

The Global Aviation Fuel Crisis

A Background Briefing for Journalists

April 11, 2026

This briefing contains publicly available information compiled from authoritative external sources. It is provided as background research for journalists covering the global aviation fuel crisis. All information sources are cited in footnotes.

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1. Situation Overview: The Crisis as of April 11, 2026

The global aviation industry is experiencing its most severe fuel supply crisis since the COVID-19 pandemic. The effective closure of the Strait of Hormuz since February 28, 2026, following the U.S.–Israel military strikes against Iran, has removed approximately 20% of the world’s seaborne oil trade from the market.¹ Jet fuel — one of the most acutely affected refined products — has seen prices nearly double, airlines cancel thousands of flights worldwide, and European airport authorities warn of systemic shortages within three weeks.²

A two-week ceasefire between the U.S. and Iran was announced on April 8, conditional on the reopening of the Strait. However, as of April 11, traffic through the waterway remains at a virtual standstill. ADNOC CEO Sultan Al Jaber stated on April 9: “The Strait of Hormuz is not open. Access is being restricted, conditioned and controlled.”³ Iran has indicated the strait may be mined, has issued navigation maps directing ships through Iranian-controlled lanes, and is reportedly charging transit tolls exceeding \$1 million per vessel.⁴

Negotiations are scheduled for Islamabad this weekend (April 12–13), but the outcome is deeply uncertain. The International Air Transport Association (IATA) has warned that even if the strait fully reopens, jet fuel supply recovery will take months due to damage to Middle Eastern refining capacity.⁵

Key Metrics at a Glance

INDICATOR	STATUS (April 11, 2026)
Strait of Hormuz traffic	~95% below pre-war levels; ~7–12 ships/day vs. 100+ pre-war ⁵
Jet fuel price (U.S. Gulf Coast)	\$4.14/gallon (spot); up 95% since Feb. 27 ⁹
Jet fuel price (U.S. retail Jet-A)	\$8.63/gallon average (April 2026) ⁸
IATA global average	\$209/barrel (week ending April 7) ⁷
Global flights canceled (single day)	7,049 of 104,618 (6.7%), incl. 14.6% of N. America departures ¹¹
European airport fuel reserves	Systemic shortage within 3 weeks if Hormuz remains closed ¹
Ceasefire status	Fragile; talks in Islamabad April 12–13 ²³
Vessels stranded in Persian Gulf	600+, including 325 tankers ⁶

¹Wikipedia, “2026 Strait of Hormuz crisis.” https://en.wikipedia.org/wiki/2026_Strait_of_Hormuz_crisis (continuously updated).

²CNBC, “Airports could face a jet fuel crunch within 3 weeks,” April 10, 2026. <https://www.cnbc.com/2026/04/10/jet-fuel-shortage-european-airports-strait-of-hormuz.html>

³Al Jazeera, “Shipping in Strait of Hormuz at a standstill despite US-Iran ceasefire,” April 10, 2026.

⁵Manila Times / Reuters, “IATA chief says jet fuel supply could take months to recover after Hormuz reopening,” April 9, 2026.

2. The Strait of Hormuz: What Happened and Where It Stands

On February 28, 2026, the United States and Israel launched an air war against Iran. Iran’s Islamic Revolutionary Guard Corps (IRGC) retaliated by effectively closing the Strait of Hormuz, issuing warnings to all maritime traffic, launching at least 21 confirmed attacks on merchant vessels, and reportedly laying sea mines in the strait.⁶

Under normal conditions, approximately 20 million barrels of oil per day transit the strait — representing roughly 20% of global seaborne oil trade and a critical share of refined petroleum products including jet fuel. For Europe specifically, at least 42% of total seaborne jet fuel imports passed through the Strait of Hormuz before the crisis.⁷

The Ceasefire: April 8 Onward

A two-week ceasefire was announced on April 8, brokered by Pakistan. Under the terms, the U.S. and Israel would halt strikes and Iran would allow resumption of shipping through Hormuz. However, the ceasefire has not translated into meaningful maritime traffic.⁸

S&P Global Commodities at Sea projected that Hormuz traffic may climb to only 25% of pre-war levels over the following week. Most of the approximately 500 oil, chemical, products, and LPG ships currently stranded inside the strait could take until April 24 to exit.⁹

Iran has insisted that ships seeking to transit the strait must secure its permission. The Iranian navy released a map indicating it may have mined the strait, outlining designated shipping lanes through Iranian-controlled waters. Reports indicate Iran is charging transit tolls of over \$1 million per vessel.¹⁰ U.S.–Iran talks are scheduled for Islamabad on April 12–13, but key points of contention remain: Tehran’s control of the strait, Israel’s ongoing strikes on Hezbollah in Lebanon, and Iran’s enriched uranium stockpile.¹¹

3. Jet Fuel Pricing: The Scale of the Shock

Jet fuel has experienced one of the sharpest price surges in recent history. While crude oil prices have risen approximately 43–50% since the conflict began, jet fuel has surged disproportionately due to refining capacity constraints and the particular vulnerability of aviation kerosene to supply disruption.¹²

Price Movements Since February 28

BENCHMARK	PRE-WAR (Feb. 27)	CURRENT (April 2026)
U.S. Gulf Coast spot (\$/gal)	\$2.50	\$4.14–\$4.88
U.S. retail Jet-A (\$/gal)	~\$6.60	\$8.63 average
IATA global average (\$/barrel)	~\$100	\$209

⁷Euronews, “How serious will the jet fuel crisis in Europe become?” April 7, 2026.

⁸UN News, “Iran ceasefire raises hopes for reopening key Strait of Hormuz,” April 8, 2026.

⁹NBC News, “Strait of Hormuz shipping traffic is effectively at a standstill despite Iran ceasefire,” April 9, 2026.

¹¹CBS News, “Live Updates: U.S., Iran prepare for talks as shaky ceasefire holds,” April 10, 2026.

¹²Kavout, “How Did Jet Fuel Prices Skyrocket So Dramatically,” April 6, 2026.

Crack spread (refining margin)	Baseline	+80% since conflict
Brent crude (\$/barrel)	~\$67	\$96–\$100

Sources: Argus U.S. Jet Fuel Index via Airlines for America¹³; IATA Fuel Monitor¹⁴; Aviation Week/ARGUS¹⁵; GlobalAir.com¹⁶

IATA had projected a stable 2026 with fuel averaging roughly \$2.10 per gallon. These projections became obsolete by mid-March. Many major carriers had moved away from traditional fuel hedging programs during the low-volatility environment of 2024–2025, leaving them fully exposed to this price shock.¹⁷

The national average price for sustainable aviation fuel (SAF) in the U.S. stood at \$10.25 per gallon as of April 10, 2026 — a premium that, while still significant, is narrowing as conventional jet fuel prices surge toward it.¹⁸

¹³The Hill, “International jet fuel shortage drives up airfare costs, flight cancellations,” April 5, 2026.

¹⁴IATA Jet Fuel Price Monitor, week ending April 7, 2026. <https://www.iata.org/en/publications/economics/fuel-monitor/>

¹⁵Aviation Week, “Jet-A Fuel Prices Jump In April 2026, Survey Shows,” April 11, 2026.

¹⁶GlobalAir.com, “100LL & Jet Fuel Prices at U.S. Airports & FBOs By Region,” April 10, 2026.

4. Airline Operational Impacts: Cancellations, Capacity Cuts, and Fare Surges

The operational impact on airlines is the most severe since COVID-19, although IATA Director General Willie Walsh has emphasized the situations are not comparable: “In COVID, capacity reduced by 95% because borders closed. We’re nowhere near that.” He compared the current crisis to the post-9/11 recovery (approximately four months) or the 2008–2009 downturn (10–12 months).¹⁹

Major Carrier Actions (as of April 11, 2026)

AIRLINE	REGION	ACTION TAKEN
United Airlines	U.S.	~5% route cuts in Q2/Q3; CEO warned annual fuel bill could rise \$11 billion
Delta Air Lines	U.S.	3.5% capacity cut; refinery ownership providing partial hedge
SAS	Europe	1,000 flights canceled in April
Lufthansa	Europe	Contingency plans for grounding 20–40 aircraft (2.5–5% capacity)
Air New Zealand	Asia-Pacific	1,100 flights cut through early May
Vietnam Airlines	Asia	23 domestic flights/week cut; 10–20% capacity reduction possible
Batik Air Malaysia	Asia	Domestic operations slashed by 36%
Ryanair	Europe	CEO warned of 5–10% flight cancellations if crisis continues
Air France-KLM	Europe	Drawing up shortage scenarios; Southeast Asian airports at heightened risk
Cathay Pacific	Asia	Fuel surcharges raised 34% from April 1

Sources: CNBC²⁰; The Hill²¹; Kavout²²; Focus on Travel News²³; Scandasia²⁴; Gulf News²⁵

Fare Impacts

Airfares on several international and regional routes have surged 30–40%, with additional fuel surcharges further inflating travel costs. Ticket prices for the week beginning March 9 were up 24% from the same week in 2025, according to OAG. Budget carriers in Asia are reporting 15–25% fare

¹⁹RTE / Reuters, “Jet fuel supplies to take ‘months’ to recover – IATA,” April 8, 2026.

²³Focus on Travel News, “Jet Fuel Shortage 2026: Which Airports Are Affected,” April 7, 2026.

²⁴Scandasia, “Jet fuel shortages force Asian airlines to cancel flights,” April 7, 2026.

²⁵Gulf News, “Global Jet Fuel Crisis Deepens,” April 7, 2026.

increases on affected routes. Some foreign carriers have introduced fuel surcharges of up to \$150 per ticket.²⁶²⁷

Italy has imposed fuel rationing at seven airports — Bologna, Milan Linate, Venice Marco Polo, Treviso, Brindisi, Pescara, and Reggio Calabria — with caps as low as 2,000 liters per aircraft for non-priority short-haul flights.²⁸

5. European Supply: Three Weeks from Systemic Shortage

On April 9, ACI Europe (Airports Council International) wrote to the EU Commissioner for Sustainable Transport and Tourism warning that a systemic jet fuel shortage is set to materialize by early May 2026 if Hormuz passage does not resume within three weeks.²⁹

The EU typically imports over 60% of its jet fuel from Gulf refineries, with 40% of that volume passing through the Strait of Hormuz. The final jet fuel cargoes that passed through the strait before its closure arrived at European ports around April 10. No further deliveries are confirmed for the remainder of April.³⁰

Country-Level Fuel Reserve Estimates

Argus Media, drawing on Eurostat data, has estimated available commercial jet fuel stocks by country. While these are not official government projections and do not fully account for demand shifts or airport-specific exposures, they provide a guide to relative vulnerability:³¹

COUNTRY	ESTIMATED JET FUEL STOCK COVER
United Kingdom	~3 months
Portugal	~4 months
Hungary	~5 months
Denmark	~6 months
Italy	~7 months
Germany	~7 months
France	~8 months
Ireland	~8 months

Source: Argus Media estimates based on Eurostat data, as cited by Euronews, April 7, 2026.³²

ACI Europe noted that smaller regional airports in Norway and Sweden are at the highest risk, as they typically maintain only 4–5 weeks of fuel reserves on-site and lack the deep-water port or pipeline connectivity found at major hubs like London Heathrow or Paris Charles de Gaulle.³³

U.S. monthly jet fuel exports to Europe reached their highest level in March, approaching 400,000 tonnes. However, that volume remains far below the 1.4 million tonnes of jet fuel normally imported into the EU-27 and the UK in a single month, highlighting the slow pace at which U.S. exports can close the shortfall.³⁴

²⁹ACI Europe letter to EU Commissioner for Sustainable Transport and Tourism, April 9, 2026.

³⁰Travel and Tour World, “SAS Unites With Lufthansa, and Air France-KLM in Facing the Brunt of Jet Fuel Shortage,” April 11, 2026.

6. Asia-Pacific: Acute Supply Disruption and the China Factor

Asia-Pacific carriers have been among the hardest hit, given the region's heavy dependence on Middle Eastern fuel imports and its proximity to the disrupted supply chains.³⁵

China Suspends Fuel Exports

On March 4, China's National Development and Reform Commission directed all major refiners and traders to halt new export contracts for gasoline, diesel, and refined petroleum products, with the exception of bonded jet fuel for international flights, marine fuel, and supplies to Hong Kong and Macau. The directive was described as an administrative freeze rather than a formal regulatory change, but it carries significant weight.³⁶

Thailand has also halted jet fuel exports, and South Korea has capped refined product exports at 2025 levels. South Korea — which routes approximately 70% of its crude oil imports through the Strait of Hormuz and supplied 85% of total U.S. jet fuel imports as recently as March — is suffering some of the worst effects of any non-combatant country.^{37,38}

The Used Cooking Oil (UCO) Supply Chain Disruption

Simultaneously and independently of the Hormuz crisis, the global supply chain for used cooking oil (UCO) — the primary feedstock for sustainable aviation fuel (SAF) production — is undergoing a structural disruption.

China, the world's largest UCO exporter, eliminated its 13% UCO export tax rebate in December 2024. UCO exports dropped 60% month-on-month immediately following the policy change.^{39,40}

China's UCO exports to the United States — its largest buyer, with 1.27 million metric tons (\$1.2 billion) shipped in 2024 — are now plunging further due to the imposition of 125% tariffs under the U.S.–China trade war. The last cargoes sailed in late March/early April 2026.⁴¹

Meanwhile, China's own domestic SAF production is growing rapidly, absorbing 100,000–120,000 tons of UCO per month, with several new SAF plants coming online in 2025–2026. The net effect is a structural reduction in UCO available for export. The EU, which mandated 2% SAF use from January 2025, is expected to become the primary destination for remaining Chinese UCO exports.⁴²

This creates a double squeeze on global SAF production: the primary feedstock (UCO) is becoming scarcer and more expensive at precisely the moment that SAF mandates are tightening and conventional jet fuel prices are making SAF relatively more cost-competitive.

³⁵Nomad Lawyer, "Fuel crunch hits Vietnam Airlines domestic flights by 20% in April 2026," April 10, 2026.

³⁶S&P Global Platts, "China slashes oil product exports to ensure domestic supply," March 5, 2026.

³⁷Argus Media, "Epic Fury fires global jet prices to new heights," March 2026.

³⁹USDA Foreign Agricultural Service, "China: UCO Export Tax Rebate Terminated," November 25, 2024.

⁴⁰USDA Foreign Agricultural Service, "China: UCO Trade Update," 2025.

⁴¹Reuters via Advanced BioFuels USA, "China Pivots to Europe for Used Cooking Oil Exports as Tariffs Hit Shipments to US," 2026.

7. Recovery Outlook: Months, Not Weeks

IATA Director General Willie Walsh warned on April 8 that even if the Strait of Hormuz were to reopen and remain open, it would still take months for jet fuel supply to recover. The disruption to refining capacity in the Middle East — a critical part of the global supply of refined products — cannot be reversed quickly.⁴³

Walsh pointed to India and Nigeria as countries with capacity to increase refined fuel output in the interim, and expressed hope that China and South Korea would resume refined product exports once crude flows normalize. However, the elevated crack spread (refining margin) provides strong financial incentives for refineries worldwide to prioritize jet fuel production, which may partially offset the supply gap.⁴⁴

Structural Vulnerabilities Exposed

The crisis has exposed several structural vulnerabilities in the global aviation fuel supply chain:

- Geographic concentration: Over 20% of global seaborne oil trade passes through a single 21-nautical-mile-wide waterway.⁴⁵
- Refining capacity shift: North America and Europe have lost 2.4 million barrels/day of refining capacity since 2020, while new capacity has shifted to Asia and the Middle East — increasing dependence on longer, more vulnerable supply chains.⁴⁶
- Hedging gaps: Many major carriers abandoned fuel hedging programs during the low-volatility period of 2024–2025, leaving them fully exposed to the price shock.⁴⁷
- Feedstock dependency: Global SAF production remains overwhelmingly dependent on a single feedstock category (used cooking oil and animal fats), with over 80% of production using the HEFA pathway.⁴⁸
- Inventory fragility: Airports operate on a just-in-time delivery model with limited on-site fuel storage, meaning even short supply disruptions create immediate operational crises.⁴⁹

8. Why This Matters Beyond Aviation

The aviation fuel crisis is not an isolated industry event. It sits at the intersection of three converging disruptions:

- Geopolitical energy disruption: The Strait of Hormuz closure affects all refined petroleum products, not only jet fuel. Diesel, gasoline, and LNG supply chains are all under pressure, with cascading effects on agriculture, freight, and manufacturing.
- The SAF feedstock squeeze: China's UCO export reductions (driven by both tariffs and domestic SAF production growth) are tightening the primary feedstock supply for the world's

⁴⁶IATA, "Conventional Aviation Fuel and the Energy Transition" (In-Depth Report), 2025.

⁴⁸IATA, "Disappointingly Slow Growth in SAF Production," December 10, 2024.

only scalable alternative to fossil jet fuel, at the exact moment that regulatory mandates are increasing demand.

- Regulatory acceleration: The EU ReFuelEU mandate (2% SAF by 2025, scaling to 70% by 2050), ICAO CORSIA (mandatory from 2027), and mandates in the UK, Japan, Singapore, India, and South Korea are all creating binding demand for SAF that the current production infrastructure cannot meet.

The combined effect is a structural supply crisis that cannot be resolved by the reopening of a single maritime chokepoint. Even if the Strait of Hormuz fully reopens, the aviation industry's dependence on a fragile, geographically concentrated fuel supply chain has been exposed. The question of where new, diverse, scalable sources of both conventional jet fuel and SAF feedstock will come from is no longer theoretical. It is the central strategic question facing the global aviation industry today.

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