

DEVE-004

Brussels, 27 May 2002

OPINION

of the Committee of the Regions

of 15 May 2002

on the

**COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT,
THE COUNCIL, THE ECONOMIC AND SOCIAL COMMITTEE AND**

THE COMMITTEE OF THE REGIONS

on alternative fuels for road transportation

and on a set of measures to promote the use of biofuels

Proposal for a

DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on the promotion of the use of biofuels for transport

Proposal for a

COUNCIL DIRECTIVE

**amending Directive 92/81/EEC with regard to the possibility of applying a reduced rate of
excise duty on certain mineral oils containing biofuels and on biofuels**

(COM(2001) 547 final – COD 2001/0265)

The Committee of the Regions

HAVING REGARD TO the Communication from the Commission to the European Parliament, the Council, the Economic and Social Committee and the Committee of the Regions on alternative fuels for road transportation and on a set of measures to promote the use of biofuels, the Proposal for a Directive of the European Parliament and of the Council on the promotion of the use of biofuels for transport, and the Proposal for a Council Directive amending Directive 92/81/EEC with regard to the possibility of applying a reduced rate of excise duty on certain mineral oils containing biofuels and on biofuels

(COM (2001) 547 final – COD 2001/0265));

HAVING REGARD TO the Council decision of 18 January 2002, under Article 175(1) of the Treaty establishing the European Community, to consult the Committee on this matter;

HAVING REGARD TO the decision of its Bureau of 6 February 2002 to entrust the Commission for Sustainable Development with the preparation of the opinion;

HAVING REGARD TO the draft opinion adopted by Commission for Sustainable Development on 25 March 2002 (CdR 34/2002 rev. 1 - rapporteur: **Mr Bocklet**, Minister of State for Federal and European Affairs in the Chancellery Office of the Free State of Bavaria, D-EPP);

adopted the following opinion at its 44th plenary session of 15 and 16 May 2002 (meeting of 15 May):

The Committee of the Regions

1. welcomes the Commission's efforts to promote the use of biofuels through two Community directives;

considers that the communication and proposed directives on greater use of renewable energy sources are, in principle, a step in the right direction, given the commitments under the Kyoto Protocol and, in particular, the transport sector's considerable and growing share of fuel consumption. The communication and proposed directives are also important from the point of view of the Community's energy self-sufficiency and agricultural and employment policies;

with regard to Article 2 of the Directive on the promotion of the use of biofuels for transport, notes that pure plant oils should be specifically defined as biofuels in part A of the Annex, since promising developments are under way to use plant oils as fuel, either in their pure form or blended with diesel. Provision must be made to incorporate the quantities used in this way into the calculation of biofuel share;

2. notes, however, that the proposal for a Directive on the promotion of the use of biofuels for transport (COM(2001) 547 final – COD 2001/0265), in particular Article 3(1), should be amended to allow Member States to retain the right to determine the range of instruments to be included in national emission reduction programmes, the priority areas and the timetables for increasing the share of renewables. There is no justification on cost-effectiveness grounds for the European Community to require each Member State to ensure that biofuels account for 2% of all gasoline and diesel sold on its markets by the end of 2005;
3. with regard to Article 3 of the Proposal for a Directive on the promotion of the use of biofuels for transport, notes that the minimum market shares provided for therein can only be achieved if biofuels are exempted from excise duty. This is the only way to give farming and the processing sector the security needed to plan the requisite investments for producing and marketing biofuels;
4. with regard to Article 8c(2) of the Proposal for a Directive amending Directive 92/81/EEC, considers that tax on pure biofuels and blends containing more than 50% biofuel should be reduced by more than 50%;
5. with regard to Article 8b and Article 8c(3) of this directive, notes that the reduced rate of excise duty for pure biofuels and blends should be permitted without application procedures

beyond 31 December 2003 and 31 December 2010 respectively until such times as the percentage shares set out in part B of the Annex to the Directive on the promotion of the use of biofuels for transport have been reached, and where these levels can only be reached or maintained by means of this incentive;

6. with regard to Article 8b of this directive, notes that biofuels generated by chemical conversion, e.g. rapeseed methyl ester (RME) or ethyl tertiary butyl ether (ETBE), must be included in the scope of the directive;
7. with regard to Article 8d of this directive, points out that the broader tax concessions for local public passenger transport, including taxis, and vehicles operated under the responsibility of a public authority, should be extended to the following additional environmentally sensitive fields:

inland waterway vessels, motorboats, vehicles used at dams and gravel pits, the entire agriculture and forestry sectors and their upstream and downstream industries, and applications in mountain areas such as piste groomers and supply facilities for mountain chalets (vehicles, electricity and heating, combined heat and power installations, cableways).

Brussels, 15 May 2002.

The President

The Secretary-General

of the

of the

Committee of the Regions

Committee of the Regions

Albert Bore

Vincenzo Falcone

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