

# Road transport: alternative fuels and promotion of biofuels

2002/2068(COS) - 07/11/2001 - Non-legislative basic document

**PURPOSE** : to present a plan of action on alternative fuels for road transportation and on a set of measures to promote the use of biofuels. **CONTENT** : the Commission communication specifies three main potential alternative ranges of fuels that could each be developed up to the level of 5% or more of the total automotive fuel market by 2020: biofuels, natural gas and hydrogen. In addition, the technology of hybrid cars, combining combustion and electric drives, offers a degree of fuel saving comparable to what alternative fuels may offer. These alternative fuels and technology are described below, along with other alternatives that do not look quite so promising yet, but might offer more limited contributions. The present communication does not set out to deliver the definitive answers to the challenges outlined above. It does, however, try to identify an approach to be followed during the coming years necessary to allow the EU to achieve the medium-term goals of 20% substitution of conventional automotive fuel by 2020 and to do it in a way that sets the direction for the development of road transport systems in the decades following 2020. In order to promote the development described above, the Commission will act according to the following plan of action: 1) two Commission proposals are attached to this Communication. The first proposal concerns a Directive requiring an increasing proportion of all diesel and gasoline sold in the Member States to be biofuel, announcing, for a second phase, an obligation of a certain percentage of biofuels to be blended into all gasoline and diesel (see COD/2001/0265). The second proposal creates a European-wide framework allowing Member States to apply differentiated tax rates in favour of biofuels (see CNS/2001/0266); 2) the establishment of a formalised contact group to give advice on the further introduction of alternative fuels, particularly natural gas and hydrogen over the next 20 years. The contact group will be chaired by the Commission and include important stakeholders such as the car industry, the gas industry, the electricity industry and NGOs in its makeup. It will deliver its first report by the end of 2002 and regularly (e.g. every two years) thereafter. In accordance with this, the Commission will report regularly to the Council and Parliament, by mid 2003 for the first time; 3) alternative fuels or technologies not directly covered by the action plan (LPG, DME, electric cars) will continuously be monitored by the Commission as part of its overall commitments on security of energy supply and sustainable development; 4) consumers will be kept properly informed by public information and by information from car manufacturers about the possibilities of using biofuels. As part of the implementation of Strategy to reduce emissions and improve fuel economy, inter alia the following actions will be included in the Commission activities: - the Commission will put forward - as a third pillar of the Strategy to reduce emissions and improve fuel economy - a communication on options for establishing a reference framework for fiscal measures in order to close the gap of 20 g CO<sub>2</sub>/km between the Community objective and the commitment of the car manufacturers' associations; - in addition, support for the accelerated introduction of advanced, high efficiency cars should be considered; - in connection with the 2003/2004 review of the CO<sub>2</sub> commitments the Commission and the car industry will also address post-2008 fuel efficiency targets; - the Commission will continue the discussions with the car industry to take appropriate measures in order to reduce the CO<sub>2</sub> emissions from light duty vehicles.