



**HELLENIC REPUBLIC
MINISTRY OF DEVELOPMENT
DIRECTORATE-GENERAL FOR ENERGY
OIL POLICY DIRECTORATE**

**2nd NATIONAL REPORT
ON THE PROMOTION OF THE USE OF
BIOFUELS OR OTHER RENEWABLE FUELS
FOR TRANSPORT IN GREECE
(2005-2010)
(ARTICLE 4 OF DIRECTIVE 2003/30/EC)**

ATHENS, JULY 2006

INTRODUCTION

Directive 2003/30/EC of the European Parliament and of the Council of 8 May 2003 aims at promoting the use of biofuels or other renewable fuels to replace diesel or petrol for transport purposes in each Member State, with a view to contributing to objectives such as meeting climate change commitments, environmentally friendly security of supply and promoting renewable energy sources. In the framework of that principle the Member States should ensure that a minimum proportion of biofuels and other renewable fuels is placed on their markets and set national indicative targets.

The Directive lays down a reference value for those targets of 2%, calculated on the basis of energy content, of all petrol and diesel for transport purposes placed on their markets by 31 December 2005. This should be increased to 5.75% by 31 December 2010.

In addition, under Article 4 of the Directive, the Member States are required to submit a report to the Commission each year on the measures taken to promote the use of biofuels to replace fossil fuels for transport purposes; the national resources allocated to the production of biomass for energy uses other than transport; and the total sales of transport fuel and the share of biofuels, pure or blended, placed on the market for the preceding year; and to report on any exceptional circumstances that have affected the marketing of biofuels. In their first report the Member States are required to indicate the level of their national indicative targets for the first phase, and in the report covering the year 2006 they should indicate their national indicative targets for the second phase.

With a view to the incorporation of the Directive into national law and the smooth introduction of biofuels or other renewable fuels on the domestic market, an intensive round of contacts with all parties involved was started early in 2004, on the initiative of the Ministry of Development, and is still continuing. The relevant departments of the Ministry of Development, assisted by the Laboratory of Fuels and Lubricants Technology of the National Technical University of Athens and the Centre for Renewable Energy Sources, made a series of contacts with all the domestic agencies involved in the fuels and biofuels sector (Ministry of Economic Affairs and Finance, Ministry of Rural Development and Food, State General Chemical Laboratory, Hellenic Petroleum, Motor Oil (Hellas), Association of Petroleum Product Marketing Companies, companies which produce biofuels or are interested in doing so, etc.), the Directorate-General for Energy and Transport of the European Commission, and biofuels experts from various European countries.

The first results of this ongoing consultation were presented in the First National Report in accordance with Article 4 of Directive 2003/20/EC on the promotion of the use of biofuels and other renewable fuels for transport in Greece for the period from 2005 to 2010, which was submitted to the European Commission in July 2004 and is available on the Ministry of Development's website (www.ypan.gr).

This report analyses the updated data and the planning framework for the actions needed in the fields of fuels and biofuels, and sets out the conclusions of studies of biofuels and energy crops carried out by the Centre for Renewable Energy Sources.

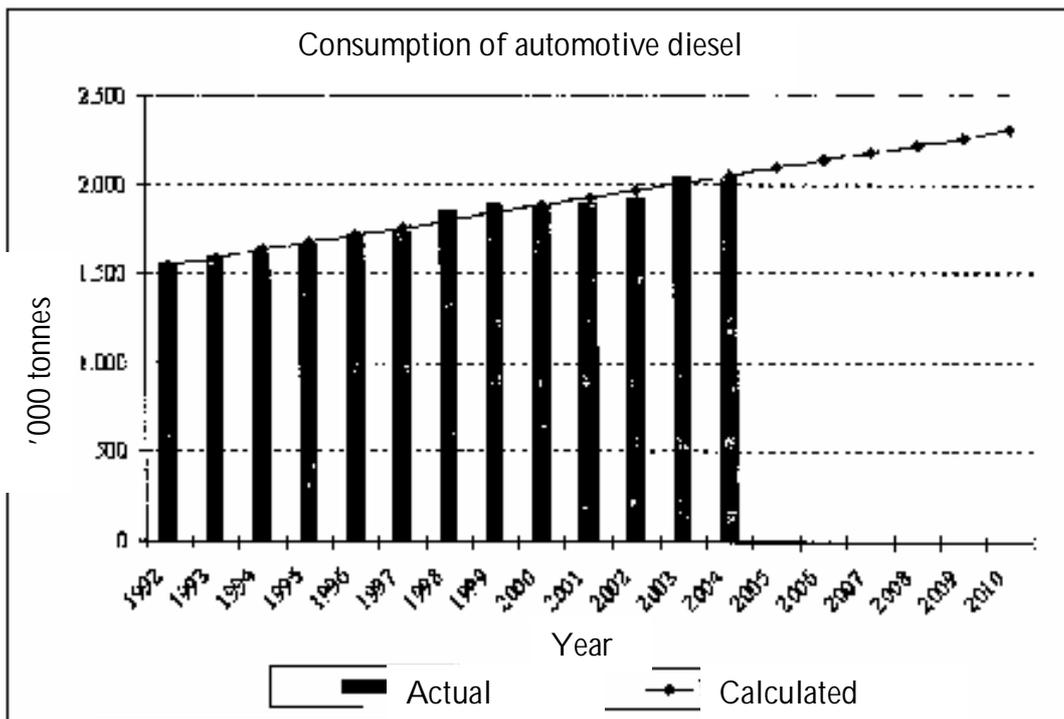
GENERAL

Of the potential biofuels listed in Directive 2003/30/EC, the most promising for Greece are biodiesel and bioethanol, and there is also some interest in pure vegetable oil.

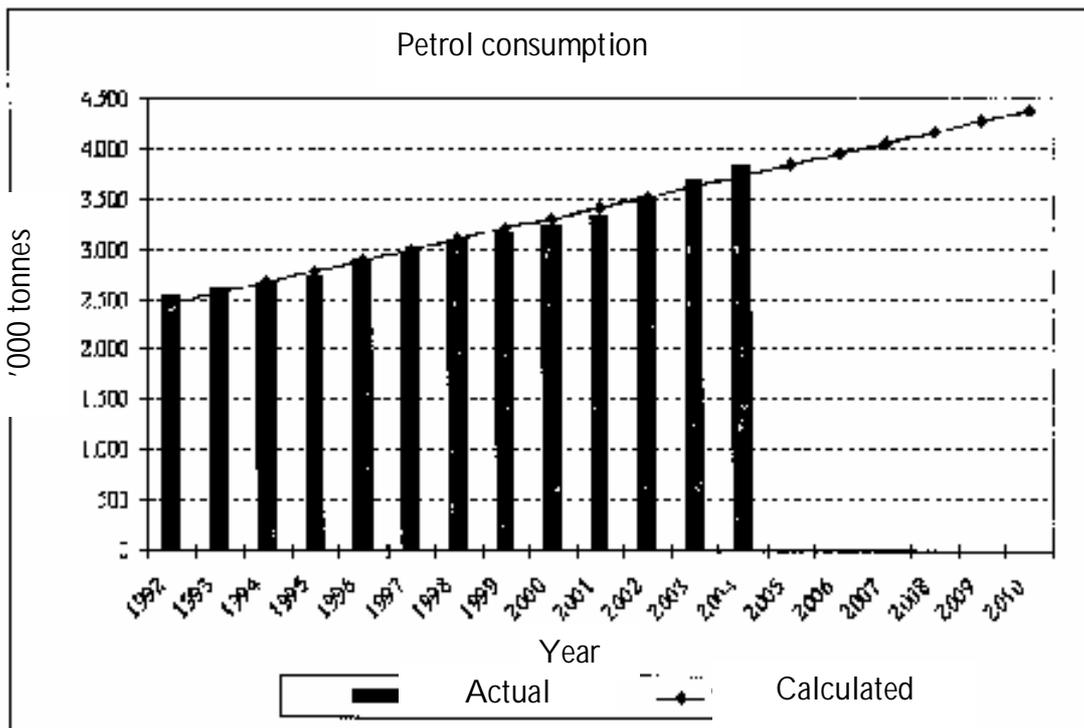
In 2004, fuel consumption for transport purposes in Greece totalled 2 036 000 tonnes of diesel and 3 814 000 tonnes of petrol (unleaded and LRP); no biofuels were marketed or consumed in Greece in this period.

Detailed figures for actual and projected diesel and petrol consumption for transport purposes are set out below.

Year	Consumption of automotive diesel ('000 tonnes)		
	Actual	Calculated	Difference
1992	1 557	1 545	12
1993	1 588	1 588	0
1994	1 601	1 630	-29
1995	1 660	1 672	-12
1996	1 711	1 714	-3
1997	1 732	1 756	-24
1998	1 851	1 798	53
1999	1 888	1 841	47
2000	1 890	1 883	7
2001	1 896	1 925	-29
2002	1 925	1 967	-42
2003	2 044	2 009	35
2004	2 036	2 051	-15
2005		2 093	
2006		2 136	
2007		2 178	
2008		2 220	Correlation coefficient = 0.9837
2009		2 262	
2010		2 304	



Year	Petrol consumption ('000 tonnes)		
	Actual	Calculated	<i>Difference</i>
1992	2 532	2 457	75
1993	2 594	2 563	31
1994	2 645	2 669	-24
1995	2 724	2 776	-52
1996	2 890	2 882	8
1997	2 985	2 988	-3
1998	3 106	3 095	11
1999	3 165	3 201	-36
2000	3 230	3 307	-77
2001	3 336	3 414	-78
2002	3 532	3 520	12
2003	3 677	3 626	51
2004	3 814	3 733	81
2005		3 839	
2006		3 945	
2007		4 052	
2008		4 158	<i>Correlation coefficient = 0.9921</i>
2009		4 264	
2010		4 371	



BIODIESEL

Biodiesel is produced by means of the esterification of plant oils (and also animal fats) and methanol. This process also produces glycerine as a by-product.

The handling of biodiesel presents no technical difficulties, so the fuel can be marketed through the existing market infrastructure for automotive diesel without any problems. During the first stage, which started at the end of December 2005, biodiesel is blended with automotive diesel at refineries or petroleum product marketing companies in a proportion which currently fluctuates around 2% by volume, but which can rise to 5% by volume (as specified in the EN 590:2004 standard) — this is expected to happen towards the end of 2006 — and is marketed via the existing automotive diesel distribution network throughout the market. At a later stage — once any technical and institutional issues have been resolved — it is planned to distribute blends of biodiesel and automotive diesel exceeding 5% by volume, and also pure biodiesel.

The first domestic biodiesel production plant, operated by Hellenic Biopetroleum Industrial and Commercial S.A. at Kilkis, with an annual production capacity of 40 000 tonnes, started operating in December 2005. A second biodiesel production plant, operated by VERT OIL S.A. in Thessaloniki, with an annual production capacity of 25 000 tonnes, is expected to start production by July 2006; a third plant, operated by Pavlos N. Pettas Industrial and Commercial S.A., with an annual production capacity of 50 000 tonnes, is expected to start production at about the same time. The construction of a fourth plant, with an annual production capacity of 40 000 tonnes, has been started by Elinoil S.A. at Volos and of a fifth, with an annual production capacity of 250 000 tonnes, by Agroinvest S.A. at Fthiotida: both are expected to start production in the second half of 2006. Construction of the first plant was financed by the “Competitiveness” Operational Programme, which draws funds from the Third Community Support Framework, and construction of the third plant was financed via Development Act 3299/2004.

According to currently available data, a further eight biodiesel production units are at the initial stages of design and construction: four with a capacity of 5 000 tonnes, two with a capacity of 11 000 tonnes, one with a capacity of 22 000 tonnes and one with a capacity of 120 000 tonnes, with estimated production start dates ranging from end 2006 to the first half of 2007. Many other companies have expressed serious interest in the construction of further biodiesel production units with a small, medium or large annual production capacity, at various locations, with estimated production start dates not before the second half of 2007.

The raw materials used by the above biodiesel production units comprise about 70% imported oils (rapeseed, soya-bean, etc.) and about 30% domestically produced oils (cotton-seed, sunflower, used cooking oil, etc.). Attempts to intensify domestic sunflower and oilseed rape crops are on the increase, with a view to domestically produced raw materials exceeding imports.

Biodiesel may also be imported, both from other EU Member States or accession countries (Bulgaria, Romania, Turkey) and from non-member States, provided the price of the biodiesel is not increased excessively by the transport costs.

Automotive biodiesel distributed in Greece has to comply with the specifications of the ELOT EN 14214 standard.

Initially, biodiesel is intended only for blending with automotive diesel in a proportion not exceeding 5% by volume. Distribution of pure biodiesel on the retail market will follow, as will the blending of a higher proportion of biodiesel in automotive diesel intended for vehicle fleets (e.g. public transport vehicles). The distribution of biodiesel in Greece started in December 2005 when the first batches were distributed to refineries by Hellenic Biopetroleum S.A. The blend of 2% biodiesel by volume in automotive diesel has been distributed to all final consumers since February 2006 and continues to be distributed smoothly. This percentage is expected to be increased to 4% by volume by about the end of 2006, when the biodiesel production units currently under construction start operating.

BIOETHANOL

Bioethanol is produced by fermenting plants which are rich in carbohydrates.

In contrast to biodiesel, the blending of bioethanol with petrol does present technical difficulties, the most significant of which are the separation of water which appears in cold conditions and high vapour pressure (RVP), particularly in the summer specification petrols. For that reason it is preferable to convert bioethanol into ETBE (ethyl tertiary butyl ether) and to use the latter as an ingredient for blending with petrols, instead of MTBE (methyl tertiary butyl ether) which is used at present. The blending percentage of ETBE (& MTBE) in petrol can be up to 15% by volume, whereas the percentage for bioethanol can be only up to 5% by volume, as provided for by the EN 228:2004 standard.

Bioethanol can be converted into ETBE at the existing MTBE production units of the refineries after slight modifications have been made. This technique is used widely in Spain, Italy, France and other European countries.

At present bioethanol is produced or imported only for the preparation of alcoholic beverages, and not for use as automotive fuel. Two companies have so far expressed interest in constructing plants to produce bioethanol for use as automotive fuel (Hellenic Sugar Industry S.A. and Spiliopoulos S.A.).

To be economically viable a bioethanol production plant needs to use domestically produced raw materials, preferably sweet sorghum rather than sugar beet because of its higher yield per hectare (which raises the question of changing crops, particularly in the areas around the proposed plants, and for reasons of reduced transport costs). Maize and cereals can be used as alternative raw materials.

The European Committee for Standardisation (CEN) has not yet issued final specifications for automotive bioethanol, but in May 2006 it approved prEN 15376:2006, and the procedure for the adoption of the definitive standard is expected to be completed in the second half of 2006. Consequently, the introduction of bioethanol on to the Greek fuels market is not expected to begin before the second half of 2007 at the earliest.

POTENTIAL NATIONAL OUTPUT OF RAW MATERIALS FOR THE PRODUCTION OF BIOFUELS

A. *Potential national output of raw materials*

Greece is potentially capable of growing substantial quantities of crops which can be made available for the production of biofuels.

For the production of biodiesel, *sunflower seed* and *cotton seed* are expected to play an important role, along with *rape seed* (when oilseed rape is grown systematically in Greece). *Used cooking oils* can also be used as alternative raw materials for the production of biodiesel.

For the production of bioethanol, *sugar beet* — which is already grown — is expected to play an important role, along with *sweet sorghum* which, on the basis of the results of crop trials, has a higher bioethanol yield per hectare than sugar beet and thrives in all parts of the country. Maize and cereals can also be used as alternative raw materials for the production of bioethanol.

B. *Cost-benefit analysis*

The cost of importing biofuels onto the Greek market lies in the loss of revenue to the State budget, because they are exempt from tax.

The benefits of importing biofuels onto the Greek market are greater:

- substantial foreign exchange benefit on account of the reduction in oil imports;
- benefit from reduced CO₂ emissions, which also translates into a financial benefit on account of the Kyoto Protocol;
- benefit from new jobs and grants for energy crops.

To these benefits from the use of biofuels must be added the benefits for the Greek rural economy via the restructuring of crops, resulting not only in increased rural incomes but also in retention of the rural population, the strengthening of regional development and an increase in GDP. There will also be substantial benefits for the environment and public health.

2006 NATIONAL INDICATIVE TARGET FOR BIOFUELS

The 2006 national indicative target for biofuels, in accordance with Directive 2003/30/EC, is currently estimated to be 1.1%. This percentage is expected to increase in 2007 with a further rise in the quantities of biodiesel marketed in Greece, and the expected import of bioethanol.

The detailed calculation of the national indicative target for biofuels for 2006 is as follows:

- Estimated consumption of biodiesel in 2006 = 80 000 tonnes (or 91 million litres: specific weight of biodiesel = 0.88 kg/l)
- Estimated consumption of bioethanol in 2006 = 0 tonnes
- Estimated consumption of automotive diesel in 2006 = 2 136 000 tonnes
- Estimated consumption of petrol in 2006 = 3 945 000 tonnes

- Energy content of biodiesel = 9 050 kcal/kg
- Energy content of bioethanol = 6 429 kcal/kg
- Energy content of automotive diesel = 10 200 kcal/kg
- Energy content of petrol = 10 444 kcal/kg

$$\begin{aligned}
 & (80\,000\,000\text{ kg} \times 9\,050\text{ kcal/kg})_{\text{biodiesel}} + (0\text{ kg} \times 6\,429\text{ kcal/kg})_{\text{bioethanol}} \\
 & \text{-----} = \\
 & (2\,136\,000\,000\text{ kg} \times 10\,200\text{ kcal/kg})_{\text{automotive diesel}} + (3\,945\,000\,000\text{ kg} \times 10\,444\text{ kcal/kg})_{\text{petrol}} \\
 & \\
 & = \frac{(724\,000\,000\,000\text{ kcal})_{\text{biodiesel}}}{(21\,787\,200\,000\,000\text{ kcal})_{\text{automotive diesel}} + (41\,201\,580\,000\,000\text{ kcal})_{\text{petrol}}} = \\
 & \\
 & = \frac{(724\,000\,000\,000\text{ kcal})_{\text{biodiesel}}}{(62\,988\,780\,000\,000\text{ kcal})_{\text{automotive diesel \& petrol}}} \cdot 1,15\%
 \end{aligned}$$

NATIONAL RESOURCES ALLOCATED TO THE PRODUCTION OF BIOMASS FOR ENERGY USES OTHER THAN TRANSPORT

Renewable energy sources (RES) covered 5.2% (1.6 Mtoe) of total Greek primary energy consumption in 2004 (see table below for details). The production of energy from biomass contributed an estimated 61% of this total (1.95 Mtoe), and domestic use of wood (for burning in stoves for cooking and for water and space heating) contributed an estimated 74% of this total (0.7 Mtoe). The remaining 26% (0.25 Mtoe) was produced by burning wood by-products and agricultural waste, and biogas from landfill sites, agri-food industries and urban waste processing units.

A number of units producing electricity and/or heat from biogas from landfill sites, urban waste processing units or other sources are currently under construction or at the advanced design stage and are expected to start operating in the next period.

RES Energy Balance 2004	ktoe	%
Solar	107.5	6.7%
Wind	96.5	6.0%
Biomass — Industry	215.0	13.4%
Biomass — Household	705.0	43.9%
Biomass — Transport	0.0	0.0%
Biogas	36.0	2.2%
Small Hydro (•10 MW)	26.3	1.6%
Large Hydro (>10 MW)	376.0	23.4%
Pumped storage hydroelectric	45.9	2.9%
TOTAL RES	1 608.0	100.0%

STATUTORY FRAMEWORK

A. Legislative harmonisation

Greek law was harmonised with Directive 2003/30/EC by Act 3423/2005 on the introduction of biofuels and other renewable fuels on the Greek market (Government Gazette, Series I, No 304), which entered into force on 13.12.2005. Among other things, this Act:

(a) supplements and amends Act 3054/2002 on the organisation of the market in petroleum products and other provisions (Government Gazette, Series I, No 230), extending it to include biofuels, alongside other petroleum products, in the operation and control of the Greek fuel market;

(b) approves the Programme for the allocation of quantities of biofuels until 31.12.2010, which lays down the procedures and methodology for the allocation of tax-free quantities of pure biofuels on an annual basis;

(c) obliges the refineries to include the tax-free quantities of pure biofuels which are distributed each year and are intended for blending with the corresponding conventional fossil fuels;

(d) establishes the Biofuels Distribution Licence;

(e) sets the national target of 5.75% by 31.12.2010, calculated on the basis of the energy content of all petrol and automotive diesel distributed for use in transport.

The drafting of the remaining joint ministerial decisions provided for in the Act is nearing completion, so it will be applied in full before the end of 2006.

B. Technical Regulations

The specifications of the ELOT EN 14214 standard for automotive biodiesel were adopted by Decision 334/2004 of the Supreme Chemical Council on automotive fuels — biodiesel for diesel engines — requirements and test methods (Government Gazette, Series II, No 713/2005, as supplemented by Government Gazette, Series II, No 1149/2005).

The corresponding standard for bioethanol is expected to be adopted by the European Committee for Standardisation (CEN) during the second half of 2006; pr • • 15376:2006 was approved in May 2006 and the procedure for the adoption of the definitive standard is expected to be completed during the second half of 2006. The specifications of the standard will then be adopted by decision of the Supreme Chemical Council.

Decision 513/2004 of the Supreme Chemical Council on adjustment to technical progress of Decision 291/2003 of the Supreme Chemical Council aligning Greek legislation on Directive 98/70/EC of the European Parliament and of the Council of 13.10.1998 as regards the quality of petrol and diesel fuels, as amended and currently in force (Government Gazette, Series II, No 1149/2005) incorporated into Greek law the ELOT EN 590:2004 standard on automotive diesel and the ELOT EN 228:2004 standard on petrol. These standards allow up to 5% by volume of biodiesel to be blended with automotive diesel and up to 5% by volume of bioethanol to be blended with petrol.

Specifications for other types of biofuel (such as pure vegetable oil) are being studied.

C. Tax incentives

In order to promote the use of biofuels it will initially be necessary to give them tax exemption (i.e. exempt them from the application of excise duty) to make them competitive with fossil fuels, as their (pre-tax) ex-factory price is higher. Consequently, various scenarios for the total or partial tax exemption of biofuels on the basis of the guidelines set out in Directive 2003/96/EC are being examined in cooperation with the Ministry of Economic Affairs and Finance, taking into account the end price to the consumer.

With a view to the favourable tax treatment of biofuels, such a provision has already been incorporated in Article 34 of Act 3340/2005 on the protection of the capital market against acts by persons having privileged information (insider trading) and market manipulation (Government Gazette, Series I, No 112), which provides for an initial exemption from excise duties of specified annual quantities of biodiesel in 2005 (51 000 kilolitres or 45 000 tonnes), 2006 (91 000 kilolitres) and 2007 (114 000 kilolitres).

This provision is implemented by Joint Ministerial Decision F.1643/820 of 23.12.2005 on conditions and formalities governing the production, distribution, blending and release for home use of pure biodiesel pursuant to Article 78(6) of Act 2960/2001, as in force at the time (Government Gazette, Series II, No 4/2006).

With a view to implementing Act 3423/2005, a call for expressions of interest in the distribution of 51 000 kilolitres of tax-free pure biodiesel in 2005 (document D1/B, D6/F.18/oik.2331 of 6.12.2005) was initially issued; on the basis of that document, Joint Ministerial Decision D6/F.18/oik.24709 of 22.12.2005 approving the allocation, for 2005, of quantities of pure biodiesel subject to the special tax arrangement laid down in Article 78(6) of Act 3054/2002 was adopted; this Decision allocated 2 500 kilolitres of tax-free pure biodiesel to Hellenic Biopetroleum S.A. at Kilkis in respect of 2005.

This was followed by a call for expressions of interest in the distribution of 91 000 kilolitres of tax-free pure biodiesel in 2006 (document D6/F.18/oik.892 of 17.1.2006). Sixteen companies submitted applications, some concerning domestic production, others concerning importation from EU countries; following assessment of the applications, fourteen companies were selected and the quantities were allocated to them; in April 2006 Joint Ministerial Decision D1/B/oik.8392 of 20.4.2006 approving the allocation, for 2006, of 91 000 kilolitres of pure biodiesel subject to the special tax arrangement laid down in Article 78(6) of Act 2960/2001, in accordance with Article 15a(5) of Act 3054/2002, as in force at the time (Government Gazette, Series II, No 512) was adopted; pursuant to this Decision, the quantities were allocated to fourteen companies: twelve biodiesel producers and two biodiesel traders.

Comparable arrangements for bioethanol and other types of biofuel are currently being studied.

All the legislative and regulatory acts referred to above are listed in the Annex.

ANNEX

Legislative and regulatory acts concerning biofuels in Greece

- 1) Act 3423/2005 on the introduction of biofuels and other renewable fuels on the Greek market (Government Gazette, Series I, No 304).
- 2) Act 3340/2005 on the protection of the capital market against acts by persons having privileged information (insider trading) and market manipulation (Government Gazette, Series I, No 112), Article 34.
- 3) Joint Ministerial Decision F.1643/820 of 23.12.2005 on conditions and formalities governing the production, distribution, blending and release for home use of pure biodiesel pursuant to Article 78(6) of Act 2960/2001, as in force at the time (Government Gazette, Series II, No 4/2006).
- 4) Decision 334/2004 of the Supreme Chemical Council on automotive fuels — biodiesel for diesel engines — requirements and test methods (Government Gazette, Series II, No 713/2005, as supplemented by Government Gazette, Series II, No 1149/2005).
- 5) Decision 513/2004 of the Supreme Chemical Council on adjustment to technical progress of Decision 291/2003 of the Supreme Chemical Council aligning Greek legislation on Directive 98/70/EC of the European Parliament and of the Council of 13.10.1998 as regards the quality of petrol and diesel fuels, as amended and currently in force (Government Gazette, Series II, No 1149/2005).
- 6) Joint Ministerial Decision D1/B/oik.8392 of 20.4.2006 approving the allocation, for 2006, of 91 000 kilolitres of pure biodiesel subject to the special tax arrangement laid down in Article 78(6) of Act 2960/2001, in accordance with Article 15a(5) of Act 3054/2002, as in force at the time (Government Gazette, Series II, No 512).
- 7) Joint Ministerial Decision D6/F.18/oik.24709 of 22.12.2005 approving the allocation, for 2005, of quantities of pure biodiesel subject to the special tax arrangement laid down in Article 78(6) of Act 2960/2001, in accordance with Article 15a(5) of Act 3054/2002.



GOVERNMENT GAZETTE OF THE HELLENIC REPUBLIC

PART 1

No 304

13 December 2005

Law No 3423

Introduction onto the Greek market of biofuels and other renewable fuels

THE PRESIDENT OF THE HELLENIC REPUBLIC

promulgates the following law passed by Parliament:

Article 1

1. Paragraph 1 of Article 3 of Law 3054/2002 (Government Gazette 230, Part 1) is replaced by the following:

«1. Petroleum products: products of all kinds from the distillation of crude petroleum, including semi-processed products, classified as follows:

Class • (light fractions):

motor spirit, aviation fuel (aviation spirit, spirit-type jet fuel);

Class •• (medium fractions):

diesel fuel for internal-combustion engines (gas oil, diesel oil) used as vehicle fuel (vehicle fuel oil), diesel fuel for internal combustion engines (gas oil, diesel oil) used as heating fuel (heating oil) and not allowed to be used as vehicle fuel, diesel fuel for internal combustion engines (gas oil, diesel oil) used for purposes other than vehicle fuel or heating, lighting oil, kerosene-type jet fuel;

Class ••• (heavy fractions):

external-combustion oil (fuel oil), vacuum gas oil;

Class IV:

asphalt;

Class V (LPG):

butane, propane and mixtures thereof;

Class VI:

naphtha, petroleum coke.

For the purposes of this Law, liquid and gaseous biofuels and other renewable fuels that replace products of the refining of crude petroleum in the corresponding classes and uses mentioned above, either as such or in a blend with products of the refining of crude petroleum, shall be considered to be petroleum products."

2. Paragraph 6 of Article 3 of Law 3054/2002 (Government Gazette 230, Part 1) is replaced by the following:

"6. Distribution: the transport of petroleum products from one refinery to another, from a refinery to trade establishments, from a refinery to establishments of a large end consumer, from an establishment of the holder of a licence for the provision of biofuels to a refinery or a trade establishment, from trade establishments to other similar establishments, from a point of import to a refinery or trade establishments or establishments of the holder of a licence for the provision of biofuels, from trade establishments, a refinery or establishments of the holder of a licence for the provision of biofuels to export points, from trade establishments or a refinery to establishments of the holder of a licence for the provision of biofuels or an end consumer with own storage facilities, and from establishments of the holder of a biofuel retail trade and disposal licence to end consumers. Transport is divided into: a) transport by pipeline, b) transport by floating vessel, c) road transport by tanker and d) rail transport."

3. Paragraph 9 of Article 3 of Law 3054/2002 (Government Gazette 230, Part 1) is replaced by the following:

"9. Trade: The storage and distribution for profit of crude petroleum or petroleum products originating from a refinery, an establishment of the holder of a licence for the provision of biofuels or an import point and intended for an export point, another refinery, another trade or retail trade establishment or an end consumer with own storage facilities."

4. Paragraphs 15-22 are added at the end of Article 3 of Law 3054/2002 (Government Gazette 230, Part 1), as follows:

"15. Biomass: the biodegradable fraction of products, waste and residues from agriculture (including vegetal and animal substances), forestry and related industries, together with the biodegradable fraction of industrial and municipal waste.

16. Biofuel: liquid or gaseous fuel produced from biomass, in particular:

a) biodiesel (petroleum of biological origin): fatty-acid methyl esters (F•ME) produced from vegetable or animal oils and fats, of diesel quality, to be used as biofuel;

b) bioethanol: ethanol produced from biomass or from the biodegradable fraction of waste, to be used as biofuel;

c) biogas: fuel gas produced from biomass or from the biodegradable fraction of industrial and municipal waste, that can be purified to natural gas quality, to be used as biofuel, or woodgas.

- d) biomethanol: methanol produced from biomass, to be used as biofuel;
- e) biodimethylether: dimethylether produced from biomass, to be used as biofuel;
- f) bio-ETBE: ethyl-tertio-butyl-ether (ETBE) produced from bioethanol, for use as biofuel; the percentage by volume of bio-ETBE that is calculated as biofuel is 47%;
- g) bio-MTBE: methyl-tertio-butyl-ether (MTBE) produced from biomethanol, for use as biofuel; the percentage by volume of bio-MBE that is calculated as biofuel is 36%;
- h) synthetic biofuels: synthetic hydrocarbons or mixtures of synthetic hydrocarbons which have been produced from biomass;
- i) biohydrogen: hydrogen produced from biomass, or from the biodegradable fraction of industrial and municipal waste, to be used as biofuel;
- j) pure vegetable oils: oils produced from oil plants through pressing, extraction or comparable procedures, crude or refined but chemically unmodified, when compatible with the type of engines involved and the corresponding emission requirements, in accordance with the legislation in force.

17. Other renewable fuels: renewable fuels, other than biofuels, which originate from renewable energy sources as defined in Article 2 of Directive 2001/77/EC of the European Parliament and of the Council of 27 September 2001 on the promotion of electricity produced from renewable energy sources in the internal electricity market (OJ L 283).

18. Production of biofuels: the processing of suitable raw materials, carried out in special establishments within the territory of Greece, for the production of actual biofuels or of other renewable fuels.

19. Biofuels production unit: the special establishments within the territory of Greece in which the production of actual biofuels or of other renewable fuels is carried out, including the necessary storage facilities and distribution systems.

20. Provision of biofuels: the production, importation or trading within the territory of Greece of actual biofuels or other renewable fuels in accordance with Article 5• .

21. Cultivation of energy crops: the cultivation within the territory of Greece of plant species for the production mainly of products considered to be biofuels or raw materials for the production of biofuels.

22. Energy content: the thermogenic capacity of a fuel as below."

Article 2

1. Paragraphs 1 and 2 of Article 4 of Law 3054/2002 (Government Gazette 230, Part 1) are replaced by the following:

"1. Exercise of the activities of refining, the provision of biofuels, trade, retail trade and transport by pipeline of petroleum products and the bottling of liquid gas shall be allowed only in so far as a corresponding licence has been granted.

2. Licenses for refining, the provision of biofuels, trading in and the transport by pipeline of crude petroleum and petroleum products shall be granted by a decision of the Minister for Development.”

2. Paragraph 7 of Article 4 of Law 3054/2002 (Government Gazette 230, Part 1) is replaced by the following:

“7. The granting of licenses for exercising the activities of refining, the provision of biofuels, trade, retail trade, transport by pipeline and the bottling of liquid gas shall not exempt license holders from the obligation to acquire other licenses or permits required by legislation in force.”

Article 3

After Article 5 of Law 3054/2002 (Government Gazette 230, Part 1), an Article 5• is added as follows:

“Article 5A

Licence for the provision of biofuels

1. For exercising the activity of the provision of biofuels a licence shall be required. The licence for the provision of biofuels shall be granted to public and private limited companies established in a Member State of the European Union and to rural cooperative organisations at any level and cooperative societies within the meaning of Law 2810/2000 (Government Gazette 61, Part 1).

A necessary condition for the granting of this licence shall be the possession of an operating licence for a biofuels production unit in accordance with the relevant provisions of Law 3325/2005 (Government Gazette 68, Part 1) or the existence of effective contracts for the purchase of actual biofuels or other renewable fuels from production units either within or outside the territory of Greece.

2. The holder of a licence for the provision of biofuels may produce or import actual biofuels and other renewable fuels and provide them within the territory of Greece to holders of a refinery licence or a Category I trade licence and to end consumers. Liquid biofuels resulting from blending with products of the refining of crude petroleum shall be provided only to holders of a refinery licence or a Category I trade licence.

3. The holder of a licence for the provision of biofuels shall be required to have suitable storage facilities with a capacity of at least 100 cubic metres for the storage of actual biofuels and other renewable fuels.”

Article 4

At the end of paragraph 8 of Article 7 of Law 3054/2002, a fifth indent is added as follows:

“e) the products referred to in indents a) and b) blended with the corresponding compatible biofuel or other renewable fuel, together with actual biofuels of other renewable fuels.”

Article 5

Paragraph 4 of Article 11 of Law 3054/2002 is replaced by the following:

“4. Holders of licences for refining, the provision of biofuels, trade, retail trade and transport by pipeline and large end users whose storage facilities may be subjected to the obligation to keep security stocks shall be required to provide this information and shall be responsible for its accuracy. Article 5(4) of Law 2773/1999 (Government Gazette 286, Part 1) shall also apply to the holders of licences granted in accordance with this Law.”

Article 6

After Article 15 of Law 3054/2002, an Article 15 • is added as follows:

“Article 15 • Biofuels and other renewable fuels

1. Biofuels and other renewable fuels may be provided either as such or blended with products of the refining of crude petroleum, provided they comply with the technical specifications laid down by decisions of the Supreme Chemical Council, in accordance with Article 6(8)(d) of Law 4328/1929 (Government Gazette 272, Part 1).

2. The blending of actual biofuels or other renewable fuels with the corresponding compatible products of the refining of crude petroleum shall be carried out under the responsibility of holders of a refinery licence or a Category I trade licence on their premises.

In the relevant customs documents and accompanying administrative documents for the distribution of the products referred to in paragraph 1, it shall be compulsory to record the proportion of actual biofuels or other renewable fuels blended with the corresponding product of the refining of crude petroleum. The proportion referred to in the previous sentence may be determined by a joint decision of the Ministers for Economic Affairs and Finance and for Development, according to the quantities of biofuels allocated pursuant to the decisions issued under paragraph 5 and the quantities of petroleum products distributed in the domestic market in the previous year.

3. Holders of retail trade licences and licences for the provision of biofuels shall be required to display a special mark at the points of sale of: a) actual biofuels or other renewable fuels, b) biodiesel blended with vehicle fuel oil in a proportion of more than 5% by volume, c) bioethanol blended with motor spirit in a proportion of more than 5% by volume.

The features of the special mark shall be laid down by a decision of the Minister for Development, which shall be published in the Government Gazette.

4. By a joint decision of the Ministers for Economic Affairs and Finance, Development, and Rural Development and Food, a “Programme for the allocation of quantities of biofuels” (hereinafter the “programme”) shall be drawn up. The duration of this programme shall be until 31 December 2010. Persons who meet the conditions specified in indent a) of paragraph 5 may participate in the programme. The programme shall lay down the criteria, the procedure and the methodology for allocating the quantities of actual biofuels or other renewable fuels that are subject to the special tax system provided for in Article 78 of Law 2960/2001 (Government Gazette 265, Part 1)

and the procedure for checking compliance with the conditions applying to persons eligible to participate in the programme, and shall regulate all more specific matters and necessary details.

In the allocation of the quantities of actual biofuels or other renewable fuels referred to in the previous subparagraph, the following must necessarily be taken into account:

a) the capacity of biofuels production units or the quantities of biofuels or other renewable fuels imported from biofuels production units established in a Member State of the European Union that are attested by the relevant contracts,

b) the quantities of biofuels and other renewable fuels subject to the special tax system provided for in Article 78 of Law 2960/2001 that were distributed by each of the participants in the programme in the previous year of participation,

c) as a priority, contracts certified by the respective prefectures' Directorates for Rural Development for the supply of the necessary raw materials for biofuels production units originating from the cultivation of energy crops in accordance with the provisions of Chapter 8 of Commission Regulation No 1973/2004 of 29 October 2004 (OJ L 345 of 20 November 2004) and the quantities of biofuels produced on the agricultural holding of a participant in the programme, pursuant to Article 25 of that Regulation.

The same Decision shall determine the guarantees required for participation in the programme, by category of participant, and the administrative penalties imposed on participants in the programme if they do not provide, within the territory of Greece, the total quantity of biofuels and other renewable fuels they are required to provide in accordance with the programme.

Administrative penalties shall not be imposed if the participant is subject to duly substantiated reasons of *force majeure*. In that case, in the allocation for the following year of the quantities of biofuels and other renewable fuels subject to the special tax system provided for in Article 78 of Law 2960/2001, account shall be taken of the quantities of these products distributed by the participant concerned plus the quantities that would have been distributed if the reasons of *force majeure* had not applied.

5. By a joint decision of the Ministers for Economic Affairs and Finance, Development, and Rural Development and Food issued each year by 30 April, the interested parties' participation in the programme shall be approved and the allocation determined per participant for the following year of the quantities of biofuels and other renewable fuels subject to the special tax system provided for in Article 78 of Law 2960/2001, in accordance with the programme.

For participation in the programme to be approved, the following shall be required:

a) possession, at the time the above-mentioned decision is issued, of an establishment permit for a biofuels production unit, in accordance with the relevant provisions of Law 3325/2005, or of a decision approving environmental conditions as and when required by the current provisions, in the event of a derogation from the requirement to obtain an establishment permit, or presentation of contracts for the purchase of actual biofuels or other renewable fuels in the following year from biofuels production units established in a Member State of the European Union and

b) presentation of the necessary guarantees, in accordance with the provisions of the decision issued pursuant to paragraph 4.

Specifically for the years 2005 and 2006, the allocation of the quantities of actual biofuels and other renewable fuels subject to the special tax system provided for in Article 78 of Law 2960/2001 shall be determined by a decision issued pursuant to the first sub-paragraph of this paragraph, without any need to draw up the programme provided for in paragraph 4. In issuing this decision account shall be taken of the criteria in indents a), b), and c) of paragraph 4. The same decision shall determine the guarantees to be presented by persons in receipt of allocations and the administrative penalties imposed on them if they do not provide, within the territory of Greece, the total quantity of actual biofuels and other renewable fuels allocated to them. Penalties shall not be imposed if the persons referred to in the previous subparagraphs invoke and substantiate reasons of *force majeure*.

By a joint decision of the Ministers for Economic Affairs and Finance, Development, and Rural Development and Food, a participant in the programme may be replaced by a third party, only for reasons of *force majeure*, provided that the conditions laid down in paragraph 4 and the present paragraph applied to that party

6. Anyone who has received approval for an allocation of actual biofuels and other renewable fuels subject to the special tax system provided for in Article 78 of Law 2960/2001 shall accept the obligation to provide them within the territory of Greece.

7. The quantities of actual biofuels and other renewable fuels subject to the special tax system provided for in Article 78 of Law 2960/2001 supplied by biofuels production units and intended for blending with products of the refining of crude petroleum must necessarily be received and provided within the territory of Greece by: a) holders of a refinery licence, b) holders of a Category I trade licence provided they are engaged in the importation of finished products of the refining of crude petroleum. This requirement shall apply until 31 December 2010.

The decision issued pursuant to paragraph 5 shall determine for each party concerned the maximum quantities of actual liquid biofuels that holders of a refinery licence or of a Category I trade licence are required to receive pursuant to the previous subparagraph and shall regulate all more specific matters and necessary details.

Holders of the above-mentioned licences shall be required to provide the quantities of liquid biofuels they receive in accordance with the above to holders of a Category I trade licence or retail trade licence within the meaning of paragraph 3a of Article 7 and to procurement cooperatives or consortia within the meaning of paragraph 10 of Article 7, which shall be required to take delivery of these quantities and provide them within the territory of Greece, provided they are delivered in a mixture of up to 5% by volume with products of the refining of crude petroleum.

The above-mentioned obligations to provide and take delivery shall apply until 31 December 2010.»

Article 7

1. The second sentence of paragraph 1 of Article 20 of Law 3054/2002 is replaced by the following:

"For the sake of preserving competition, holders of a refinery licence or a licence for the provision of biofuels shall be required to inform the Minister for Development and the Regulatory Authority for Energy (RAE) of the manner in which the ex-factory prices for petroleum products are shaped."

2. At the end of Article 20 of Law 3054/2002, a paragraph 6 is added as follows:

"6. By a joint decision of the Ministers for Economic Affairs and Finance and for Development, on an opinion from the RAE, maximum selling prices may be laid down, in accordance with the conditions set out in paragraph 2, 3 and 4, for actual biofuels and other renewable fuels subject to the special tax system provided for in Article 78 of Law 2960/2001 that are provided by holders of a licence for the provision of biofuels to holders of a refinery licence or a Category I trade licence."

Article 8 Transitional and final provisions

1. The share of biofuels and other renewable fuels in the Greek market up to 31 December 2010 shall be 5.75%, calculated on the energy content of the total amount of motor spirit and diesel fuel for internal-combustion engines provided for transport purposes.

2. Until the Regulation provided for in Article 14 of Law 3054/2002 is supplemented the activity of the provision of biofuels may be exercised by persons meeting the conditions for the granting of a licence for the provision of biofuels, in accordance with Article 5•, without being in possession of this licence, following an approval granted by the competent department of the Ministry for Development.

Article 8 Entry into force

This Law shall enter into force on its publication in the Government Gazette, unless otherwise laid down in its various provisions.

We order that this Law be published in the Government Gazette and implemented as a national law.

Athens, 12 December 2005

The President of the Republic
Karolos Papoulias

Ministers

for Economic Affairs and Finance
G. Alogoskoufis

for Development
D. Sioufas

for the Environment, Regional Planning
and Public Works
G. Souflias

for Food
E. Baziakos

Authenticated and stamped with the Great Seal of State

Athens, 13 December 2005

The Minister for Justice
A. Papaligouras



GOVERNMENT GAZETTE OF THE HELLENIC REPUBLIC

SERIES I

No 112

10 May 2005

ACT No 3340

on the protection of the capital market against acts by persons having privileged information (insider trading) and market manipulation

THE PRESIDENT OF THE HELLENIC REPUBLIC

Hereby adopts the following Act, which has been approved by Parliament:

Article 34

1. The following shall be added at the end of the Table in Article 73(1) of Act 2960/2001 (Government Gazette, Series I, No 265, 22.11.2001), as currently in force:

TYPE	C.N. CODE	AMOUNT OF DUTY IN EUROS	TAXABLE UNIT
(z) Biodiesel made from fatty acid methyl esters, as defined by Decision 334/2004 of the Supreme Chemical Council, used as automotive fuel, either pure or mixed with diesel falling under (f) above	3824 90 99	245	1 000 litres

2. The following paragraph shall be added after Article 78(5) of Act 2960/2001 (Government Gazette, Series I, No 265, 22.11.2001), as currently in force:

"6. For the following quantities of pure biodiesel falling within Article 73(1)(z) of this Code, the rate of excise duty shall be 0 euros per 1 000 litres:

Period	Quantity of biodiesel (thousands of litres)
1 January–31 December 2005	51 000
1 January–31 December 2006	91 000
1 January–31 December 2007	114 000

All details necessary for the implementation of the provisions of this paragraph and the means of monitoring and controlling the legal production, mixing, distribution and release for consumption of the quantities of pure biodiesel subject to a zero rate of excise duty shall be determined by joint decision of the Ministers for Economic Affairs and Finance and for Development.”



**GOVERNMENT GAZETTE
OF THE HELLENIC REPUBLIC**

VOL. B

No 4

3 January 2006

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No F. 1643/820 (4)

Terms and conditions governing the production, distribution, blending and placement of pure biodiesel on the market for use in line with Article 78(6) of Law 2960/2001 as in force.

THE MINISTERS FOR ECONOMIC AFFAIRS & FINANCE AND DEVELOPMENT

Having regard to:

a) The provisions of Law 2960/2001 (Government Gazette 265/A) on the national customs code as in force following amendment by Law 3336/2005 (Government Gazette 96/A) on the transposition of Council Directive 2003/96/EC of 27 October 2003 on the imposition of excise duty into Greek law.

b) The provisions of Article 1 of Law 2960/2001 under which the authorities competent for implementing the provisions of this Law are the Customs Authorities.

c) The provisions of Article 73(z) of Law 2960/2001, inserted by Article 34(1) of Law 3340/2005 (Government Gazette 112/A) on protection of the capital market from the transactions conducted by persons with preferential information and market manipulation which provides a definition of biodiesel and sets the rate for excise duty, and Article 78(6) inserted by Article 34(2) of Law 3340/2005 cited above, which provides for the application of a zero rate of excise duty for specific quantities of pure biodiesel.

d) The provisions of Articles 62, 63 and 64 of Law 2960/2001 on the establishment of tax warehouses and recognition of approved warehousekeepers.

e) The provisions of Law 3423/2005 (Government Gazette 304/A) on the introduction to the Greek market of biofuels and other renewable fuels which amend certain provisions of Law 3054/2002.

f) The provisions of the last indent of Article 78(6) of Law 2960/2001 cited above which authorise the Ministers for Economic Affairs & Finance and Development to lay down all modalities relating to implementation of that paragraph, and the manner of monitoring and checking the lawful production, blending, transport and placement of quantities of pure diesel on the market for use which enjoy a zero rate of excise duty.

g) Joint Decision No 137930/DIOE 1264 of the Prime Minister and Minister for Economic Affairs & Finance assigning competences of the State Secretaries for Economic Affairs & Finance (Government Gazette 1432/B/14.10.2005).

h) Joint Decision No D15/A/F19/oik.4889/24.3.2004 of the Prime Minister and Minister for Development assigning competences to the State Secretaries of Development (Government Gazette 528/B).

i) The joint decision of the Hellenic Supreme Chemical Council No 334/2004 on motor fuels - biodiesel for diesel engines - requirements and testing methods (Government Gazette 713/B/26.5.2005).

j) The fact that the terms and conditions on the monitoring and inspection of the lawful production, blending, transport and placement of quantities of pure diesel on the market for use which enjoy a zero rate of excise duty (C.N. Code 38249099) for use as motor fuels should be laid down.

k) The fact that this decision does not entail any expenditure to the State budget given that it simply enacts procedures to implement the provisions of Law 2960/2001 on the national customs code, we hereby decide:

To lay down the conditions and procedures for monitoring and inspecting the lawful production, possession, blending, transport and placement of pure biodiesel on the market for use laid down in Hellenic Supreme Chemical Council Decision No 334/2004 (C.N. Code 38249099) which enjoy the excise duty rate cited in Article 78(6) of Law 2960/2001 as in force, in order to be used exclusively as motor fuel in accordance with Article 73(2b) of Law 2960/2001 as in force. These conditions are as follows:

Article 1

Product – Beneficiaries – Competent Authority

1. The product named biodiesel (C.N. Code 38249099) specified in Hellenic Supreme Chemical Council Decision No 334/2004 shall be included among the products referred to in Article 72 of Law 2960/2001, as in force following amendment by Law 3336/2005, and consequently is governed by the provisions of that Law on the regime concerning the production, processing, possession, placement on the market and inspection of energy products. At the same time, Article 73(1)(z) of Law 2960/2001, as in force, imposes excise duty and sets the rate thereof, whereas Article 78(6) of the same Law, inserted by Article 34(2) of Law 3340/2005, lays down the quantities of pure biodiesel which are subject to a zero rate of excise duty for the years 2005, 2006 and 2007.

The pure biodiesel subject to the excise duty rate cited in Article 78(6) of Law 2960/2001, as in force, may, before being delivered to the consumer, be blended with diesel and used solely as a motor fuel in accordance with the relevant provisions.

2. Beneficiaries entitled to produce and place on the market pure biodiesel subject to the aforementioned excise duty rate, and the relevant quantities corresponding to them, shall be laid down each year by means of joint decision of the Ministries of Economic Affairs & Finance, Development and Rural Development & Food in accordance with the relevant provisions. Beneficiaries shall meet the terms and conditions contained in Articles 62, 63 and 64 of Law 2960/2001, as in force, on the establishment of tax warehouses and the granting of authorisation to approved warehousekeepers.

3. The authority competent for monitoring the transport of pure biodiesel under the suspension regime and for placing it on the market is the Customs Office within whose jurisdiction the beneficiary's tax warehouse is established.

Article 2

Production – supply of pure biodiesel

Holders of biodiesel sale authorisations in accordance with Article 5A of Law 3054/2002, as amended and in force, shall operate as tax warehouses in accordance with the provisions of Articles 62-64 et seq. of Law 2960/2001, as in force, under the terms and conditions laid down in Ministry of Economic Affairs Decisions Nos. F.639/447/14.8.2002 and F.883/530/16.9.1999.

A) The tax warehouse obligation shall be discharged upon posting:

i) of in-house shipment notes (production notes) issued upon completion of production of a specific quantity of pure biodiesel.

These notes shall be posted to the Customs Integrated Information System each day on which production occurs and in all events before the products leave the tax warehouse.

ii) The goods-in Single Administrative Document (SAD) for ready pure biodiesel.

b) Credits shall be applied to the tax warehouse as follows:

i) By issuing an goods-out SAD (dispatches to tax warehouses or other beneficiaries operating under a suspension regime).

ii) By submitting an export declaration or excise duty declaration in accordance with the specific and clear provisions of Law 2960/2001 as in force.

These postings at Customs Offices with a Customs Integrated Information System shall be effected via the system whereas at non-computerised customs offices shall be made in the books kept by hand in line with the aforementioned Ministry of Economic Affairs decisions.

Article 3

Pure biodiesel blending tax warehouses

1. Biodiesel may be blended with diesel within tax warehouses at the premises of refinery authorisation holders or class A trading authorisation holders in line with the relevant provisions.

2. The approved warehousekeepers, refinery authorisation holders or class A trading authorisation holders who take receipt of pure biodiesel before blending is effected shall submit a tax warehouse monitoring and inspection form, an application to change the product cited, the excise duty code for the biodiesel and the same code for the blend to the Customs Office.

3. The result of the blend (mix) shall be checked in relation to the change application approved by the Customs Office, posted and monitored at the tax warehouse as a new product.

Article 4

Obligations of beneficiaries

1. Beneficiaries within the meaning of Article 1(2) of this decision are obliged to keep all accounting books and records required by the relevant tax provisions and those provided for by the provisions of Law 2960/2001 and decisions issued pursuant to it relating to the delivery, possession, processing, placement on the market and inspection of products subject to excise duty, pursuant to which monitoring and inspection will be carried out by the competent authorities on the raw materials received and used, the processes which take place and the products which result.

2. The aforementioned beneficiaries shall necessarily submit a copy of the Joint Ministerial Decision cited in article 1(2) hereof to the Customs Office responsible for inspecting and supervising the tax warehouse.

3. Biodiesel and diesel blends transported between tax warehouses using a SAD or simplified SAD should set out in boxes 18 and 8 of those documents, as appropriate, the percentage of

pure biodiesel specified from time to time in accordance with the provisions of the second indent of Article 15A(2) of Law 3054/2002, as amended and in force.

The same reference shall necessarily be made on documentation used to place the said products on the market or on products intended for export.

4. Beneficiaries are obliged to accept and facilitate any inspection and to comply with the recommendations of the competent Customs Office.

Article 5

Placement biodiesel – diesel blends on the market

1. The placement of pure biodiesel or a biodiesel-diesel blend on the market shall be done in implementation of the provisions of Articles 56, 57 and 108 of Law 2960/2001 by submitting an excise duty declaration when the product leaves the suspension regime provided that the procedure laid down in the relevant provisions has been followed.

The excise duty declaration, which cites the quantity of pure biodiesel contained in the diesel blend in accordance with the provisions of Article 4(3) hereof, shall confirm the duty payable which shall be collected as tax payable on the quantity of diesel placed on the market for sale and a tax break shall be granted for the quantity of pure biodiesel contained in the blend in line with the percentage cited in the said return.

Article 6

Inspections

1. The Customs Offices responsible for supervision and inspections shall prepare a report relating to production and marketing beneficiaries in accordance with the provisions of Article 1(2) hereof of pure biodiesel subject to the excise duty rate cited in Article 78(6) of Law 2960/2001 as in force.

This report shall set forth and record the precise quantity of pure biodiesel subject to the said excise duty rate which, in accordance with Article 2 hereof, had initially be recorded in the tax warehouse, and the quantity credited to the specific warehouse of each beneficiary in relation to the relevant recipients. The results of these inspections, which shall be carried out at least every 6 months, shall be dispatched to the competent central customs offices.

2. The customs offices responsible for supervising and inspecting tax warehouses containing pure biodiesel subject to a zero excise duty rate shall, at the end of each calendar quarter, carry out verifications based on the relevant chemical analysis notes which have been submitted to ascertain the precise quantity placed on the market, either in pure form or blended with diesel, in relation to the quantity which was recorded for the tax warehouse and shall be correlated both with the books kept by the undertaking cited in Article 4 and the particulars which the customs office itself has and other customs documentation or accompanying paperwork.

These inspections shall be carried out by the competent customs office with the assistance of an employee of the local branch of the State General Chemical Laboratory where special technical knowledge is required and their participation is considered necessary by the customs office to enable the inspection to be more effectively conducted.

The competent customs officer carrying out the said inspection shall prepare a report, a copy of which is sent together with copies of the relevant customs clearance, shipping and chemical analysis documentation to the competent central customs office.

3. By the end of January each year, the aforementioned competent central customs offices shall prepare reports based on data collected showing tax warehouses placing pure biodiesel subject to a zero excise duty rate on the market and the tax warehouses of beneficiaries holding possession and marketing authorisations for pure biodiesel subject to zero excise duty, as appropriate.

This consolidated data along with individuals reports and documentation from the competent customs offices shall be dispatched to the Attica Customs Office.

4. By the end of February each year, the Attica Customs Offices shall carry out a final annual inspection based on the aforementioned data dispatched to it in the context of the inspections referred to in paragraph 1 and any other data it considers necessary in the circumstances, in order to verify the precise quantities of the product placed on the domestic market, per beneficiary, in line with the Joint Ministerial Decision referred to in Article 1(2) hereof, as in force from time to time.

The results of inspections shall be notified to the Excise Duty Directorate of the Customs and Excise Directorate General and the Directorate for Renewable Energy Sources and Energy Savings / Ministry of Development.

5. By the end of March each year, the Attica Customs Offices shall carry out a final annual inspection per approved warehousekeeper for all that party's warehouses, based on the aforementioned data dispatched to it in the context of the inspections referred to in paragraph 2 and any other data it considers necessary in the circumstances, in order to verify the precise quantities of the pure biodiesel subject to a zero excise duty rate in line with Article 78(6) of Law 2690/2001, as in force, which were placed on the market in the Greek State.

The results of inspections shall be notified to the Excise Duty Directorate of the Customs and Excise Directorate General and the Directorate for Renewable Energy Sources and Energy Savings / Ministry of Development and to the Customs Auditing Services.

6. Where it is found in the course of the inspections in paragraph 5 above that the above quantity of pure biodiesel was not used in the context of this decision or that quantities larger than those provided for in Article 78(6) of Law 2960/2001 have been placed on the market, compared to the joint decision of the Ministry of Economic Affairs referred to in Article 4 hereof, as in force from time to time, the local customs office at the undertaking's seat shall be notified to determine, confirm and collect the tax payable in line with Article 73(1)(z) of Law 2960/2001, as in force, and the provisions of the Hellenic Public Revenue Collection Code shall apply.

Regardless of the payment of tax due, the provisions of Article 118 on irregularities and violations and the provisions on smuggling contained in Law 2690/2001 and related tax laws may be applied where the conditions for this are met.

At the same time, the said customs offices may carry out unscheduled inspections in accordance with the provisions of paragraphs 1 and 2 of this article.

Article 7

Final Provisions

This Decision shall enter into effect from its signing and be published in the Government Gazette.

Athens, 23 December 2005

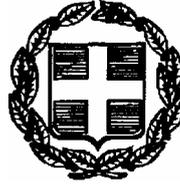
THE STATE SECRETARIES

FOR ECONOMIC
AFFAIRS &
FINANCE

A. BEZAS

FOR DEVELOPMENT

G. SALAGOUDIS



GOVERNMENT GAZETTE OF THE HELLENIC REPUBLIC

SERIES II

No 713

26 May 2005

DECISIONS

No 334/2004

Automotive fuels — biodiesel for diesel engines — requirements and test methods

THE MINISTERS FOR

ECONOMIC AFFAIRS AND FINANCE, DEVELOPMENT, AND THE ENVIRONMENT, REGIONAL PLANNING AND PUBLIC WORKS

Having regard to:

1. Document 536 of 22.6.2004 and document 83 of 21.1.2005 of the Petrochemicals Directorate of the General State Laboratory;
2. Article 6(8)(d) of *Act 4328/1929 on the establishment of the General State Laboratory* (Government Gazette, Series I, 1929, No 272), as replaced by Article 11(6) of *Act 2343/1995* (Government Gazette, Series I, No 211, 11.10.1995);
3. Article 4 of the *Decree of 31 October 1929 on the rules of procedure and tasks of the Supreme Chemical Council* (Government Gazette, Series I, 1929, No 391);
4. Article 1 of *Act 115/1975 amending provisions of Act 4328/1929* (Government Gazette, Series I, 1975, No 172);
5. *Presidential Decree No 39/2001 laying down a procedure for the provision of information in the field of technical standards and regulations and of rules on information society services in accordance with Directives 98/34/EC and 98/48/EC*;
6. *Decision 1078204/927/0006 • of the Minister attached to the President's Office and the Minister of Finance of 6.8.1992 on the restriction of the joint bodies of the Ministry of Finance* (Government Gazette, Series II, 1992, No 517);
7. *Decision 14650/DIOE85 of the Prime Minister and the Minister for Economic Affairs and Finance of 17.3.2004 determining the responsibilities of the State Secretaries for Economic Affairs and Finance* (Government Gazette, Series II, No 519, 17.3.2004);

8. Article 29A of *Act 1558/1985* (Government Gazette, Series I, No 137), as added by Article 27 of *Act 2081/1992* (Government Gazette, Series I, No 154) and replaced by Article 1(2)(a) of *Act 2469/1997* (Government Gazette, Series I, No 38), and the fact that this Decision entails no expenditure under the national budget,

HAVE DECIDED AS FOLLOWS:

Decision No 334/2004 of the Supreme Chemical Council, adopted at the meeting of 1.7.2004, as amended at the meeting of 3.2.2005 by Decision 27/2005, as set out below, is hereby approved:

GENERAL STATE LABORATORY
SUPREME CHEMICAL COUNCIL

The specifications, other requirements and test methods set out below for biodiesel meeting the requirements of the ELOT EN 14214 standard are hereby approved:

Automotive fuels — biodiesel for diesel engines — requirements and test methods

Article 1
Purpose and scope

The purpose of this Decision is to determine the specifications, other requirements and test methods for biodiesel placed on the market and intended for use in diesel engines, either in 100% concentration, or mixed with petroleum of mineral origin, in accordance with the requirements of the ELOT EN 590 standard.

In 100% concentration it shall be used in diesel engines designed or adapted to run on such fuel.

All the requirements of this Decision are in accordance with the corresponding requirements of the ELOT EN 14214 standard.

Article 2
Definition

“Biodiesel” shall mean fatty acid methyl esters (FAME) produced from vegetable or animal oils which are of diesel quality and are used as biofuel.

Article 3
Sampling

Sampling of biodiesel shall be carried out in accordance with the ELOT EN 3170 or ELOT EN 3171 or ELOT EN 14275 standards or in accordance with Decision 13/85 of the Supreme Chemical Council (Government Gazette, Series II, 1985, No 314). The samples shall be examined in accordance with the procedure for perishable goods, as provided for in Joint Ministerial Decision 548/1998 (Government Gazette, Series II, No 127 of 18.2.1999).

Article 4
Marking of pumps

The fuel type information displayed on pumps used to distribute biodiesel and the dimensions of such markings shall be in accordance with the market provisions in force.

***COMMENT: Supplemented by Ministerial Decision of 8.8.2005 (see Government Gazette, Series II, 2005, No 1149).

Article 5 Requirements and test methods

5.1 Colourants and tracers

Biodiesel shall be distributed with its natural colour, without addition of colourants or tracers.

5.2. Additives

Additives may be used to improve the quality characteristics of biodiesel. Such additives must not be damaging to the environment or to engines. They shall be added on the responsibility of the oil trading companies, as regards their effectiveness for their intended purpose.

For information purposes, and to allow testing for the presence of the additive in automotive fuel, companies shall provide the Petrochemicals Directorate of the General State Laboratory with detailed information on the additive, such as its physicochemical characteristics, its chemical composition, the proportion added to fuel, the test method, the improvements it makes, the results of laboratory and mechanical tests, mechanical test certificate, safety data, and a declaration by the company as to whether the additive is used in EU countries or EFTA countries which are contracting parties to the EEA Agreement or Turkey.

Additives which are used in another EU or EEA Member State or in Turkey shall be accepted only if they comply with the provisions of this Decision or with any other regulation or specification in force in another EU or EEA Member State or in Turkey and which effectively provide the intended improvement in the quality characteristics of biodiesel and which guarantee an equivalent level of quality and safety as regards human health and the environment under the same climatological conditions.

The data regarding the additive shall be treated as confidential.

Oil trading companies which place biodiesel containing additives on the market shall be fined from 3 000 to 30 000 euros if they fail to provide the Petrochemicals Directorate of the General State Laboratory with the required information on such additives before the products are placed on the market. The said fine shall be imposed by decision of the Minister for Economic Affairs and Finance, acting on a proposal from the Petrochemicals Directorate of the General State Laboratory, only if the explanations which the company concerned shall be invited to provide are not considered satisfactory.

Article 6 Free Circulation and Mutual Recognition Clauses

From the entry into force of this Decision, the placing on the Greek market of fuels which meet the requirements hereof shall not be prohibited, restricted or hindered, subject to the other provisions of the legislation in force on trade in fuel.

Biodiesel which has been legally manufactured and/or placed on the market in other Member States of the EU or in EFTA countries which are contracting parties to the EEA

Agreement or in Turkey may be placed on the market in Greece, provided it has been manufactured in accordance with valid technical standards, specifications or manufacturing and testing procedures which duly and satisfactorily correspond to the operational requirements of internal combustion engines designed to run on this type of fuel and which demonstrably guarantee an equivalent level of quality and safety with regard to human health and the environment under the same climatological conditions.

The Chairman
N. HATZICHRISTIDIS

The Secretary
E. PALLARI

THE MEMBERS: D. Mandelis, N. Katsimbas, A. Papathanasiou, K. Avgoustakis, G. Siamandas, I. Gaglias.

This Decision shall enter into force on the date of its publication in the Government Gazette.

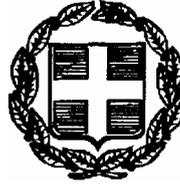
This Decision shall be published in the Government Gazette.

Athens, 24 May 2005

THE STATE SECRETARY FOR
FINANCE
A. RENGOUZAS

THE MINISTER FOR DEVELOPMENT
D. SIOUFAS

THE MINISTER FOR THE ENVIRONMENT, REGIONAL PLANNING AND PUBLIC
WORKS
G. SOUFLIAS



GOVERNMENT GAZETTE OF THE HELLENIC REPUBLIC

SERIES II

No 1149

17 August 2005

DECISIONS

No 513/2004

Adjustment to technical progress of Decision 291/2003 of the Supreme Chemical Council aligning Greek legislation on Directive 98/70/EC of the European Parliament and of the Council of 13.10.1998 as regards the quality of petrol and diesel fuels, as amended and currently in force

THE MINISTERS FOR ECONOMIC AFFAIRS AND FINANCE, DEVELOPMENT, AND THE ENVIRONMENT, REGIONAL PLANNING AND PUBLIC WORKS

Having regard to:

1. Document 784 of 22.9.2004 and document 3012608/601 of 9.6.2005 of the Petrochemicals Directorate of the General State Laboratory;
2. Article 6(8)(d) of *Act 4328/1929 on the establishment of the General State Laboratory* (Government Gazette, Series I, 1929, No 272), as replaced by Article 11(6) of *Act 2343/1995* (Government Gazette, Series I, No 211, 11.10.1995);
3. Article 4 of the *Decree of 31 October 1929 on the rules of procedure and tasks of the Supreme Chemical Council* (Government Gazette, Series I, 1929, No 391);
4. Article 1 of *Act 115/1975 amending provisions of Act 4328/1929* (Government Gazette, Series I, 1975, No 172);
5. *Presidential Decree No 39/2001 laying down a procedure for the provision of information in the field of technical standards and regulations and of rules on information society services in accordance with Directives 98/34/EC and 98/48/EC*;
6. *Decision No 1078204/927/0006 • of the Minister attached to the President's Office and the Minister of Finance of 6.8.1992 on the restriction of the joint bodies of the Ministry of Finance* (Government Gazette, Series II, 1992, No 517);
7. *Decision 14650/DIOE85 of the Prime Minister and the Minister for Economic Affairs and Finance of 17.3.2004 determining the responsibilities of the State Secretaries for Economic Affairs and Finance* (Government Gazette, Series II, No 519, 17.3.2004);

8. Article 29A of *Act 1558/1985* (Government Gazette, Series I, No 137), as added by Article 27 of *Act 2081/1992* (Government Gazette, Series I, No 154) and replaced by Article 1(2)(a) of *Act 2469/1997* (Government Gazette, Series I, No 38), and the fact that this Decision entails no expenditure under the national budget,

HAVE DECIDED AS FOLLOWS:

Decision No 513/2004 of the Supreme Chemical Council, adopted at its meeting on 7.10.2004, as set out below, is hereby approved:

GENERAL STATE LABORATORY
SUPREME CHEMICAL COUNCIL

The following amendment adjusting to technical progress Decision 291/2003 of the Supreme Chemical Council aligning Greek legislation on Directive 98/70/EC of the European Parliament and of the Council of 13.10.1998 as regards the quality of petrol and diesel fuels, as amended and currently in force, is hereby approved:

Where they are referred to in Decision 291/2003 of the Supreme Chemical Council aligning Greek legislation on Directive 98/70/EC of the European Parliament and of the Council of 13.10.1998 as regards the quality of petrol and diesel fuels, as amended and currently in force (Government Gazette, Series II, 2004, No 332), the EN 228: 1999 and EN 590: 1999 standards shall be replaced by the ELOT EN 228:2004 and ELOT EN 590:2004 standards respectively.

The Chairman
N. HATZICHRISTIDIS

The Secretary
E. PALLARI

THE MEMBERS: D. Mandelis, N. Katsimbas, S. Mastronikoli, A. Papathanasiou, K. Avgoustakis, G. Siamandas, V. Tsoukalas, I. Gaglias.

This Decision shall enter into force on the date of its publication in the Government Gazette.

This Decision shall be published in the Government Gazette.

Athens, 8 August 2005

THE STATE SECRETARY FOR
FINANCE

A. RENGOUZAS

THE MINISTER FOR DEVELOPMENT

D. SIOUFAS

THE MINISTER FOR THE ENVIRONMENT, REGIONAL PLANNING AND PUBLIC
WORKS

G. SOUFLIAS

Supplement to Decision 334/2004 of the Supreme Chemical Council on automotive fuels — biodiesel for diesel engines — requirements and test methods

THE MINISTERS FOR

ECONOMIC AFFAIRS AND FINANCE, DEVELOPMENT, AND THE ENVIRONMENT,
REGIONAL PLANNING AND PUBLIC WORKS

Having regard to:

1. Document 536 of 22.6.2004 and document 83 of 21.1.2005 of the Petrochemicals Directorate of the General State Laboratory;
2. Article 6(8)(d) of *Act 4328/1929 on the establishment of the General State Laboratory* (Government Gazette, Series I, 1929, No 272), as replaced by Article 11(6) of *Act 2343/1995* (Government Gazette, Series I, No 211, 11.10.1995);
3. Article 4 of the *Decree of 31.10.1929 on the rules of procedure and tasks of the Supreme Chemical Council* (Government Gazette, Series I, 1929, No 391);
4. Article 1 of *Act 115/1975 amending provisions of Act 4328/1929* (Government Gazette, Series I, 1975, No 172);
5. *Presidential Decree No 39/2001 laying down a procedure for the provision of information in the field of technical standards and regulations and of rules on information society services in accordance with Directives 98/34/EC and 98/48/EC*;
6. *Decision No 1078204/927/0006 • of the Minister attached to the President's Office and the Minister of Finance of 6.8.1992 on the restriction of the joint bodies of the Ministry of Finance* (Government Gazette, Series II, 1992, No 517);
7. *Decision 14650/DIOE85 of the Prime Minister and the Minister for Economic Affairs and Finance of 17.3.2004 determining the responsibilities of the State Secretaries for Economic Affairs and Finance* (Government Gazette, Series II, No 519, 17.3.2004);
8. Article 29A of *Act 1558/1985* (Government Gazette, Series I, No 137), as added by Article 27 of *Act 2081/1992* (Government Gazette, Series I, No 154) and replaced by Article 1(2)(a) of *Act 2469/1997* (Government Gazette, Series I, No 38), and the fact that this Decision entails no expenditure under the national budget;
9. Decision 334/2004 of the Supreme Chemical Council (Government Gazette, Series II, No 713, 26.5.2005),

HAVE DECIDED AS FOLLOWS:

The following supplement to Decision 334/2004 of the Supreme Chemical Council (Government Gazette, Series II, No 713, 26.5.2005) is hereby approved:

GENERAL STATE LABORATORY
SUPREME CHEMICAL COUNCIL

The following point 5.3 shall be added after point 5.2:

5.3. General Requirements and Test Methods

The specifications and test methods set out in Table 1 of the ELOT EN 14214 standard shall apply to biodiesel used in Greek territory.

The cold-filter plugging point (CFPP) of biodiesel distributed in Greek territory shall be Grade A from 1 April to 30 September and Grade C from 1 October to 31 March, as specified in Table 2a of the ELOT EN 14214 standard.

The Chairman
N. HATZICHRISTIDIS

The Secretary
E. PALLARI

THE MEMBERS: D. Mandelis, N. Katsimbas, A. Papathanasiou, K. Avgoustakis,
G. Siamandas, I. Gaglias.

This Decision shall be published in the Government Gazette.

Athens, 8 August 2005

THE STATE SECRETARY FOR
FINANCE

A. RENGOUZAS

THE MINISTER FOR DEVELOPMENT

D. SIOUFAS

THE MINISTER FOR THE ENVIRONMENT, REGIONAL PLANNING AND PUBLIC
WORKS

G. SOUFLIAS



6557

**GOVERNMENT GAZETTE
OF THE HELLENIC REPUBLIC**

VOL. B

No. 512

20 April 2006

DECISIONS

No. DI/B/oik 8392

Approval of allocation for 2006 of a quantity of 91 000 kilolitres of pure biodiesel subject to a special tax regime under the provisions of Article 78(6) of Law 2960/2001 in accordance with the provisions of Article 15A(5) of Law 3054/2002.

**THE MINISTERS FOR ECONOMIC AFFAIRS & FINANCE, DEVELOPMENT,
RURAL DEVELOPMENT & FOODS**

Having regard to:

1. The provisions of:

a. Presidential Decree 63/2005 on codification of the legislation on Government and governmental agencies (Government Gazette 98/A).

b. Presidential Decree 381/1989 on the organisational structure of the Ministry of Industry, Energy and Technology (Government Gazette 168/A) amended by Presidential Decree 191/1996 on amendments to the provisions of Presidential Decree 381/1989 on the organisational structure of the Ministry of Industry, Energy and Technology (Government Gazette 154/A) in conjunction with Presidential Decree 27/1996 on the merger of the Ministries of Tourism, Industry, Energy and Technology and Trade into the Ministry of Development (Government Gazette 19/A) amended by

Presidential Decree 122/2004 on re-establishment of the Ministry of Tourism (Government Gazette 85/A).

c. Presidential Decree 284/1998 on the organisational structure of the Ministry of Finance (Government Gazette 128/A) as in force, read in conjunction with Presidential Decree 81/2002 on the merger of the Ministries of Economic Affairs and Finance into the Ministry of Economic Affairs & Finance (Government Gazette 57/A).

d. Presidential Decree 402/1988 on the organisational structure of the Ministry of Agriculture (Government Gazette 187/A) as in force.

e. Presidential Decree 121/2004 on the appointment of ministers and state secretaries (Government Gazette 84/A) read in conjunction with Presidential Decree 202/2004 on the appointment of the State Secretary for Rural Development & Food (Government Gazette 176/A), Presidential Decree 205/2005 on the appointment of the State Secretary for Economic Affairs & Finance (Government Gazette 250/A) and Presidential Decree 33/2006 on the appointment of members of Government and State Secretaries (Government Gazette 35/A).

f. ••••. Law 3054/2002 on the organisation of the petroleum products market and other provisions (Government Gazette 230/A) as in force following amendment by Law 3335/2005 on control of the transport and storage of petroleum products - regulation of issues related to the Ministry of Development (Government Gazette 96/A), supplemented by Law 3423/2005 on the introduction to the Greek market of biofuels and other renewable fuels (Government Gazette 304/A).

g. Law 2960/2001 on the national customs code (Government Gazette 265/A0 as in force following amendment by Law 3336/2005 on the transposition of Council Directive 2003/96/EC of 27 October 2003 on the imposition of excise duty into Greek law (Government Gazette 96/A) and supplemented by article 34 of Law 3340/2005 on protection of the capital market from the transactions conducted by persons with preferential information and market manipulation (Government Gazette 112/A).

2. Decision No. Y1/10.3.2004 of the Prime Minister changing the names of Ministries and determining the ranking order of Ministries (Government Gazette 513/B).

3. Decision No. D15/A/F19/oik.4889/24.3.2004 of the Prime Minister and Minister for Development assigning competences to the State Secretaries for Development, Georgios Salangoudis and Ioannis Papathanassiou (Government Gazette 249/B).

4. Decision No. 37930/DIOE 1264/17.3.2004 of the Prime Minister and Minister for Economic Affairs & Finance assigning competences of the State Secretaries for Economic Affairs & Finance (Government Gazette 1432/B).

5. Decision No. Y 132/11.10.2004 of the Prime Minister and Minister for Rural Development and Foods assigning competences to the State Secretaries for Rural Development and Foods, Alexandros Kontos (Government Gazette 1533/B).

6. Decision No. F 1643/820/23.12.2005 of the Ministers for Economic Affairs & Finance and Development on the terms and conditions governing the production, distribution, blending and placement of pure biodiesel on the market for use in line with Article 78(6) of Law 2960/2001 as in force (Government Gazette 4/B/2006).

7. The decision of the Hellenic Supreme Chemical Council No. 334/2004 on motor fuels - petrol of organic origin (biodiesel) for diesel engines - requirements and testing methods (Government Gazette 713/B) and the supplement thereto contained in Government Gazette 1149/B/2005.

8. Decision No. 513/2004 of the Hellenic Supreme Chemical Council on adaptation to technical progress of Decision No. 291/2003 of the Hellenic Supreme Chemical Council on transposition of

Directive 98/70/EC of the European Parliament and of the Council of 13 October 1998 relating to the quality of petrol and diesel fuels into Greek law, as amended and in force (Government Gazette 1149/B/2005).

9. Announcement No. D6/F.18/oik.892/17.1.2006 of the Ministry of Development on participation by interested parties in the allocation of a quantity of 91 000 kilolitres of pure biodiesel for the year 2006 subject to a special tax regime in line with the provisions of Article 78(6) of Law 2960/2001.

10. The recommendation dated 10 April 2006 from the Evaluation Committee established by means of Decision No. D6/F.18/oik.4946/13.3.2006 of the Secretary General of the Ministry of Development to evaluate the applications submitted under Call No. D6/F.18/oik.892/17.1.2008 and the allocation for the year 2006 of a quantity of 91 000 kilolitres of pure biodiesel subject to the special tax regime in Article 78(6) of Law 2960/2001.

11. The need to ensure the uninterrupted supply of biodiesel and the problem-free operation of the Greek fuel market.

12. The fact that the provisions of this decision do not incur any expense to the State budget.

we hereby decide

To allocate a quantity of 91 000 kilolitres of pure biodiesel subject to a special tax regime under the provisions of Article 78(6) of Law 2960/2001 in accordance with the provisions of Article 15A(5) of Law 3054/2002 in accordance with the following articles:

Article 1

Approval of Allocation

In accordance with the provisions of Article 15A of Law 3054/2002, as in force, and in particular paragraph 5 of that Article, and the recommendation made by the Evaluation Committee, approval is hereby granted for the year 2006 for allocation to the following beneficiaries of the quantities of pure biodiesel subject to the special taxation regime under the provisions of Article 78 of Law 2960/2001 as in force, as follows:

No.	Beneficiary	Origin of quantity of pure biodiesel	Quantity of pure biodiesel allocated (in kilolitres)
1	PAVLOS N. PETTAS S.A. Registered offices: 131 R. Fereou St., Patra, GR-26221, Tax Reg. No. 094112060, Patra 2nd Tax Office	Beneficiary's production plant at the Patra Industrial Area	24 000
2	VERT OIL S.A., Registered offices: 14 th Km Old Thessaloniki - Kilkis National Road, Pentelofos, Thessaloniki, GR-54500, Tax Reg. No. 999720810 Thessaloniki FAE Tax Office	Beneficiary's production plant at Agios Athanassios, Thessaloniki	8 000

3	BIODIESEL Ltd., Registered offices: 1 Prof. Ilias St., Assiros, Thessaloniki, GR-57200, Tax Reg. No. 800178559, Langada Tax Office	Beneficiary's production plant in the Mygdonia Park Municipal District of Thessaloniki	1 500
4	HELLENIC BIOPETROLS S.A. (ELVI), Registered offices: Stavrochori, KILKIS, GR-61100, Tax Reg. No.: 094539619, Kilkis Tax Office	Beneficiary's production plant at Stavrochori, Kilkis	41 000
5	AGROINVEST S.A, Registered offices: 3 Papadopoulou St., Ag. I. Rentis, Attica, GR-18233, Tax Reg. No.: 094385687 Piraeus FAE Tax Office	Beneficiary's production plant in the Achladi Municipal District, Municipality of Echinees, Fthiotida	5 000
6	Northern Greece Ginning Plant S.A, Registered offices: 50 Mer. Serron St., Komotini, Tax Reg. No.: 099761674 Komotini Tax Office	Beneficiary's production plant at Vistonida, Xanthi	300
7	Company SOYA MILLS S.A., Registered offices: 1 Alamanas St. & Delfon St., Marousi, Attica GR-15125, Tax Reg. No. 094035988 Athens FABE Tax Office	Imports from EU countries	4 000
8	BIOENERGY Ltd., Registered offices: Diomedia Vistonida, Xanthi, Tax Reg. No.: 999801669 Xanthi 2 nd Tax Office	Beneficiary's production plant in the Diomedia Municipal District, Municipality of Vistonida, Xanthi	300
9	STAFF COLOUR S.A., Registered offices: Larissa Industrial Area, Larissa, GR-41004, Tax Reg. No.: 999085488, Larissa 2 nd Tax Office	Beneficiary's production plant at the Larissa Industrial Area	600
10	MIL OIL HELLAS S.A., Registered offices: 4 I. Tsalouchidis St., Kifissia, Thessaloniki, GR-54428, Tax Reg. No. 099770843 Thessaloniki FAE Tax Office	Beneficiary's production plant at the Kilkis Industrial Area	300
11	ELIN BIOFUELS S.A., Registered offices: 33 Pigon St., Kifissia, Attica, GR-14564, Tax Reg. No. 999081902 Athens FAEE Tax Office	Beneficiary's production plant at the Volos Industrial Area	5 000
12	V.K. BIODIESEL Ltd., Registered offices: Frangon St. & 2 Orfanidou St., Thessaloniki, GR-54628, Tax Reg. No. 998975790 Thessaloniki 2 nd Tax Office	Beneficiary's production plant at the Thessaloniki Industrial Area	400

13	Troulis Bros. S.A., Registered offices: 184 Stadiou St., Nea Alikarnassos, Heraklion, Crete, Tax Reg. No.: 999082333, Heraklion 2 nd Tax Office	Beneficiary's production plant at the Heraklion Crete Industrial Area	100
14	BIOENERGY BIOFUELS S.A., Registered offices: 95 Ag. Georgiou St., Koropi, Attica, GR-19400	Imports from EU countries	500
	Tax Reg. No.: 999645700 Athens FABE Tax Office		

Article 2

Obligations of beneficiaries

1. The beneficiaries cited in Article 1 undertake the obligation to place the allocated quantities of pure biodiesel allocated to them in accordance with Article 1 on the market within the Greek State between 1 January and 31 December 2006.
2. Compliance with this obligation will be checked by the competent customs offices at the beneficiary's registered offices in line with Decision No. F.1643/820/ 23.12.2005.
3. During the inspection referred to in the foregoing paragraph, deviations in the quantities of pure diesel placed on the market in the Greek State of up to 5% of the allocated quantities cited in Article 1 will be accepted.

Article 3

Guarantee

1. The beneficiaries referred to in Article 1 are obliged to submit a letter of guarantee as follows to the Directorate General for Energy of the Ministry of Development by 19 May 2006 at the latest:

No.	Beneficiary	Letter of guarantee amount (€)
1.	PAVLOS N. PETTAS S.A.	882 000.00
2.	MIL OIL HELLAS S.A.,	294 000.00
3.	BIODIESEL Ltd.	55 125.00
4.	HELLENIC BIOPETROLS S.A.	1 506 750.00
5.	AGROINVEST S.A.	183 750.00
6.	Northern Greece Ginning Plant S.A.	11 025.00
7.	SOYA MILLS S.A.	147 000.00
8.	BIOENERGY Ltd.	11 025.00
9.	STAFF COLOUR S.A.	22 050.00
10.	MIL OIL HELLAS S.A.	11 025.00
11.	ELIN BIOFUELS S.A.	183 750.00
12.	V.K. BIODIESEL Ltd.	14 700.00

13. Troulis Bros. S.A.	3 675.00
14. BIOENERGY BIOFUELS S.A.	18 375.00

2. The letter of guarantee referred to in paragraph 1 shall be issued by a bank or other credit institution or insurance company lawfully operating in Greece or any other Member State of the European Union and shall, in such case, be accompanied by an official translation into the Greek language. In relation to insurance companies in particular, there should also, in addition, be a certificate from the relevant department of the Ministry of Development that the specific insurance company can lawfully provide a guarantee to cover the tax payable.

3. This letter of guarantee shall be issued in the name of the Greek State and shall contain the particulars of the beneficiary, and the reason for the letter of guarantee and its amount as well as a statement from the issuer, who expressly and unreservedly waives the pleas of division and excussion, that the amount letter of guarantee relates to shall be paid within 5 working days from notification from the competent department of the Ministry of Development. The letter of guarantee shall be released within 20 working days from the end of the beneficiary's obligations in accordance with Article 2.

Article 4

Administrative Sanctions

1. The beneficiaries cited in Article 1 who do not comply with the terms and conditions laid down in this decision and the relevant provisions of Law 3054/2002 shall be subject to the administrative fines laid down in the provisions of Article 17 of that law.

2. Regardless of the sanctions cited in the foregoing paragraph, the following sanctions shall also be imposed depending on the seriousness of the offence and in the case of repeat offences:

- a) Forfeiture of the letter of guarantee;
- b) Withdrawal of approval for allocation of the quantities of biodiesel to the specific person;
- c) Withdrawal of the operating authorisation for the relevant biodiesel production plant;
- d) Prohibition on participation in future biodiesel allocations.

Article 5

Regulation of issues related to placement of biodiesel on the market

1. The beneficiaries cited in Article 1 are hereby granted authorisation to place pure biodiesel on the market, in line with the provisions of Article 8(2) of Law 3423/2005 up until 31 December 2006 subject to them complying with the terms of the operating authorisation that has been granted to them and with the provisions of this decision.

2. In accordance with the first indent of Article 15A(7) of Law 3054/2002 holders of refinery authorisations and category A trading authorisations shall receive the quantities of pure biodiesel max offered by each beneficiary referred to in Article 1, allocated per party as follows:

		Max. Quantity of pure biodiesel per party and beneficiary (kilolitres)		
No.	Beneficiaries	Parties		
		HELLENIC PETROLEUM S.A.	MOTOR OIL (HELLAS) REFINERIES CORINTH S.A.	SHELL HELLAS S.A.
1	PAVLOS N. PETTAS S.A.	18 000	5 760	240
2	MIL OIL HELLAS S.A.	6 000	1 920	80
3	BIODIESEL Ltd.	1 125	360	15
4	HELLENIC BIOPETROLS S.A.	30 750	9 840	410
5	AGROINVEST S.A.	3 750	1 200	50
6	Northern Greece Ginning Plant S.A.	225	75	-
7	SOYA MILLS S.A.	3 000	960	40
8	BIOENERGY Ltd.	225	75	-
9	STAFF COLOUR S.A.	450	150	-
10	MIL OIL HELLAS S.A.	225	75	-
11	ELIN BIOFUELS S.A.	3 750	1 200	50
12	V.K. BIODIESEL Ltd.	300	100	-
13	Troulis Bros. S.A.	75	25	-
14	BIOENERGY BIOFUELS S.A.	375	125	-
TOTAL		68 250	21 865	886

3. Quantities of pure biodiesel arising either from late submission of the letter of guarantee referred to in Article 3 or from the beneficiary's inability to sell all or part of the quantity allocated to it in accordance with Article 1 at any time during the year may be re-allocated in a supplementary manner by means of joint decision of the Ministers for Economic Affairs & Finance, Development and Rural Development & Food among the other allocation beneficiaries for the year 2006 based on the criteria in Article 15A(5) of Law 3054/2002 as in force.

Article 6

Entry into force

This Decision shall be effective from the date on which it is signed.

This Decision shall be published in the Government Gazette.

Athens, 20 April 2006

THE STATE SECRETARIES

FOR ECONOMIC AFFAIRS & FINANCE

A. BEZAS

FOR DEVELOPMENT

A. NERANTZIS

FOR RURAL DEVELOPMENT AND FOOD

A. KONTOS



HELLENIC REPUBLIC
MINISTRY OF DEVELOPMENT
DIRECTORATE GENERAL FOR ENERGY
DIRECTORATE FOR RENEWABLE ENERGY SOURCES
AND ENERGY SAVINGS

Ref. No.: D6/F.18/oik.24709

Postal address: 119 Mesogion Ave.
ATHENS, GR-10192

Information: A. Zacharopoulos

Telephone: 210-6969443

DECISION

Fax: 210-6969441

Email: ZacharopoulosA@ypan.gr

SUBJECT: Approval of allocation for 2005 of quantities of pure biodiesel subject to a special tax regime under the provisions of Article 78(6) of Law 2960/2001 in accordance with the provisions of Article 15A(5) of Law 3054/2002.

**THE MINISTERS FOR ECONOMIC AFFAIRS & FINANCE, DEVELOPMENT,
RURAL DEVELOPMENT & FOODS**

Having regard to:

1. Presidential Decree 63/2005 on codification of the legislation on Government and governmental agencies (Government Gazette 98/A/2005).
2. Presidential Decree 381/1989 on the organisational structure of the Ministry of Industry, Energy and Technology (Government Gazette 168/A) amended by Presidential Decree 191/1996 on amendments to the provisions of Presidential Decree 381/1989 on the organisational structure of the Ministry of Industry, Energy and Technology (Government Gazette 154/A).
3. Presidential Decree 27/1996 on the merger of the ministries of Tourism, Industry, Energy, Technology and Trade into the Ministry of Development (Government Gazette 19/A) amended by Presidential Decree 122/2004 on re-establishment of the Ministry of Tourism (Government Gazette 85/A).
4. Presidential Decree 284/1988 on the organisational structure of the Ministry of Finance (Government Gazette 128/A) as in force.
5. Presidential Decree 81/2002 on the merger of the Ministries of Economic Affairs and Finance into the Ministry of Economic Affairs & Finance (Government Gazette 57/A).
6. Presidential Decree 402/1988 on the organisational structure of the Ministry of Agriculture (Government Gazette 187/A) as in force.
7. Presidential Decree 121/2004 on the appointment of ministers and state secretaries (Government Gazette 84/A).
8. Presidential Decree 202/2004 on the appointment of the Minister for Rural Development (Government Gazette 176/A).
9. Decision No. Y1/10.3.2004 of the Prime Minister changing the names of Ministries and

- determining the ranking order of Ministries (Government Gazette 513/B).
10. Decision No. 14650/DIOE 85/17.3.2004 of the Prime Minister and Minister for Economic Affairs & Finance assigning competences of the State Secretaries for Economic Affairs & Finance (Government Gazette 519/B).
 11. Decision No. D15• /F19/oik.4889/24.3.2004 of the Prime Minister and Minister for Development assigning competences to the State Secretaries for Development, Georgios Salangoudis and Ioannis Papathanassiou (Government Gazette 528/B).
 12. Decision No. Y 132/11.10.2004 of the Prime Minister and Minister for Rural Development and Foods assigning competences to the State Secretaries for Rural Development and Foods, Alexandros Kontos (Government Gazette 1533/B).
 13. Law 3054/2002 on the organisation of the petroleum products market and other provisions (Government Gazette 230/A) as in force following amendment by Law 3335/2005 on control of the transport and storage of petroleum products - regulation of issues related to the Ministry of Development (Government Gazette 95/A), supplemented by Law 3423/2005 on the introduction to the Greek market of biofuels and other renewable fuels (Government Gazette 304/A).
 14. Law 2960/2001 on the national customs code (Government Gazette 265/A0 as in force following amendment by Law 3336/2005 on the transposition of Council Directive 2003/96/EC of 27 October 2003 on imposition of excise duty into Greek law (Government Gazette 96/A) and supplemented by article 34 of Law 3340/2005 on protection of the capital market from the transactions conducted by persons with preferential information and market manipulation (Government Gazette 112/A).
 15. The decision of the Hellenic Supreme Chemical Council No. 334/2004 on motor fuels - petrol of organic origin (biodiesel) for diesel engines - requirements and testing methods (Government Gazette 713/B) and the supplement thereto contained in Government Gazette 1149/B.
 16. Decision No. 513/2004 of the Hellenic Supreme Chemical Council on adaptation to technical progress of Decision No. 291/2003 of the Hellenic Supreme Chemical Council on transposition of Directive 98/70/EC of the European Parliament and of the Council of 13 October 1998 relating to the quality of petrol and diesel fuels into Greek law, as amended and in force (Government Gazette 1149/B).
 17. Announcement No. D1/B,D6/F.18/oik.23331/6.12.2005 of the Ministry of Development on participation by interested parties in the allocation of a quantity of 51,000 kilolitres of pure biodiesel for the year 2005 subject to a special tax regime in line with the provisions of Article 78(6) of Law 2960/2001.
 18. The application of the company HELLENIC BIOPETROLS S.A. (ELVI) (Ref. No. YPAN 24111/14.12.2005).
 19. The need to directly place biofuels on the Greek market in accordance with the requirements of Directive 2003/30/EC of the European Parliament and of the Council of 8 May 2003 on the promotion of the use of biofuels or other renewable fuels for transport (OJ L 123, 17.5.2003).

We hereby decide

Article 1

Approval of Allocation

In accordance with the provisions of Article 15A(5) of Law 3054/2002, approval is hereby granted for the year 2005 for allocation of the following quantities of pure biodiesel subject to the special taxation regime under the provisions of Article 78 of Law 2960/2001 for the following persons:

NO.	Beneficiary	Quantity of pure biodiesel allocated
1	Company, HELLENIC BIOPETROLS S.A. (ELVI), Registered offices: Stavrochori, KILKIS, GR-61100, Tax Reg. No.: 094539619 Tax Office: Kilkis, Companies Reg. No. 41941/55/• /99/03	2 500

Article 2

Obligations of beneficiaries

1. The beneficiaries cited in Article 1 undertake the obligation to place the allocated quantities of pure biodiesel on the market within the Greek State by 31 December 2005.
2. Compliance with this obligation will be checked by the competent customs offices at the beneficiary's registered offices in line with the relevant provisions.
3. During the inspection referred to in the foregoing paragraph, deviations in the quantities of pure diesel placed on the market in the Greek State of up to 5% of the allocated quantities cited in Article 1 will be accepted.
4. Within 10 calendar days from notification of this decision, the beneficiaries cited in Article 1 are obliged to submit a certificate demonstrating that they are not bankrupt, and that no petition filing for bankruptcy, liquidation, compulsory receivership or bankruptcy composition has been lodged, accompanied by a tax and social security clearance form, to the Directorate General for Energy of the Ministry of Development.

Article 3

Guarantee

1. Within 10 calendar days from notification of this decision, the beneficiaries cited in article 1 are obliged to submit a letter of guarantee equal to 10% of the duty corresponding to the quantity of pure biodiesel allocated to them in accordance with Article 1 at the duty rate set in Article 73(1)(z) of Law 2960/2001 to the Directorate General for Energy of the Ministry of Development.
2. The letter of guarantee referred to in paragraph 1 shall be issued by a bank or other credit institution or insurance company lawfully operating in Greece or any other Member State of the European Union and shall, in such case, be accompanied by an official translation into the Greek language. In relation to insurance companies in particular, there should also, in addition, be a certificate from the relevant department of the Ministry of Development that the specific insurance company can lawfully provide a guarantee to cover the tax payable.
3. This letter of guarantee shall necessarily be addressed to the Greek State, contain the particulars of the beneficiary, and the reason for the letter of guarantee and its amount. It shall also contain a statement from the issuer, who waives the plea of excussion, that the amount

letter of guarantee relates to shall be paid within 5 working days from notification from the competent department of the Ministry of Development. The letter of guarantee shall be released within 20 working days from the end of the beneficiary's obligations in accordance with Article 2(1).

Article 4

Approval for placing of biodiesel on the market

The beneficiaries cited in Article 1 are hereby granted authorisation to place pure biodiesel on the market, in line with the terms of the operating authorisation that has been granted to them in accordance with the provisions of Article 8(2) of Law 3423/2005.

Article 5

Administrative Sanctions

1. The beneficiaries cited in Article 1 who do not comply with the terms and conditions laid down in this decision and the relevant provisions of Law 3054/2002 shall be subject to the administrative fines laid down in the provisions of Article 17 of that law.
2. Regardless of the sanctions cited in the foregoing paragraph, beneficiaries shall also be subject to the following sanctions depending on the seriousness of the offence and in the case of repeat offences:
 - a) Forfeiture of the letter of guarantee;
 - b) Withdrawal of approval for allocation of the quantities of biodiesel to the specific person;
 - c) Withdrawal of the operating authorisation for the relevant biodiesel production plant;
 - d) Prohibition on participation in future biodiesel allocations.

Article 6

Regulation of issues related to placement of biodiesel on the market

1. The blending percentage for pure biodiesel - diesel mixes for use in engines, in accordance with Article 15A(2) of Law 3054/2002 is hereby set at 2% by volume.
2. In accordance with the first indent of Article 15A(7) of Law 3054/2002 holders of refinery authorisations and category A trading authorisations shall receive the quantities of pure biodiesel max allocated per party as follows:

No.	Party	Max. Quantity of pure biodiesel (kilolitres)
1	HELLENIC PETROLEUM S.A.	1 880
2	MOTOR OIL (HELLAS) REFINERIES CORINTH S.A.	600
3	SHELL HELLAS S.A.	20

Article 7

Transitional – Final Provisions

1. After 31 December 2005 the parties cited in the first indent of Article 15A(7) of Law 3054/2002 shall be obliged to take receive from the beneficiaries cited in Article 1 hereof of an additional quantity of pure biodiesel which does not exceed the initially allocated quantity cited in that article.
2. The provisions of the foregoing paragraph shall apply until the allocation approval decision for the year 2006 enters into force, which decision shall be issued in accordance with the provisions of Article 15A(5) of Law 3054/2002, and in all other respects the provisions of Articles 2 to 6 of this Decision shall apply.
3. This decision shall enter into effect on 20 December 2005.

Athens, 22 December 2005

THE STATE SECRETARIES

**FOR ECONOMIC AFFAIRS &
FINANCE**

A. BEZAS

FOR DEVELOPMENT

G. SALAGOUDIS

FOR RURAL DEVELOPMENT AND FOOD

A. KONTOS

Exact copy

The Head of the Secretariat

A. Livatidou

[illegible signature & seal]