

NOTIFICATION

The following notification is being circulated in accordance with Article 10.6.

1. Member to Agreement notifying: <u>EUROPEAN COMMUNITIES</u> If applicable, name of local government involved (Articles 3.2 and 7.2):
2. Agency responsible: European Commission Name and address (including telephone and fax numbers, e-mail and web-site addresses, if available) of agency or authority designated to handle comments regarding the notification shall be indicated if different from above: European Commission EC-TBT Enquiry Point Fax: +(32) 2 299 80 43 E-mail: ec-tbt@ec.europa.eu Website: http://ec.europa.eu/enterprise/tbt/
3. Notified under Article 2.9.2 [X], 2.10.1 [], 5.6.2 [], 5.7.1 [], other:
4. Products covered (HS or CCCN where applicable, otherwise national tariff heading. ICS numbers may be provided in addition, where applicable): Products in the field of electricity, heating and cooling, transport.
5. Title, number of pages and language(s) of the notified document: Proposal for a Directive of the European Parliament and of the Council on the promotion of the use of energy from renewable sources, COM(2008) 19 final, (61 pages, in English, French and Spanish).
6. Description of content: To achieve the EU's renewable energy policy goals, the European Commission has proposed the Directive of the European Parliament and of the Council on the promotion of the use of energy from renewable sources. This aims to establish national renewable energy targets that result in an overall binding target of a 20% share of renewable energy sources in energy consumption in 2020 and a binding 10% minimum target for biofuels in transport to be achieved by each Member State. Technical regulations are contained in Article 18 Paragraphs (2) and (3) of the Commission Proposal, in combination with Annexes V and VI.

7. Objective and rationale, including the nature of urgent problems where applicable:

The rationale regarding the technical regulations contained in Article 18 Paragraphs (2) and (3) of the Commission Proposal, in combination with Annexes V and VI is as follows:

Currently, the major use of biofuels is in low blends with petrol and diesel. Under existing rules, a maximum of 5% by volume of bioethanol can be blended into petrol (Directive 98/70/EC) and a maximum 5% of biodiesel by volume can be blended into diesel (technical standard EN590:2004). In its proposal which will amend Directive 98/70, the Commission proposed increasing the limit on the blending of bioethanol in petrol from 5% to 10%.

Fulfilling the EU target of a 10% share of biofuels (by energy content) will require the use of approximately 33 Mtoe of biofuels in 2020. A 10% volume share of ethanol in petrol would equate to 10.1 Mtoe. A 5% volume share of biodiesel in diesel – as permitted under the current standard – would equate to 8.3 Mtoe. Other biofuel applications would then have to contribute at least 14.6 Mtoe. Such applications include: use of 100% biodiesel, second generation biofuels, hydrotreated oils, pure plant oil, E85.

These options are either still at a development stage, very costly, require engine modifications or will remain limited in the EU.

Even if the blending limit for biodiesel in diesel is increased to 10% by volume, these other applications will still have to contribute to the 10% target. However, this contribution would have to be significantly lower - at the level of 6.2 Mtoe – and therefore more achievable. It is therefore concluded that a change to a 10% maximum blend of biodiesel in diesel is necessary and desirable.

Given the importance of this issue for the implementation of the Community's renewable energy targets, it seems inappropriate for the maximum share of biodiesel in diesel (unlike the maximum share of bioethanol in petrol) to remain regulated at the industry level rather than moving into the legislative sphere, with the greater certainty for investors that this can offer. This measure is expected to help achieve the 10% target of biofuels in energy consumption by 2020.

8. Relevant documents: Proposal for a Directive of the European Parliament and of the Council on the promotion of the use of energy from renewable sources (presented by the Commission), {COM(2008) 30 final}, {SEC(2008) 57}, {SEC(2008) 85}, Brussels, 23.1.2008, COM(2008) 19 final, 2008/0016 (COD)

Commission Staff Working Document, Impact Assessment, Document accompanying the Package of Implementation measures for the EU' s objectives on climate change and renewable energy for 2020, Proposals for Directive of the European Parliament and of the Council amending Directive 2003/87/EC so as to improve and extend the EU greenhouse gas emission allowance trading system, Decision of the European Parliament and the Council on the effort of Member States to reduce their greenhouse gas emissions to meet the Community's greenhouse gas emission reduction commitments up to 2020, Directive of the European Parliament and of the Council on the promotion of use of renewable energy sources, {COM(2008) 16}, {COM(2008) 17}, {COM(2008) 19}, Brussels, 23.1.2008, SEC(2008) 85/3.

9.	Proposed date of adoption:	Spring 2009
	Proposed date of entry into force:	20 days from publication in the Official Journal of the EU
10.	Final date for comments: 90 days from date of notification	
11.	Texts available from: National enquiry point [] or address, telephone and fax numbers, e-mail and web-site addresses, if available of the other body:	
	European Commission EC-TBT Enquiry Point Fax: +(32) 2 299 80 43 E-mail: ec-tbt@ec.europa.eu	
	The text is available on the EC-TBT Website: http://ec.europa.eu/enterprise/tbt/ and at http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2008:0019:FIN:EN:PDF http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2008:0019:FIN:FR:PDF http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2008:0019:FIN:ES:PDF	
	and http://members.wto.org/crnattachments/2008/tbt/EEC/08_2077_00_e.pdf	