Europe Bunker Fuel Market, By Fuel Type (High Sulfur Fuel Oil (HSFO), Very Low Sulfur Fuel Oil (VLSFO), Marine Gas Oil (MGO), Liquefied Natural Gas (LNG), Other), By Vessel Type (Containers, Tankers, General Cargo, Bulk Carriers, Other), By Country, Competition, Forecast & Opportunities, 2020-2030F

Market Report | 2025-03-24 | 123 pages | TechSci Research

AVAILABLE LICENSES:

- Single User License $4000.00
- Multi-User License $5000.00
- Custom Research License $7500.00

Report description:

Europe Bunker Fuel Market was valued at USD 39.27 Billion in 2024 and is expected to reach USD 54.85 Billion by 2030 with a CAGR of 5.57% during the forecast period.

Bunker fuel is a type of fuel oil primarily used to power large marine vessels, such as cargo ships, tankers, and cruise liners. It is a heavy, viscous fuel derived from the residue left after crude oil is refined into lighter products like gasoline and diesel. Due to its thick and impure nature, bunker fuel requires heating before it can be efficiently used in ship engines. It is classified into different grades, with Bunker A being the lightest, Bunker B having a medium viscosity, and Bunker C, also known as heavy fuel oil (HFO), being the most commonly used.

Bunker fuel has historically been a major contributor to air pollution due to its high sulfur content. However, to reduce environmental impact, the International Maritime Organization (IMO) introduced regulations such as IMO 2020, which limits sulfur emissions to 0.5% for most ships, down from the previous 3.5%. This has led to the increased use of low-sulfur fuels, liquefied natural gas (LNG), and scrubber systems to comply with regulations.

Despite its challenges, bunker fuel remains essential for global trade, powering the majority of the world's shipping fleet. As sustainability becomes a priority, cleaner alternatives and advanced technologies are being explored to reduce its environmental footprint.

Key Market Drivers

Growth in Maritime Trade and Port Activities

Europe is home to some of the world's busiest ports, including Rotterdam, Hamburg, and Antwerp, which serve as major gateways for international trade. The increasing volume of import and export activities has been a crucial driver for the bunker fuel market.

The European Union (EU) is a major hub for global trade, with industries relying on maritime shipping for transporting goods such as automobiles, machinery, chemicals, and agricultural products. As global trade recovers post-pandemic, there has been a steady rise in container shipping, bulk carriers, and oil tankers, all of which require significant bunker fuel consumption. Additionally, the expansion of port infrastructure and the adoption of digitalization in logistics have improved operational efficiency, reducing delays and increasing fuel demand. The European shipping industry's shift towards larger vessels that consume more fuel per trip also contributes to the growing bunker fuel market. Handles over 470 million tons of cargo annually, contributing to about 30% of Europe's bunker fuel consumption.

Key Market Challenges

Rising Costs and Price Volatility of Marine Fuels

One of the biggest challenges in the Europe bunker fuel market is the rising costs and price volatility of marine fuels. The IMO 2020 regulation, which limits the sulfur content of marine fuel to 0.5%, has forced ship operators to transition from high-sulfur fuel oil (HSFO) to low-sulfur fuel oil (LSFO) and other alternatives like liquefied natural gas (LNG). This shift has significantly increased fuel costs, as LSFO and LNG are more expensive than traditional bunker fuels.

Price volatility is another critical issue. The cost of marine fuel is influenced by global crude oil prices, geopolitical tensions, supply chain disruptions, and refining capacity constraints. Events such as the Russia-Ukraine conflict have caused fluctuations in oil prices, directly impacting bunker fuel prices. Additionally, OPEC+ decisions on oil production affect the supply and cost of refined fuels, adding further uncertainty to the market.

The increased demand for LNG and very-low-sulfur fuel oil (VLSFO) has led to supply shortages, pushing prices even higher. For example, in 2022, the price of VLSFO surged by nearly 70% due to the ongoing energy crisis in Europe. This made it difficult for shipping companies to manage fuel costs, especially for small and mid-sized operators with limited financial resources. Moreover, carbon pricing mechanisms and environmental taxes imposed by the European Union (EU) are adding to the financial burden on the shipping industry. The EU Emissions Trading System (EU ETS) is expected to further increase bunker fuel costs, as companies will need to purchase carbon credits for their emissions.

To cope with these challenges, shipping companies are exploring fuel-efficient technologies, slow steaming (reducing ship speed to lower fuel consumption), and alternative energy sources. However, the high initial investment required for new fuel systems and energy-efficient vessels remains a major obstacle for many operators.

Key Market Trends

Shift Towards Low-Sulfur and Alternative Fuels

One of the most prominent trends in the Europe bunker fuel market is the transition from high-sulfur fuel oil (HSFO) to low-sulfur and alternative fuels. This shift is largely driven by the IMO 2020 regulation, which limits the sulfur content in marine fuels to 0.5%, as well as the European Union's (EU) commitment to reducing greenhouse gas (GHG) emissions in the shipping sector.

As a result, the demand for very-low-sulfur fuel oil (VLSFO) and marine gas oil (MGO) has increased significantly, replacing traditional HSFO in many vessels. Additionally, liquefied natural gas (LNG) has emerged as a viable alternative due to its lower emissions of sulfur oxides (SOx), nitrogen oxides (NOx), and carbon dioxide (CO?). Major European ports, including Rotterdam, Antwerp, and Hamburg, have expanded their LNG bunkering infrastructure to support this growing demand.

Beyond LNG, the industry is also exploring biofuels, synthetic fuels, and methanol as potential replacements for conventional bunker fuel. Biofuels, such as those developed from waste oils and algae, offer a low-carbon alternative that can be used in existing ship engines with minimal modifications. Companies like GoodFuels and Neste are already supplying bio-based marine fuels in European ports. Additionally, there is rising interest in green hydrogen and ammonia, which could provide zero-emission solutions for the maritime industry. However, challenges related to production costs, infrastructure, and storage are delaying widespread adoption. The EU's Fit for 55 package and the FuelEU Maritime initiative are expected to accelerate investment in these alternative fuels, pushing the market toward greater sustainability.

This shift in fuel preferences is not just a regulatory response-it is also a strategic move by shipping companies to future-proof their operations against stricter environmental laws and carbon pricing mechanisms. The trend towards cleaner fuels is expected to continue, shaping the future of bunker fuel consumption in Europe.

Key Market Players

-□ExxonMobil Corporation

-Chevron Corporation
-TotalEnergies SE
-Vitol Group
-Trafigura Limited
-Glencore Plc
-Monjasa A/S
-Koch Inc.
Report Scope:
In this report, the Europe Bunker Fuel Market has been segmented into the following categories, in addition to the industry trends which have also been detailed below:
-Europe Bunker Fuel Market, By Fuel Type:
o High Sulfur Fuel Oil (HSFO)
o Very Low Sulfur Fuel Oil (VLSFO)
o Marine Gas Oil (MGO)
o Liquefied Natural Gas (LNG)
o Other
-Europe Bunker Fuel Market, By Vessel Type:
o Containers
o Tankers
o General Cargo
o Bulk Carriers
o Other
-Europe Bunker Fuel Market, By Country:
o Norway
o United Kingdom
o Italy
o Denmark
o Germany
o Netherland
o Poland
o Rest of Europe
Competitive Landscape
Company Profiles: Detailed analysis of the major companies present in the Europe Bunker Fuel Market.
Available Customizations:
Europe Bunker Fuel Market report with the given market data, TechSci Research offers customizations according to a company's specific needs. The following customization options are available for the report:
Company Information
-Detailed analysis and profiling of additional market players (up to five).

Table of Contents:

16. Strategic Recommendations
17. About Us & Disclaimer

Europe Bunker Fuel Market, By Fuel Type (High Sulfur Fuel Oil (HSFO), Very Low Sulfur Fuel Oil (VLSFO), Marine Gas Oil (MGO), Liquefied Natural Gas (LNG), Other), By Vessel Type (Containers, Tankers, General Cargo, Bulk Carriers, Other), By Country, Competition, Forecast & Opportunities, 2020-2030F

Market Report | 2025-03-24 | 123 pages | TechSci Research

To place an Order with Scotts International:

- - Print this form
- - Complete the relevant blank fields and sign
- - Send as a scanned email to support@scotts-international.com

ORDER FORM:

Select license	License	Price
	Single User License	$4000.00
	Multi-User License	$5000.00
	Custom Research License	$7500.00
	VAT	
	Total	

*Please circle the relevant license option. For any questions please contact support@scotts-international.com or 0048 603 394 346.

** VAT will be added at 23% for Polish based companies, individuals and EU based companies who are unable to provide a valid EU Vat Numbers.

Email*		Phone*	
First Name*		Last Name*	
Job title*			
Company Name*		EU Vat / Tax ID / NIP number*	
Address*		City*	
Zip Code*		Country*	

Date	2025-05-12
Signature	