

Procedure file

Basic information	
COS - Procedure on a strategy paper (historic) 2002/2068(COS)	Procedure completed
Road transport: alternative fuels and promotion of biofuels	
Subject 3.60.02 Oil industry, motor fuels	

Key players				
European Parliament	Committee responsible	Rapporteur	Appointed	
	ITRE Industry, External Trade, Research, Energy		24/01/2002	
		PPE-DE FIORI Francesco		
	Committee for opinion	Rapporteur for opinion	Appointed	
	ECON Economic and Monetary Affairs	The committee decided not to give an opinion.		
	ENVI Environment, Public Health, Consumer Policy	The committee decided not to give an opinion.		
	AGRI Agriculture and Rural Development	The committee decided not to give an opinion.		
	RETT Regional Policy, Transport and Tourism	The committee decided not to give an opinion.		
Council of the European Union European Commission	Commission DG Energy and Transport	Commissioner		

Key events			
07/11/2001	Non-legislative basic document published	COM(2001)0547	Summary
11/04/2002	Committee referral announced in Parliament		
01/10/2002	Vote in committee		
01/10/2002	Committee report tabled for plenary	A5-0319/2002	
22/10/2002	Decision by Parliament	T5-0491/2002	Summary
22/10/2002	End of procedure in Parliament		
11/12/2003	Final act published in Official Journal		

Technical information	
Procedure reference	2002/2068(COS)

Procedure type	COS - Procedure on a strategy paper (historic)
Procedure subtype	Commission strategy paper
Legal basis	Rules of Procedure EP 142
Stage reached in procedure	Procedure completed
Committee dossier	ITRE/5/16116

Documentation gateway					
Non-legislative basic document		COM(2001)0547	07/11/2001	EC	Summary
Committee of the Regions: opinion		CDR0034/2002 OJ C 278 14.11.2002, p. 0029	16/05/2002	CofR	
Committee report tabled for plenary, single reading		A5-0319/2002	01/10/2002	EP	
Text adopted by Parliament, single reading		T5-0491/2002 OJ C 300 11.12.2003, p. 0025-0117 E	22/10/2002	EP	Summary

Road transport: alternative fuels and promotion of biofuels

PURPOSE : to present a plan of action on alternative fuels for road transportation and on a set of measures to promote the use of biofuels.

CONTENT : the Commission communication specifies three main potential alternative ranges of fuels that could each be developed up to the level of 5% or more of the total automotive fuel market by 2020: biofuels, natural gas and hydrogen. In addition, the technology of hybrid cars, combining combustion and electric drives, offers a degree of fuel saving comparable to what alternative fuels may offer. These alternative fuels and technology are described below, along with other alternatives that do not look quite so promising yet, but might offer more limited contributions. The present communication does not set out to deliver the definitive answers to the challenges outlined above. It does, however, try to identify an approach to be followed during the coming years necessary to allow the EU to achieve the medium-term goals of 20% substitution of conventional automotive fuel by 2020 and to do it in a way that sets the direction for the development of road transport systems in the decades following 2020. In order to promote the development described above, the Commission will act according to the following plan of action: 1) two Commission proposals are attached to this Communication The first proposal concerns a Directive requiring an increasing proportion of all diesel and gasoline sold in the Member States to be biofuel, announcing, for a second phase, an obligation of a certain percentage of biofuels to be blended into all gasoline and diesel (see COD/2001/0265). The second proposal creates a European-wide framework allowing Member States to apply differentiated tax rates in favour of biofuels (see CNS/2001/0266); 2) the establishment of a formalised contact group to give advice on the further introduction of alternative fuels, particularly natural gas and hydrogen over the next 20 years. The contact group will be chaired by the Commission and include important stakeholders such as the car industry, the gas industry, the electricity industry and NGOs in its makeup. It will deliver its first report by the end of 2002 and regularly (e.g. every two years) thereafter. In accordance with this, the Commission will report regularly to the Council and Parliament, by mid 2003 for the first time; 3) alternative fuels or technologies not directly covered by the action plan (LPG, DME, electric cars) will continuously be monitored by the Commission as part of its overall commitments on security of energy supply and sustainable development; 4) consumers will be kept properly informed by public information and by information from car manufacturers about the possibilities of using biofuels. As part of the implementation of Strategy to reduce emissions and improve fuel economy, inter alia the following actions will be included in the Commission activities: - the Commission will put forward - as a third pillar of the Strategy to reduce emissions and improve fuel economy - a communication on options for establishing a reference framework for fiscal measures in order to close the gap of 20 g CO₂/km between the Community objective and the commitment of the car manufacturers' associations; - in addition, support for the accelerated introduction of advanced, high efficiency cars should be considered; - in connection with the 2003/2004 review of the CO₂ commitments the Commission and the car industry will also address post-2008 fuel efficiency targets; - the Commission will continue the discussions with the car industry to take appropriate measures in order to reduce the CO₂ emissions from light duty vehicles.?

Road transport: alternative fuels and promotion of biofuels

The European Parliament adopted the resolution drafted by Francesco FIORI (EPP-ED, It) on the Commission communication on biofuels. Parliament pointed out that EU overall import dependency for energy is 50% and projected to rise upto 71% by 2030 if no action is taken. It welcomed the Commission's communication but stated that the objective from the outset should be the achievement of a low to zero emission transport sector. Parliament supports an EU strategy aiming at increasing the market share of alternative fuels. Biofuels represent an indigenous, CO₂-neutral fuel, the promotion of which will have a positive impact on job-creation and the agricultural sector, all the more considering that rape and wheat used for the production of biofuels deliver protein-rich feedstuff as by-product. Increased use of alternative fuels must be accompanied by a careful analysis of the environmental effects of the cultivation, processing and use of raw materials. There must be clear benefits compared with the use of conventional fuels. At present, not all biofuels available on the market meet strict environmental efficiency criteria. In some cases their production is linked to high energy input and greenhouse gas emissions. Parliament went on to state that developing the use of natural gas and LPG contributes to the diversification of energy supply, as gas is distributed more evenly around the world and comes from countries whose geopolitical situation is more stable. The Commission and Member States should encourage research on both natural gas and LPG through the sixth Framework Programme. The commission needs also to develop a

long-term fiscal strategy for biofuels and alternative fuels that takes into account a life-cycle approach. The basis for fiscal policy should be related to the level of emissions and the energy content, thus avoiding problems with widely differing energy content per litre or cubic metre among traditional and new fuels. Parliament disagreed with the Commission that hydrogen is only a medium to long-term option, as most of the technology is in the final stages of development. It is important to encourage, in the short and medium-term, the use of hydrogen as a motor fuel, particularly for public transport until fuel cell cars come onto the market.?