

EN
E-005317/2021
Answer given by Mr Gentiloni
on behalf of the European Commission
(7.2.2022)

According to the proposal for a recast Energy Taxation Directive¹ (ETD), the ETD minimum rate for all sustainable feed and food crop based biofuels, irrespective of the blend, would initially be half of the minimum rate applicable to liquid fossil fuels used as motor fuels (for example petrol and gas oil).

During a ten-year transition period, this minimum rate would gradually increase to the level of taxation of fossil fuels. At the same time the minimum rate for sustainable biofuels that are not feed and food crop based, would permanently remain at half of the minimum rate of fossil fuels. According to the definitions of the Renewable Energy Directive², this lower minimum would permanently apply also to sustainable biofuels that are catch and cover crop based.

Under the guidelines on State aid for climate, environmental protection and energy 2022³, tax reductions can be found compatible with the internal market subject to the conditions set out in those guidelines, see sections (4.1 and 4.7). Certain tax exemptions also fall under the General Block Exemption Regulation (currently under revision).

¹ Council Directive restructuring the Union framework for the taxation of energy products and electricity (recast) SWD(2021) 642 final.

² Directive (EU) 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources (recast).

³ Approval of the content of a draft for a Communication from the Commission on the Guidelines on State aid for climate, environmental protection and energy 2022.