	59.1	270.7	64.9
Diesel	2,164.5	2,137.1	2,266.7	2,096.6	2,434.7	11,101.7	12,587.0
Biodiesel + diesel	2,337.5	2,340.4	2,492.8	2,364.2	2,698.3	12,235.4	13,575.9
Biodiesel share	7.4	8.7	9.1	11.3	9.8	9.3	7.3
Source: BAFA, AMI							
Note: no pure fuel quantities taken into account							

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Quick information on UFOP e. V.:

The Union for the Promotion of Oil and Protein Crops e. V. (UFOP) represents the political interests of companies, associations and institutions involved in the production, processing and marketing of domestic oil and protein crops in national and international bodies. UFOP supports research to optimise agricultural production and for the development of new utilisation possibilities in the food, non-food and feed sectors. UFOP public relations aim to promote the marketing of domestic oil and protein crop end products.