

Malta's Annual Report for 2007 submitted to fulfil requirements of Article 4 of Directive 2003/30/EC on the promotion of biofuels and other renewable fuels for transport

Directive 2003/30/EC on the promotion of biofuels and other renewable fuels for transport requires Member States to prepare an annual report on:

- the measures taken to promote the use of biofuels or other renewable fuels to replace diesel or petrol for transport purposes;
- the national resources allocated to biomass for energy uses other than transport; and
- the total sales of transport fuel and the share of biofuels pure or blended, and other renewable fuels placed on the market for the preceding year.

Background information

Biofuels in Malta have been relatively very successful ever since their introduction in 2003, and with subsequent years showing successive increases in consumption over the previous years, the country is well positioned to reach the National Indicative Target set for 2010, that is, 1.25% of the total petrol and diesel fuels placed on the market.

Similar to last year, two companies in Malta are producing biodiesel for the domestic market, however this year a third company entered the biofuels market and is retailing pure vegetable oil as a substitute for fossil fuel.

Measures to promote the use of biofuels or other renewable fuels

Legislative instruments

Currently, the Use of Biofuels or Other Renewable Fuels for Transport Regulations (LN528/04) is the main legislative instrument regulating biofuels. These Regulations transpose Directive 2003/30/EC.

Exemption from excise duty

The main instrument used for the promotion of biofuels in Malta is the exemption from the payment of excise duty on the biomass content (i.e. the percentage element) in biodiesel granted by the Government.

Organisation of workshop

As part of the framework of the Carbon Labelling Project under the "Intelligent Energy for Europe Programme" of the European Commission, the Malta Resources Authority, which is the regulatory authority on energy matters, organised a one-day workshop entitled 'Biodiesel and other Biofuels for smaller EU Member States'. The main objective of this workshop was to inform stakeholders in Malta about biofuels and, more specifically, about biodiesel as a

sustainable and efficient transport fuel. The programme included aspects of biodiesel production, legal and regulatory issues, policies, and environmental impacts. Special emphasis was also placed on the opportunities for using biodiesel and other biofuels in Malta and in other smaller EU Member States. The workshop was well attended by a number of stakeholders and the general public and provided a good opportunity for constructive discussions on the subject of biodiesel and biofuels in general.

National resources allocated to biomass for energy uses other than transport

Given Malta's land and water scarcity, arable land for the growing of crops or growing woodland for producing energy from biomass is negligible. Potential, however, exists for the utilisation of certain waste streams in the production of energy. In this regard, a new Mechanical Biological Treatment plant for the processing of organic municipal solid waste was put on line and the cogeneration unit which will be producing heat and power from the plant is also scheduled to be installed and commissioned soon.

Total sales of transport fuel and the share of biofuels

During 2007, three companies were active in the Maltese biofuel market. Two companies produced biodiesel, one from recycled spent cooking oil and the other from imported raw material, whilst the third company recycled spent cooking oil for use as pure vegetable oil being marketed as a substitute for fossil fuel.

All three companies retailed both to the transport and to the industry sector. As had been the case in 2006, one of the companies retailed pure biodiesel (B100) through petroleum filling stations in Malta. This proved very successful and in 2007 the number of stations retailing pure biodiesel continued to increase. Around 30 petroleum filling stations, equivalent to about 40% of the total number of stations, are now retailing biodiesel to consumers. Based on data collected from producers in Malta, the following is a breakdown per sector of the biodiesel consumed in Malta during 2007.

Table 1. Consumption of Biodiesel per sector

| Biofuel Type | Industrial Sector (Million Litres) | Transport Sector (Million Litres) | Totals (Million Litres) |
|---------------------|---|--|------------------------------------|
| Biodiesel | 0.185 | 2.022 | 2.207 |
| Pure Vegetable Oil | 0.0145 | 0.038 | 0.0525 |

As provided in Table 1 above, the total amount of biodiesel used in the transport sector doubled compared to the figure recorded in 2006. Moreover, the introduction on the market of another type of biofuel such as pure vegetable oil augmented the share of biofuel consumed in the country. Considering standard figures for the calorific values of the fuels used in road transport, the share of biofuels used for road transport is as provided in Table 2.

Table 2. Use of road transport fuels in Malta during 2007 and the share of Biofuels

| Type of Fuel | Million Litres | Energy Content MJ/l ¹ | Energy TJ | % of total Petrol and Diesel sales |
|--------------------------------|----------------|----------------------------------|-----------|------------------------------------|
| Petrol | 87.392 | 31.2 | 2,726.64 | 43.68 |
| Diesel | 98.471 | 35.7 | 3,515.40 | 56.32 |
| Total Fossil Fuel sales | 185.863 | | 6,242.05 | 100 |
| Pure Vegetable Oil | 0.038 | 34.0 ² | 1.29 | 0.02 |
| Biodiesel | 2.022 | 32.8 | 66.32 | 1.06 |
| Total Biofuel Sales | 2.060 | | 67.61 | 1.08 |

The share of biofuels in 2007, therefore, accounted for 1.08% of total petrol and diesel sales used for road transport. This figure is almost double that obtained for 2006, when Biodiesel accounted for 0.582% of the total fuel used for road transport in the same year.

¹ Kavalov Boyan, Jensen Peder, Papageorgiou, Schwensen Carsten and Olsson Jens Peter, "Biofuel Production Potential of EU Candidate Countries", Institute for Prospective Technological Studies, EU Joint Research Centre, September 2003

² Annex III – Energy content of transport fuels - Proposal for a Directive of the European Parliament and of the Council on the promotion of the use of energy from renewable sources (COM (2008) 19)