



REPORT FROM THE SUBDIRECTORATE-GENERAL FOR HYDROCARBONS CONCERNING ARTICLE 4(1) OF DIRECTIVE 2003/30/EC OF 8 MAY 2003 ON THE PROMOTION OF THE USE OF BIOFUELS.

On 22 July 2004 the Directorate-General of Energy Policy and Mines received a letter from the Permanent Representation of Spain to the European Union together with another letter from the Directorate-General for Energy and Transport of the European Commission asking to be sent the documentation mentioned in Article 4(1) of Directive 2003/30/EC on the promotion of the use of biofuels or other renewable fuels for transport.

The article referred to specifies the information which Member States have to send the Commission, in particular the following:

- ❖ measures taken to promote the use of biofuels;
- ❖ national resources allocated to the production of biomass for energy uses other than transport;
- ❖ total sales of transport fuel;
- ❖ level of national indicative targets for 2005.

In line with this request, the Subdirectorate-General for Hydrocarbons, within its sphere of competence and in accordance with the information at its disposal, reports as follows:

1.- Measures taken

Firstly, as regards the measures taken in Spain to promote the use of biofuels in the transport sector, the most important is clearly the measure referred to in Article 6(5) of Law 53/2002 of 30 December 2002 on Tax, Administrative and Social Measures, which lays down the following:

“Special tax rate for biofuels

Until 31 December 2012, under the conditions laid down in the regulations and without prejudice to the provisions of paragraph 3 of this article, a special rate of zero euros per 1 000 litres shall apply to biofuels. This special rate shall apply exclusively to the volume of biofuel even when this is used blended with other products.



If the comparative trend in the production costs of petroleum products and biofuels so warrants, the General Finance Law of the State may replace the zero rate referred to in paragraph 1 of this article with a positive rate of tax, which shall not exceed the rate applicable to equivalent conventional fuel”.

2.- National resources allocated to the production of biomass for energy uses other than transport

The table below shows the data for the year 2003, the period 1999-2003 covered by the Renewable Energy Promotion Plan, and the percentages reached in relation to the targets envisaged in the Plan for 2006.

The table gives electricity produced from biomass, in GWh, and electricity used for thermal purposes, en ktoe.

	2003	1999/2003	DEGREE OF COMPLIANCE
Electricity produced	1416	3586	52.6%
Electricity used for thermal purposes	140	475	16.5%

3.- Total sales of transport fuel in 2003

- National consumption of automotive petrol (95 IO, 97 IO and 98 IO) 8 041 kt
- National consumption of automotive diesel 20 770 kt
- Sales of bioethanol for transport purposes 188 167 m³
≈ approx. 152 000 t
- Production of methyl ester 5 819 t

The figure given for bioethanol was for the production of ETBE in Spanish refineries, for subsequent formulation of petrols.



Spain's production of methyl ester has been obtained from waste vegetable oils, and has been used in the transport sector by mixing it with automotive petrol.

In accordance with the quantities mentioned, the share of biofuels in the Spanish transport sector for 2003 was as follows:

For petrol:

Consumption of petrol 8 041 000 t

Consumption of bioethanol 152 000 t

indicating a share of **3.09%**, calculated on the basis of the energy content of bioethanol.

For diesel:

Consumption of automotive diesel 20 770 000 t

Consumption of biodiesel 65 810 t

indicating a share of **0.32%**, calculated on the basis of the energy content of biodiesel.

Accordingly, the average share of all biofuels in the transport sector in 2003 amounted to **1.09%**.

4.- National indicative targets

In accordance with Article 3(1)(b) of Directive 2003/30/EC, the reference value for the national targets for biofuels and other renewable fuels in the transport sector placed on the market is **2%**, calculated on the basis of the energy content of automotive petrol and diesel placed on the Spanish transport market by 31 December 2005.

Madrid, 30 September 2004.