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## **National report on the promotion of the use of biofuels or other renewable fuels for transport in Romania – 2007**

### **1. Introduction**

In accordance with Article 4 of Directive 2003/30/EC on the promotion of the use of biofuels or other renewable fuels for transport, Member States report to the Commission every year prior to 1 July:

- a) the measures taken to promote the use of biofuels or other renewable fuels to replace diesel or petrol for transport purposes,
- b) the national resources allocated to the production of biomass for energy uses other than transport, and
- c) 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. Where appropriate, Member States must report on any exceptional conditions in the supply of crude oil or oil products that have affected the marketing of biofuels.

### **2. Measures to promote the use of biofuels in transport**

#### **2.1. Regulatory environment**

The use of biofuels and other renewable fuels for transport is being promoted with the aim of partially replacing petrol and diesel, contributing to achieving certain objectives such as: meeting commitments for the reduction of greenhouse gases, ensuring fuel security in a manner compatible with the environment and increasing the level of energy independence, promoting the use of renewable energy sources.

In addition, promoting the use of biofuels could create new opportunities for sustainable rural development, with the potential to open up new markets for agricultural products.

Directive 2003/30/EC was transposed in full by Government Decision No 1844/2005 on the promotion of the use of biofuels and other renewable fuels for transport, published in Official Gazette No 44 of 18 January 2006.

Romania must ensure that a minimum percentage of biofuels or other renewable fuels for transport are introduced onto the market by 2010. The minimum percentage set is 5.75%, calculated on the basis of the energy content of all types of petrol and diesel used in transport.

In order to meet the target, Government Decision No 1844/2005 was amended by Government Decision No 456/2007, published in Official Gazette No 345 of 22 May 2007, making provision for the staggered introduction of a minimum percentage of biofuels in conventional fuels, as follows:

- a) from 1 July 2007, diesel with a minimum 2% biofuel content by volume;
- b) from 1 January 2008, diesel with a minimum 3% biofuel content by volume;
- c) from 1 July 2008, diesel with a minimum 4% biofuel content by volume;
- d) from 1 July 2009, petrol with a minimum 4% biofuel content by volume.

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## 2.2 Promotion using economic instruments

Romania has undertaken a series of actions intended to contribute to the promotion of the use of biofuels and other renewable fuels. These include the following:

- Ø The inclusion in the Fiscal Code of an exemption from the payment of excise duty for energy products that fall under the category of biofuels and other renewable fuels.  
This provision forms the subject of Article 201(l) of Law No 571/2003 on the Fiscal Code, as amended by Law No 343/2006. The implementing rules for the new Fiscal Code are approved by Government Decision No 1861/21.12.2006.
- Ø Emergency Government Ordinance No 125/2006 approving the direct payment and complementary national direct payment schemes granted for agriculture starting from 2007, and amending Article 2 of Law No 36/1991 on agricultural companies and other forms of agricultural associations, approved with amendments by Law No 139/2007; Financial assistance is granted to agricultural producers for the cultivation of sunflower, oilseed rape, soya and corn under the single area payments scheme (SAPS) and the payment scheme for energy crops.

## 3. Biomass potential in Romania

Agricultural lands account for 62% of the surface area of Romania, forests and other lands with forest vegetation account for 28%, and other types of land (waters, marshland, unproductive lands, etc), represent 10%.

Romania's agricultural lands break down into the following classes of suitability:

- § **Class I (very high suitability):** 2.8% of agricultural land, of which approximately 3.8% is arable land;
- § **Class II (good suitability):** 24.7% of agricultural land, of which approximately 35.9 % is arable land;
- § **Class III (average suitability):** 20.8% of agricultural land, of which approximately 25.3% is arable land;
- § **Classes IV and V (poor and very poor suitability):** 51.7% of agricultural land, of which approximately 35% is arable land.

Romania has a total arable area of 9 379 331 hectares.

Given the soil and climate conditions in Romania, the most viable crops for the production of first generation biofuels are:

- ü for the production of biodiesel: oilseed rape, sunflower and soya;
- ü for the production of bioethanol: sugar beet, cereals (grain, corn, etc).

In the existing topogeographical environment, Romania is considered to have a high biomass energy potential, estimated at approximately 7 594 thousand TOE\*/year, which represents around 19% of the total consumption of primary resources in 2000, broken down into the following categories of fuels:

- Ø residues from forestry activities and firewood – 1.175 thousand TOE (49.8x10<sup>9</sup>MJ/year);
- Ø wood waste – sawdust and other wood scrap – 487 thousand TOE (20.4x10<sup>9</sup> MJ/year);

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- Ø agricultural waste resulting from cereals, corn stalks, plant debris from vines, etc. – 4 799 thousand TOE (200.9x10<sup>9</sup> MJ/year);
- Ø biogas – 588 thousand TOE (24.6x10<sup>9</sup> MJ/year);
- Ø urban household waste and residues – 545 thousand TOE (22.8x10<sup>9</sup> MJ/year).

Biomass is the main rural fuel, being used especially to heat dwellings and water and in cooking.

Biomass accounts for 7% of primary energy demand and 50% of Romania's potential renewable resources.

\* Romania's strategy for the exploitation of renewable energy sources, as approved by Government Decision No 1535/2003 .

#### 4. Romania's potential as regards the production of biofuels

Romania's potential to supply the necessary raw material, namely vegetable oil (sunflower, soya, oilseed rape) is approximately 500 -550 thousand tonnes/year, permitting the production of a similar amount of biodiesel (approximately 500-550 thousand tonnes/year).

At present Romania has a production capacity of approx. 300 thousand tonnes/year for biodiesel and approx. 20 thousand tonnes/year for bioethanol.

#### 5. Total sales of transport fuels - 2007

| Type of fuel                                       | Total sales (tonnes) |
|--|----------------------|
| Unleaded petrol (min. RON = 95 & < 50 ppm sulphur) | 1528608              |
| Unleaded petrol (min. RON = 95 & < 10 ppm sulphur) | 167672               |
| <b>Total Petrol</b>                                | <b>1696280</b>       |
| <i>Diesel &lt; 50 ppm sulphur</i>                  | 3235877              |
| <i>Diesel &lt; 10 ppm sulphur</i>                  | 465434               |
| <b>Total diesel</b>                                | <b>3701311</b>       |
| <b>Total petrol and diesel</b>                     | <b>5397591</b>       |

#### 6. Total sales of transport fuels

Approximately 50 000 tonnes of biodiesel were produced and used in Romania in 2007.

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## **7. Quality of biofuels**

The Ministry of Economy and Finance is responsible for implementing the "Qualitative and quantitative monitoring system for petrol and diesel" marketed in filling stations, as approved by Order No 742/2004 of the Minister for Economy and Finance, the annex to which was replaced by Order No 58/2006.

Under the "Qualitative and quantitative monitoring system for petrol and diesel", starting from July 2007 checks were carried out to determine the fatty acid methyl ester (FAME) content in diesel by bodies recognised by the Ministry of Economy and Finance to carry out sampling of petrol and diesel, in accordance with Order No 907/2004 of the Minister for Economy and Finance approving the list of recognised bodies carrying out sampling activities, as amended.

The standard used to determine the fatty acid methyl ester (FAME) content in diesel is SR EN 590:2004 Fuels for cars; Fuels for diesel engines; Requirements and testing methods.

In accordance with Government Decision No 456/2007, failure to place the mix of biofuels and conventional fuels on the market is punishable by a fine of RON 7 500 to RON 15 000.