



EUROPEAN COMMISSION
IMPACT ASSESSMENT BOARD

Brussels,
D(2011)

Opinion

Title

DG ENER- Accounting of electricity, hydrogen and methane from renewable sources towards the EU target of 10% renewable energy in transport

(draft version of 11 November 2011)

(A) Context

Directive 2009/28/EC on the promotion of the use of energy from renewable sources (the "Renewable Energy Directive") established mandatory targets to be achieved by 2020 for a 20% overall share of renewable energy in the EU and a 10% share for renewable energy in the transport sector. For the transport sector each Member State has to ensure that the share of energy from renewable sources in all forms of transport combined in 2020 is at least 10%. All forms of energy from renewable sources can contribute to the target, including biofuels - liquid or gaseous - and electricity produced from renewable sources. This report assesses whether it is necessary to add or change accounting rules for certain forms of renewable energy in transport and if so through which measure this would be best achieved.

(B) Overall assessment

First, the report should provide a clearer explanation of the general context for this initiative by better explaining why action is required at this time. Second, it should also better explain the precise nature of the problems and should provide a baseline scenario that addresses the strengths and weaknesses of the current system of accounting for renewable energy in transport and that better highlights the consequences of a failure to act. Third, the report should describe the content of the options in a more reader-friendly manner and should provide a more in depth analysis of the effectiveness of the various options in achieving the objectives. It should better explain the assumptions underlying the cost estimates and show the extent to which the options will have an impact on SMEs. Finally, the report should integrate the different views of stakeholders throughout the text and should include more information on monitoring indicators.

In its written communication with the Board, DG ENER agreed to revise the report in line with the recommendations in this opinion.

(C) Main recommendations for improvements

(1) Clarify the context and the analysis of the problems. The report should provide a clearer explanation of the general context and purpose of the initiative by clearly explaining why action to review the accounting methodology for renewable energy in transport is being considered at this stage. The report should include a deeper discussion of trends relating to the contribution of renewable energy sources in the transport sector including the estimated contribution of different renewable energy sources in 2020. The report should better explain the underlying drivers of the problem, in particular whether the problems are due to potential inaccuracy in the current methods of accounting or whether they relate to the fact that the forms and distribution systems of energy used in the transport sector are changing.

(2) Strengthen the baseline scenario. The baseline scenario should address the more fundamental questions such as what impact a failure to act would have on the robustness of the system for accounting for renewable energy in transport and on the achievement of the targets for renewable energy in transport.

(3) Better explain the options and improve the assessment of impacts. In general the options should be explained in a more reader friendly manner. The reasons why some options are discarded should be better explained and the report should clarify why other options, such as Comitology Procedure under the Renewable Energy Directive and/or amendment of the Energy Statistics Directive, have not been considered. The report should further clarify why all options are expected to meet the specific and operational objectives. It should include a deeper discussion of the robustness of the proposed approach in dealing with likely future trends in renewable energy consumption. In particular the report should show whether the preferred option entails any potential negative impacts arising from the way the share of renewables in transport will be calculated. The report should explain why Options 2, 3 and 5 would be "incompatible with statistics collection" and why this incompatibility is not mentioned in the sections on the impact analysis or the options description. The report should include a deeper analysis of the potential impacts on SMEs. It should clarify the critical assumptions underlying the production trends for renewable energy sources to 2020. In relation to administrative costs, the report should provide more detail on the basis for these calculations, explaining the assumptions.

(4) Better explain monitoring arrangements and stakeholder views. The report should further clarify the progress indicators to be used. The views of stakeholders should be fully integrated in the text on all major points.

Some more technical comments have been transmitted directly to the author DG and are expected to be incorporated in the final version of the impact assessment report.

(D) Procedure and presentation. In the event that the preferred option is confirmed the IA report should be adopted as a Commission staff working document and subsequently published on the relevant websites. The executive summary should provide a better summary of the impacts of the options, particularly in terms of effectiveness.

(E) IAB scrutiny process	
Reference number	2011/ENER/008
External expertise used	No
Date of Board Meeting	Written procedure