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

2012/0288(COD) - 16/12/2014 - Commission communication on Council's position

The Commission regrets that, with regards to its original proposal, the Council position at first reading has significantly lowered the level of environmental ambition and contains no significant incentives for the transition towards advanced biofuels and other low-ILUC (or non-ILUC) options for using renewable energy in transport.

The elements in the Council text which jointly lead to a significantly lower level of environmental ambition are:

- increasing the cap for conventional biofuels to 7%;
- · new multipliers for renewable electricity in rail;
- · reduced incentives for using advanced (low-ILUC) biofuels;
- · weakening the ILUC reporting requirements.

The Commission also regrets, and strongly objects to, modifications introduced by the Council which reduce the level of environmental ambition of the overall renewable energy target set by the <u>Renewable Energy Directive</u>.

Furthermore, the Council text removes a series of delegated acts, and converts others into implementing acts, which is of serious concern for the Commission.

The Commission also wishes to retain, totally or partially, certain elements forming part of the Parliaments position in first reading, with particular reference to the following:

- · capping/limiting the use of conventional biofuels under the Fuel Quality Directive ;
- · extending the scope of the cap to energy crops ;
- introducing a binding sub target for advanced biofuels of 0.5% in 2016 and 2.5% in 2020 ;
- amendments to the contribution that different biofuels make to the transport sub target.

The Commission recalls that the 5% cap on the contribution of conventional biofuels towards the Renewable Energy Directive targets is the central element of the Commission proposal. It states that the 7% cap as proposed by the Council does not sufficiently limit ILUC nor does it create enough incentives for low-ILUC options in transport.

The Commission could support a 7% cap, if the text is strengthened on the following elements:

- changing the scope of the cap in accordance with the European Parliament amendments already accepted by the Commission so as to include all land-using biofuels and extending the cap also to the Fuel Quality Directive ;
- providing clarity on the political message of a transition to advanced biofuels (by bringing back the recital on post-2020 and adding a mandatory sub-target of 0.5% for advanced biofuels so as to at least cover and protect existing investments);
- · re-instate certain delegations of power or secure transitional clauses for these provisions ;
- · delete the multiplier for renewable electricity in rail ; and
- · delete double counting for the overall Renewable Energy Directive target.

However, in order to allow the legislative process to move forward, the Commission will not oppose the Council's position at first reading.