

Renewable Energy Coordination Group 3th Meeting,

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Report on Core Topic 7: BIOFUELS AND BIOLIQUIDS

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Scope of Activity

The sustainability criteria for biofuels and bioliquids, introduced by Articles 17 to 21 of Directive 2009/28/EC made a crucial change for the transport sector. Scope of the criteria spreads over different sectors – transport, agriculture, and environment – and this might be one of the main reasons why none of the Contracting Parties implemented relevant provisions into the national legislation so far.

Building on the results of the technical assistance provided by the Donor's Community for the CP`s, the Deliverables of CT 7 are:

- ❖ Analysis of legal acts to be amended or/and developed to transpose sustainability criteria
- ❖ Proposals of verification system & body applicable for the CP`s
- ❖ Proposals of support biofuels schemes

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ACTIVITY 2: Implementation of the Renewable Energy Directive		2016			2017			
		Q2	Q3	Q4	Q1	Q2	Q3	Q4
Core topic 7: Biofuels and bioliquids								
1.	Understanding the sustainability criteria	Analysis of legal acts to be amended or/and developed to transpose sustainability criteria						
1.	Verification system and body	Recommendations for best practices						
1.	Support scheme	Recommendations for best practices						

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Analysis of the conducted questionnaire

In order to fulfil the obligation from the RE CG Work Programme 2016-2017 core topic leaders, in October prepared Questionnaire and submitted to the contracting parties for their comments.

The questionnaire refers four major issues concerning accessing to and operation of the grids with renewable energy.

Regarding the conducted questionnaire it can be conclude that in CP`s which participate in answering, is the following situation:

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1. What did your country regarding sustainability criteria for biofuels and bioliquids? If they are not in place, how and by when they will be implemented at national level?

Montenegro- Sustainability criteria are transposed in the Energy Law more, but detailed sustainability criteria shall be defined by the regulation of the Government (It is expect to be prepared by the end of the second quarter 2017.)

Bosnia and Herzegovina- Currently they are setting up guidelines or recommendations for biofuels in transport in BiH on requirements of the EnCT.

Republic of Moldova - the sustaibility criteria are approved in new Law on promoting the use of renewable energyNo. 10 as of 26.02.2016. According to the art. 12 of the Law 10/2016 the Ministry of Environment is the central public authority responsible for above mentioned subject, which includes elaboration of the Regulation on sustainability criteria, drafting of the Methodology on assessing the impact of bio-products on GHG emission. (Deadline for elaboration of above-mentioned framework is 27.03.2017, the date when the Law enters into force).

Kosovo- sustainability criteria are not in place. It is planed Law on Trade with petroleum products and renewable fuels expected to get the Parliament's approval by the end of 2016.

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Macedonia- draft text of the Law on bio fuels and bylaws and Action Plan of bio fuels are prepared. Sustainability criteria will be regulated with the Rule book in accordance with the draft Law on biofuels.

Republic of Serbia here is no any system for verification of sustainability criteria. In the first period of official introduction biofuels and bioliquids on market in Serbia (during 2017-2018) will be used international verification schemes. For the upcoming period, Ministry of Mining and Energy prepare IPA 2014 project where possibility to develop National Verification Scheme should be analyzed.

Ukraine- in order to promote the production and use of biofuels the Agency has drafted the Law of Ukraine "On amendments to some legislative acts of Ukraine concerning the development of production of liquid biofuels." Also, the Agency develops: Draft legal acts for implementation in Ukraine of compliance with sustainability criteria for biofuels and bioliquids and Technical requirements for the production and use of biofuels and bioliquids with the reduction of greenhouse gas emissions

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2. Is there relevant legislation implemented or planned for implementation? If not, what are the barriers to do so?

Montenegro the relevant legislation will be implemented after the preparation and adoption of secondary legislation in this area.

Bosnia and Herzegovina- Regulation on Types, Contents, and Quality of Biofuel in Motor Vehicle Fuels is in force and it prescribes names, types of biofuel, limit values of biofuel, quality and proving, biofuel share and monitoring, obligations of the supplier, and monitoring of implementation of the Regulation. Since the defined goals had not been achieved, in line with the Law on Renewable Sources and Efficient Cogeneration a new Regulation on Types, Contents, Quality, and Share of Biofuels in Transport (Official Gazette of Republika Srpska, issue no. 8/16) has been enacted.

Republic of Moldova - As it was mentioned above, the whole framework related to biofuels and bioliquids should be drafted and approved (march 2017). The only constrain here is the capacities of local authority in charge of this exercise. In this sense, the RoM asked the Development Partners for providing Technical Assistance for this specific task.

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Kosovo- There is not a relevant legislation on place yet. The details regarding obligation of biofuel usage and meeting of sustainability criteria will be regulated through and Administrative Instruction on biofuels and bioliquid use which will be in place after the Law on Trade with petroleum products and renewable fuels passed in Parliament.

Macedonia- Draft Law on biofuels is planned to be adopted in 2017. In accordance with this Law, sub legislation and Action plan for biofuels will be prepared and adopted .

Republic of Serbia- Bylaws in preparation, mentioned above, will specify national authorities responsible for fulfillment of the sustainability criteria for biofuels and bioliquids. Development of these bylaw will be priority of MoME in 2017.

Ukraina- Law of Ukraine "On amendments to some legislative acts of Ukraine concerning the development of production of liquid biofuels" is under inter-service consultations with appropriate Central Executive Bodies of Ukraine.

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3. Do a national authority / body who will monitor the fulfillment of the criteria already exist? If so, please specify. If not, when is it envisaged to be established? (1)

Montenegro there is no a national authority/body who will monitor the fulfillment of the sustainability criteria. The Energy Law envisages the possibility of engagement a foreign accredited legal person, which meets conditions determined by this law, for the purpose of evaluation whether biofuels and bioliquids are adjusted to sustainability criteria.

Republic of Moldova the Ministry of Environment is in charge of legal framework elaborations well as monitoring of its implementation. Ministry of Economy,

Kosovo Upon import of biofuels or fossil-fuels that contain biofuels, we think the verification process will be performed by Customs Authorities. They will report to Department for Petroleum Market Regulation within Ministry of Trade and Industry who will keep track of obligation fulfillment by each operator and as a country.

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3. Do a national authority / body who will monitor the fulfillment of the criteria already exist? If so, please specify. If not, when is it envisaged to be established? (2)

Macedonia the draft law provides within the Ministry of Economy to establish a commission of various institutions that will be responsible for monitoring and checking the fulfillment of the criteria of sustainability.

Republic of Serbia, Energy Law , gives regulatory base for implementation of biofuels and bioliquids promoting system. For full implementation, five bylaws should be adopted during 2017.

Ukraine Law of Ukraine "On amendments to some legislative acts of Ukraine concerning the development of production of liquid biofuels" is under inter-service consultations with appropriate Central Executive Bodies of Ukraine.

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4. What are support biofuels schemes? If they are not in place, is there any plan to introduce them and by when? If they are in place, is their implementation monitored and result achieved?

It may be concluded that in the CP`s which full fill the questionnaire support schemes are not in place, legislation is in phase of preparation and .

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4. Did your country have in place some kind of minimal annual volume targets for biofuels to be consumed in the domestic market?

Montenegro has not defined annual shares of biofuels which are placed on domestic market.

Republic of Moldova there are a national target on renewable energy– 17% by 2020 (Law 10/2016) and an objective of 10% biofuels in the total amount of fuels used by 2020 (National Development Strategy). No targets in absolute values are set.

Kosovo the expectation is to start with the obligation of 1% usage of biofuels in transport during year 2017. The obligation will increase each year until reaching 10% by year 2020.

Macedonia the RES Strategy sets the targets on the use of renewable energy sources and the manners for attaining these targets. In the light of the EU Directive 2009/28/EC, the share of RES in the final energy consumption in transport is planned at the rate of at least 10% in 2020.

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4. Did your country have in place some kind of minimal annual volume targets for biofuels to be consumed in the domestic market?

Republic of Serbia bylaws in preparation, mentioned above, will decide about minimal annual volume targets for biofuels to be consumed in the domestic market.

Ukraine amendments to the Law of Ukraine “On Alternative Types of Fuel” setting mandatory quotas for entities that produce and/or sell the motor fuel to final consumers within the customs territory of Ukraine on:

share of bioethanol in total volume of gasoline sales for the reporting period in terms of energy content of ethanol:

from the 1st of July 2018 – not less than 3.4% of energy content;

from the 1st of July 2019 - not less than 6.9% of energy content.

share of biodiesel in total volume of dieselsales for the reporting period in terms of energy content of diesel:

from the 1st of July 2018 – not less than 2.7% of energy content.

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Conclusion from the 2nd meeting on Renewable Energy Coordination Group (Vienna 10-11 November 2016) for Sustainability of bioenergy – biofuels and bioliquids (Activity 2, Core Topic 7)

The representatives of Albania and Macedonia, the co-leaders of Core Topic 7, presented ministry's plans on implementation sustainability criteria for biofuels and Both Contracting Parties drafted relevant legislation yet in 2015, but still without their adaptation.

While Republic of Macedonia has decided to simplify draft framework developed by consultancy support, main obstacle for delay in Albania is non reached agreement on a verification body between different institutions.

Serbia reported the same obstacle – long discussions with Ministry of Finance, while Kosovo * has not approved draft act (prepared in 2014) due to its link with the Law on petroleum products refused twice in the Parliament.

Report on Core Topic 7: Biofuels and bioliquides was prepared and submitted to the Energy Community Secretariat

THANK YOU FOR YOUR ATTENTION !