



ASSOCOSTIERI *Unione Produttori Biodiesel*

Administrative perspective to start a biodiesel plant in Italy

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Workshop

Benchmarking and guidelines for streamlined
authorisation processes for bioenergy installations



EUROPEAN COMMISSION
DIRECTORATE-GENERAL FOR ENERGY AND TRANSPORT



Bruxelles – June 13th, 2008

Subjects



- Who is Assocostieri - Unione Produttori biodiesel
- Italian legal framework and obligations
- Authorisation process
- Administrative proceeding
- Excise duty exemption
- Requirements for quota assignment



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Who is ASSOCOSTIERI UNIONE PRODUTTORI BIODIESEL

Assocostieri is the Italian Association of energetic logistic, member of Confindustria with 100 members and a capacity of 5 millions m³

Unione produttori biodiesel is Assocostieri's group of biodiesel producers with a global capacity of around 1.9 million tons

Unione produttori biodiesel is representing and promoting the sector in respect of the institutions and all other national and international *stakeholders*



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Italian legal framework and obligations

NATIONAL TARGETS

- Within December 2005: 1.0%
- Within December 2008: 2.5%
- Within December 2010: 5.75%

OBLIGATIONS

- Since January 2007: 1%
- Since January 2008: 2%
- Since January 2009: 3%

Note: % is calculated on all fuel (gasoline and diesel, released for consumption the previous year, calculated on energetic content)



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➤ **BIODIESEL FACILITATION PROGRAM**

From January 2007 till December 2010

➤ **QUOTA:**

250,000 tons of which:

- a) **70,000 tons Year 2007** subject to national/E.U. framework contracts or spinneret agreements

Quota allocated on February 2008: 60,263.979 tons

➤ **EXCISE DUTY:**

20% diesel excise duty



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Program subject to:

1. Prior approval from **European Commission**
2. **Ministry of Economic Development** decree,
in agreement with Ministry Economy and Finance,
Environment Ministry and Agricultural policies Ministry
3. **Agricultural policies Ministry** decree in agreement with
Environment Ministry, Ministry Economy and Finance,
Ministry of Economic Development
4. **Ministry Economy and Finance** decree in agreement with
Ministry of Economic Development, Environment Ministry,
Agricultural policies Ministry

Subject

Due date

Sanctions

**within 3
months**

**Criteria,
conditions
obligations**

**within 3
months**

**Operating
requirements,
Allocation criteria
quota, guarantees**

**within 6
months**

Note Expiry dates calculated from January 2007

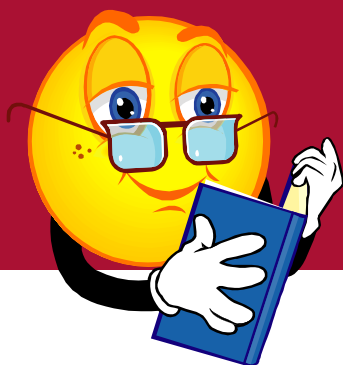


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Program application proceeded quite slowly



“No decision. They ‘re still sleeping on it”



Actual situation (June 13th, 2008)

1. EUROPEAN COMMISSION:

**Program approved (decision
c/2008/850 def. 11/3/2008)**

2. SANCTIONS:

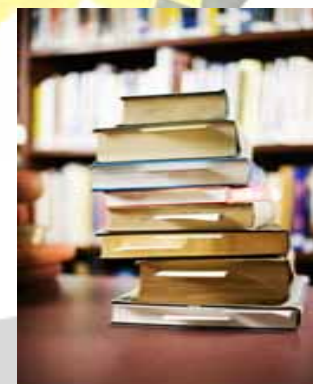
Ministry of Economic Development decree,

*Issued (April 2008)
and published (June 2008)*

in agreement with Ministry Economy and Finance,

Environment Ministry

and Agricultural policies Ministry



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3. CRITERIA, CONDITIONS, OBLIGATIONS

*Agricultural policies decree
in agreement with Environment Ministry,
Ministry Economy and Finance,
Ministry of Economic Development*

*Signed, not yet
published on Official
Gazette*

4. OPERATING REQUIREMENTS, ALLOCATION CRITERIA, QUOTA, GUARANTEES:

*Ministry Economy and Finance decree in agreement
with Ministry of Economic Development,
Environment Ministry, Agricultural policies
Ministry*

*Process completed,
but decree not yet
signed and published*



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Internal laws - biodiesel

- Decreto lgs 30 maggio 2005, n.128.
- DPCM 23 febbraio 2006, Costituzione del tavolo di filiera per le bioenergie.
- Legge 11 marzo 2006, n. 81.
- Decreto 11 maggio 2006, modificazioni al decreto 15 marzo 2005 in materia di regime di aiuto per le colture energetiche .
- Legge 27 Dicembre 2006, n. 296 (Legge Finanziaria 2007).
- Legge 29 Novembre 2007, n. 222, conversione in legge, con modificazioni del decreto-legge 1 Ottobre 2007, n. 159 recante interventi urgenti per i settori dell'agricoltura.
- Legge 24 Dicembre 2007, n. 244 (Legge Finanziaria 2008).



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Authorisation process



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LEGGE 23 AGOSTO 2004, n. 239:

“Delegation to the Government to reorganize Energy sector legislation”

Mineral oils: crude oils, distillation bottoms, petroleum products and derivatives and assimilated, included l.p.g. and biodiesel (art. 8)



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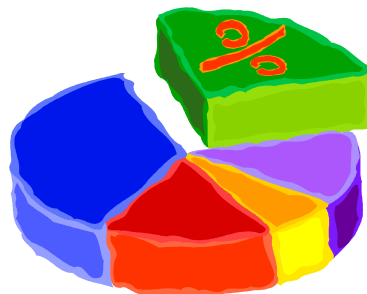


Plant's life authorisation

New plant



Change of capacity



Decommissioning



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Main additional provisions of law

Fiscal

- D.Leg.vo 26.10.1995 n. 504
- Fiscal permit

Safety/Environmental

- D.Leg.vo 334/99
- DPR 577/82

Domanial

- Art. 36 Cod. Nav.
- Art. 18 Legge 84/94



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Fiscal aspects



Authorisation request to local custom for “fiscal warehouse regime”

Start up of fiscal iter for:

- project examination**
- control of implementation of directive 92/12 obligations**
- control of telematic data transmission in accordance to law obligation**



Final act: Authorized warehousekeeper

Timing: about 6 months



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Safety



Payment of iter expenses

Project submitted to fire department

Examination of project safety aspect

Inspection of the location

Submission of “risk analysis” (Safety report) to Technical Regional Committee

Opinion from T.R.C.

Procedures for “fire prevention certificate”

Timing: about 1 year



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Environmental

- The dark side of authorisation -

Environmental impact evaluation???

Integrated Environmental authorisation ???



Projects stopped



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Domanial



Submission of application to Port Authority and Maritime Authority

Application publication

Administrations involved

- Fire department
- Municipality
- Ministry of Infrastructures



“Port committee” declaration and registration

Timing: about 6 – 12 months



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Administrative proceeding



Competent Authority → Region / District (if delegated)



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Excise duty exemption



Rule: Decree of Department of Treasury

“Determination of requirements to be fulfilled by operators and their national and E.U. plants to enter pluriannual program, with priority for products from spinneret...”



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Recipients Plant owners, operating in fiscal authorized warehousekeeper regime located in Italy or E.U. producing biodiesel according to fiscal requirements



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Requirement for quota allocation



- **Autorisation Decree to start new production plants**
- **Indication of annual plant capacity**
- **Fiscal authorized warehousekeeper**
- **Declaration of biodiesel technical compliance**
- **Quantity of biodiesel realised for consumption during previous year**
- **Indication of Gateway (for plants in other E.U. Countries)(o).**



(o) GATEWAY: Italian Tank storage plant through which biodiesel has been sent to Italian market from other E.U. Countries

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QUANTITY:



Priority quota = national/E.U. biodiesel from national/E.U. spinneret

Generic quota = biodiesel from non spinneret raw materials



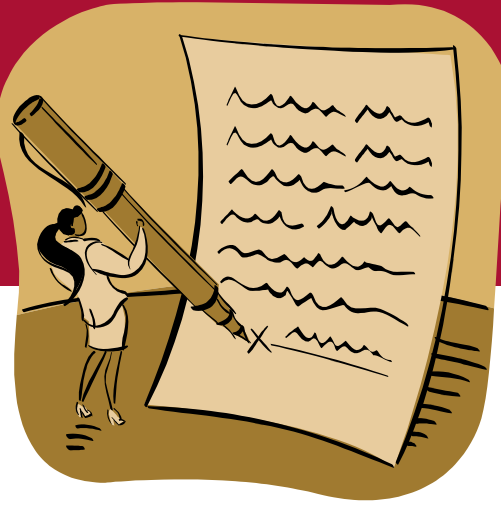
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1. **Agricultur Ministry sent to Custom Agency biodiesel quantity included in spinneret agreements**
2. **Custom Agency defines annual quantity (annual biodiesel quota)**
3. **Quota assigned according to gasoline and gasoil realesed for consumption during previous two years**



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4. **Spinneret quota: reserved amount for producers who signed spinneret agreements**
5. **In case less biodiesel then the authorised spinneret quota, amount will be reduced in next two forecoming years**



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Obtaining the autorisations: a great success!



Thanks for your attention!

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