

## Energy: use of biofuels for road transport

2001/0265(COD) - 18/11/2002 - Council position

The common position accepted in total or partially 26 out of the 60 amendments adopted by the European Parliament in its first reading. The main changes introduced by the Council are as follows : - the Council extended the scope of the directive to cover not only biofuels but also other renewable fuels for transport purposes in each Member State and broadened its objective by stating that the purpose of this Directive is to promote the use of these fuels instead of simply setting a percentage of biofuels to replace conventional fuels; - the Council considered that indicative targets would be more appropriate than mandatory ones, enabling Member States to introduce the necessary measures in a gradual and flexible manner, on the understanding that the system will be reviewed after a first stage of implementation. Therefore, the common position provides that the objective should be reached on the basis of reference values for stage one (2% by 31 December 2005) and stage two (5.75% by 31 December 2010). Member States set national indicative targets for the minimum proportion of biofuels and other renewable fuels placed on their markets, for stage one as well as for stage two. This two-stage approach is supplemented by a review clause, based on reports from the Commission and the Member States. In their reports, Member States may differentiate the national indicative targets as compared to the reference values of, but these differentiations have to be motivated on the basis of specific elements. Based on Member States' reports, the Commission draws up an evaluation report, and submits, where appropriate, proposals for an adaptation of the targets. The Council furthermore clarified/modified the following issues: - blending: the Council did not retain the proposed proportion of blending to be achieved in the second stage, considering that blending is not yet a standardised procedure and it should therefore be open to Member States whether they wish to blend biofuel into fossil fuel or not; - list of products: the Council moved the list of products considered "biofuels" from the Annex to Article 2(2) and added the following products: "bioMTBE", "synthetic biofuels" and "biohydrogen". While so doing, the Council also clarified that this list is an open list, which may be adapted to technical progress in accordance with the Comitology procedure; - environmental balance of biofuels: the Council strengthened the link between promoting biofuels and other renewable fuels and contributing to objectives such as climate change commitments, environmentally-friendly security of supply and the promotion of renewable energy sources. Furthermore the measures taken by Member States to ensure that a minimum proportion of biofuels and other renewable fuels is placed on their markets have also to consider the overall climate and environmental balance of the various types of biofuels and, in doing so, may give priority to those biofuels showing a very cost-effective environmental balance, while also taking into account competitiveness and security of supply; - reporting obligations: while the Council agrees that the condition in Member States should motivate the differentiation of their material targets as compared to the reference values on the basis of two set so elements: a) objective factors such as production potential and allocation of biomass to other energy uses and specific characteristics of the national transport fuel market; b) national policies consistent with the objectives of the energy sector, related to the transport sector in the EU and aiming at objectives similar to those pursued by this Directive. It should be noted that several delegations (Portugal, Belgium, Denmark, Ireland, Luxembourg, Sweden, Finland and the United Kingdom) have made statements for the Council's minutes. These statements relate their obligations to report to the Commission (Article 4 paragraphs 1 and 2). ?