Fuels and energy from renewable sources: transition to biofuels to deliver greenhouse gas savings

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The Committee on the Environment, Public Health and Food Safety adopted a report by Corinne LEPAGE (ALDE, FR) on the proposal for a directive of the European Parliament and of the Council amending Directive 98/70/EC relating to the quality of petrol and diesel fuels and amending Directive 2009/28/EC on the promotion of the use of energy from renewable sources.

The Committee on Industry, Research and Energy, in exercising its prerogatives as an associated committee in accordance with <u>Article 50 of</u> Parliaments Rules of Procedure, was also consulted for an opinion on this report.

The parliamentary committee recommends that the European Parliaments position adopted at first reading according to the ordinary legislative procedure should amend the Commissions proposal as follows:

Objectives of the Directive and the inclusion of the ILUC (indirect land-use change) factor: the Directive should have as its objectives: (i) ensuring a single market for fuel for the transport sector; (ii) ensuring that minimum levels of environmental protection are respected; and (iii) avoid adverse effects of the production and utilisation of biofuels on food security and on land use.

Members consider it necessary to take into account the impact of indirect land-use change (ILUC) on greenhouse gas emissions and to adopt appropriate measures to address that impact, while taking necessary measures to provide certainty for investment and to protect investments already made.

First generation biofuels: to prepare for the transition to advanced biofuels and to reduce to a minimum the global impact on ILUC in the period up to 2020, it is appropriate to limit volumes of biofuels and bioliquids obtained from food and energy crops that can be counted towards targets set out in Directive 2009/28/EC and Directive 98/70/EC.

According to Members, the share of biofuels and bioliquids derived from cereals and other starch rich crops, sugars and oil crops cultivated that can be counted towards the targets of Directive 2009/28/EC should be limited to 5.5% of the final consumption of energy in transport in 2020 (the Commission had initially proposed a limit of 5%).

Fuels: Member States should require suppliers to ensure the placing on the market of petrol with a maximum oxygen content of 2.7 % and a maximum ethanol content of 5 % until the end of 2018. Consumers should receive the appropriate information directly at the duel filler pump.

The amendments stipulate that Member States shall require suppliers to reduce as gradually as possible life cycle greenhouse gas emissions per unit of energy from fuel and energy supplied by up to 13 % by 31 December 2025, compared with the fuel baseline standard.

This reduction shall consist of the following: (a) 9 % by 31 December 2025. Suppliers, for this reduction, would be required to comply with the following intermediate targets: 4% by 31 December 2017 and 6% by 31 December 2020.

The report also proposes clarifying the status of renewable liquid and gaseous fuels of non-biological origin, for which the Commission proposes would count four times. Power-to-gas and power-to-liquid technologies will have a crucial role to play in the future in decarbonising the transport sector.

Forest protection: the report stresses that the growing demand for forest biomass, combined with institutional and governance deficiencies present in many regions of the world, pose a threat to the sustainable management of forests and can lead to forest degradation, deforestation and biodiversity loss. Similar concerns apply to wetlands.

Given that the sustainability criteria in Directives 2009/28/EC and 98/70/EC are not designed to address these risks, safeguards should be introduced in order to ensure that biofuels and bioliquids made from raw material obtained from existing forests may only be taken into account for the purpose of these Directives if they are supplied from forests that are sustainably managed.

Energy efficiency in transport: the report stresses the importance of generating electricity from renewable sources as well as advanced biofuels to allow the Union and its Member States to achieve this objective sustainably in the transport sector.

A 12% energy efficiency target should be set for the transport sector in order to create synergies with vehicle CO2 emission reduction measures and encourage Member States to review transport policies.

To encourage the market penetration of electric vehicles, Members call for the share of electricity from renewable energy sources used in all forms of transport to be at least 2% of the final consumption of energy in transport by 2020.

Review: the Commission shall, before 31 December 2017, submit a report reviewing the effectiveness of the measures introduced by this Directive in limiting indirect land-use change greenhouse gas emissions associated with the production of biofuels and bioliquids.

Members call for the report to include a review of the effectiveness of the incentives provided for biofuels from non-land using feedstocks and non-food crops. It should: (i) include an assessment of the availability of such biofuels and of their environmental, economic and social impacts; (ii) assess, inter alia, the impact of biofuel production on the availability of wood as a resource and on sectors using biomass.

The report shall, if appropriate, be accompanied by a legislative proposal for establishing appropriate sustainability criteria for biofuels from non-land using feedstocks and non-food crops.