Review of Directive 98/70

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Revision of Directive 98/70/EC

• Existing requirements in relation to NRMM fuel
  – Only element specified for non-road gas oil is maximum sulphur content:
    • Currently 2000ppm (0.2%)
    • 1000 ppm from 1 January 2008
  – Comparison for road diesel:
    • Currently 50ppm
    • Provisionally 10ppm from 1 January 2009
Proposal COM 2007(18)

• Land based non-road fuel
  – One-step reduction to 10 ppm proposed at the latest for 31 December 2009

• Inland waterway fuel
  – Two-step reduction:
    • 300ppm by 31 December 2009
    • 10ppm by 31 December 2011
Why the land/IW difference

• Issues assessed in the Impact Assessment.
• While there is some reduction in pollutant emissions, the major justification for very low levels of sulphur in diesel is to enable introduction of lower emission engine technology.
• Current levels of permitted emissions in inland waterway sector do not justify tightening sulphur content to land NRMM level.
• Tightening to 10ppm is only justifiable if tighter engine emission limits are brought into force around the same time.
Impacts of tighter sulphur content

- Increase in refinery investment
- Increase in fuel cost
- Increase in refinery greenhouse gas emissions
- Small reduction in engine PM emissions
- Reduction in engine maintenance costs
- Effects on supply infrastructure
Scale of impacts

• Lowering S from 300 to 50 ppm
  – PM reduction approx 2%
  – GHG increase approx 0.02TCO2/TOE
  – Cost increase approx 1 cent per litre

• Costs increase more than benefits.

• Unless engine emission limits tightened

• Tighter fuel specification removes barrier to engine emission reductions.
Next steps

• Proposal adopted on 31 January by the Commission
• Proposal transmitted to Council and Parliament
• Parliament rapporteur appointed
• So far two Council Working Groups have discussed the proposal. Next meeting 8 May