## **SUBSIDIARY LEGISLATION 423.48**

# LIFECYCLE GREENHOUSE GAS EMISSIONS FROM FUELS REGULATIONS

24th December, 2010

LEGAL NOTICE 556 of 2010, and by Legal Notices 410 of 2017 and 505 of 2021.

1. (1) The title of these Regulations is Lifecycle Greenhouse Gas Emissions from Fuels Regulations.

Citation and scope. Amended by: L.N. 410 of 2017.

Substituted by: L.N. 410 of 2017.

- (2) These regulations transpose Article 7a of Directive 98/70/EC by setting, in respect of road vehicles, non-road mobile machinery (including inland waterway vessels when not at sea), agricultural and forestry tractors, and recreational craft when not at sea, a target for the reduction of life cycle greenhouse gas emissions, and transpose Council Directive (EU) 2015/652 by laying down rules on calculation methods and reporting requirements.
  - 2. In these regulations, unless the context otherwise requires:

Interpretation. Amended by: L.N. 410 of 2017; L.N. 505 of 2021.

"the Act" means the Malta Resources Authority Act;

"ASTM D287" means the American Society for Testing and Materials Standard Test Method for API Gravity of Crude Petroleum and Petroleum Products (Hydrometer Method);

Added by: L.N. 410 of 2017.

Cap. 423.

"the Authority" means the Malta Resources Authority established by article 3 of the Act;

"biofuels" means liquid or gaseous fuel for transport produced from biomass;

"Clean Development Mechanism" means the mechanism established pursuant to Article 12 of the Kyoto Protocol;

"conventional crude" means any refinery raw material exhibiting an API gravity that is higher than 10 degrees when situated in a reservoir formation at its place of origin as measured per testing method ASTM D287, and not falling within the definition for CN code 2714 as set out in Regulation (EEC) No 2658/87;

Added by: L.N. 410 of 2017.

"Council Regulation (EEC) No 2658/87" means Council Regulation (EEC) No 2658/87 of 23 July 1987 on the tariff and statistical nomenclature and on the Common Customs Tariff:

Added by: L.N. 410 of 2017.

"fuel baseline standard" means a fuel baseline standard based on the life cycle greenhouse gas emissions per unit of energy from fossil fuels in 2010;

Added by: L.N. 410 of 2017.

"greenhouse gas emissions per unit of energy" means the total mass of CO<sub>2</sub> equivalent greenhouse gas emissions associated with the fuel or energy supplied, divided by the total energy content of the fuel or energy supplied (for fuel, expressed as its low heating value);

"Kyoto Protocol" means the Kyoto Protocol to the United

Nations Framework Convention on Climate Change;

"life cycle greenhouse gas emissions" means all net emissions of  ${\rm CO_2}$ ,  ${\rm CH_4}$  and  ${\rm N_2O}$  that can be assigned to the fuel (including any blended components) or energy supplied. This includes all relevant stages from extraction or cultivation, including land-use changes, transport and distribution, processing and combustion, irrespective of where those emissions occur;

Added by: L.N. 410 of 2017. "low indirect land-use change-risk biofuels" means biofuels, the feedstocks of which were produced within schemes which reduce the displacement of production for purposes other than for making biofuels and which were produced in accordance with the sustainability criteria for biofuels set out in regulation 3 of the Biofuels, Bioliquids and Biomass Fuels (Sustainability Criteria) Regulations;

S.L. 545.37

"natural bitumen" means any source of refinery raw material

Added by: L.N. 410 of 2017.

- (a) has an American Petroleum Institute (API) gravity of 10 degrees or less when situated in a reservoir formation at the place of extraction as defined pursuant to the testing method ASTM D287;
- (b) has an annual average viscosity at reservoir temperature greater than that calculated by the equation: Viscosity (Centipoise) = 518,98<sup>e-0,038T</sup>, where T is the temperature in Celsius;
- (c) falls within the definition for tar sands under combined nomenclature (CN) code 2714 as outlined in Council Regulation (EEC) No 2658/87; and
- (d) where the mobilisation of the source of the raw material is achieved by mining extraction or thermally enhanced gravity drainage where the thermal energy is mainly derived from sources other than the feedstock source itself;

Added by: L.N. 410 of 2017. "oil shale" means any source of refinery raw material as situated in a rock formation containing solid kerogen and falling within the definition for oil shale under CN code 2714 as outlined in Regulation (EEC) No 2658/87. Mobilisation of the source of the raw material is achieved by mining extraction or thermally enhanced gravity drainage;

Added by: L.N. 410 of 2017. "renewable liquid and gaseous transport fuels of non-biological origin" means liquid or gaseous fuels other than biofuels whose energy content comes from renewable energy sources other than biomass, and which are used in transport;

Added by: L.N. 410 of 2017. "starch-rich crops" means crops comprising mainly cereals (regardless of whether only the grains are used or the whole plant, such as in the case of green maize, is used), tubers and root crops (such as potatoes, Jerusalem artichokes, sweet potatoes, cassava and yams), and corm crops (such as taro and cocoyam);

"supplier" means the entity responsible for passing fuel or energy through an excise duty point or, if no excise is due, any other relevant entity designated by the Authority.

"upstream emissions" means all greenhouse gas emissions occurring prior to the raw material entering a refinery or a processing plant where the fuel, as referred to in the First Schedule, was produced.

Added by: L.N. 410 of 2017.

3. (1) The Authority shall designate any supplier responsible for monitoring and reporting life cycle greenhouse gas emissions per unit of energy from fuel and energy supplied. In the case of providers of electricity for use in road vehicles, such providers may choose to become a contributor to the reduction obligation laid down in sub-regulation (3) if they can demonstrate that they can adequately measure and monitor electricity supplied for use in those vehicles.

Greenhouse gas emission reductions.

Amended by:
L.N. 410 of 2017.

In the case of suppliers of biofuels for use in aviation, such suppliers may choose to become contributors to the reduction obligation laid down in sub-regulation (3) provided that those biofuels comply with the sustainability criteria set out in regulation 3 of the Biofuels, Bioliquids and Biomass Fuels (Sustainability Criteria) Regulations.

Added by: L.N. 410 of 2017. Amended by: L.N. 505 of 2021.

S.L. 545.37

(2) Suppliers shall report to the Authority on the greenhouse gas intensity of fuel and energy supplied by providing, as a minimum, the following information:

Substituted by: L.N. 410 of 2017.

- (a) the total volume of each type of fuel or energy supplied, indicating where purchased and its origin;
- (b) the life cycle greenhouse gas emissions per unit of energy;
- (c) on the biofuel production pathways;
- (d) volumes of biofuels derived from the feedstocks as categorised in Part A of the Fourth Schedule; and
- (e) the life cycle greenhouse gas emissions per unit of energy, including the provisional mean values of the estimated indirect land-use change emissions from biofuels:

## Provided that:

- (a) suppliers shall report data using the definitions and the calculation method set out in the First Schedule:
- (b) the data shall be reported annually using the template set out in the Third Schedule;
- (c) such report shall:
  - be submitted annually by the end of March of each year in respect of the previous calendar year;
  - (ii) shall be in accordance to any guidelines that the Authority may establish or adopt;
  - (iii) shall be subject to verification; and
- (d) for suppliers that are SMEs, the simplified method set out in the First Schedule shall apply.
- (3) Suppliers shall reduce as gradually as possible life cycle greenhouse gas emissions per unit of energy from fuel and energy

Substituted by: L.N. 410 of 2017. 4

supplied by up to 10% by the 31st December 2020, compared with the fuel baseline standard specified by the Authority based on the life cycle greenhouse gas emissions per unit of energy from fossil fuels. Such reduction shall consist of:

- (a) 6% by the 31st December 2020;
- (b) an indicative additional target of 2% by the 31st December 2020, to be achieved through one or both of the following methods:
  - the supply of energy for transport supplied for use in any type of road vehicle, non-road mobile machinery, agricultural or forestry tractor or recreational craft;
  - (ii) the use of any technology (including carbon capture and storage) capable of reducing life cycle greenhouse gas emissions per unit of energy from fuel or energy supplied:
    - Provided that such indicative additional target may be subject to adjustments in order to assess possible contributions for reaching a greenhouse gas reduction target of up to 10% by 2020;
- (c) an indicative additional target of 2% by the 31<sup>st</sup> December 2020 to be achieved through the use of credits purchased through the Clean Development Mechanism of the Kyoto Protocol under the conditions set out in Directive 2003/87/EC, for reductions in the fuel supply sector:

Provided that additional measures may be introduced by the Authority to allow suppliers to reduce by 2% life cycle greenhouse gas emissions per unit of energy, in comparison with a fuel baseline standard based on the life cycle greenhouse gas emissions per unit of energy from fossil fuels, through the use of credits purchased through the Clean Development Mechanism of the Kyoto Protocol under the conditions set out in Directive 2003/87/EC.

For the purposes of this sub-regulation, suppliers shall use the calculation method set out in the First Schedule to determine the greenhouse gas intensity of the fuels they supply.

For the purposes of this sub-regulation, suppliers shall report data using the definitions and the calculation method set out in the First Schedule. The data shall be reported annually using the template set out in the Third Schedule.

For the purposes of verifying compliance by suppliers with their obligation under this sub-regulation, suppliers shall compare their achieved reductions of life cycle greenhouse gas emissions from fuels and from electricity to the fuel baseline standard set out in the Second Schedule.

(4) Life cycle greenhouse gas emissions from biofuels shall be calculated in accordance with the provisions of the Biofuels (Sustainability Criteria) Regulations. Life cycle greenhouse gas emissions from biofuels shall be calculated in accordance with the provisions of the Biofuels, Bioliquids and Biomass Fuels (Sustainability Criteria) Regulations.

S.L. 545.37

(5) A group of suppliers may choose to meet the reduction obligations pursuant to sub-regulation (3) jointly. In such case they shall be considered as a single supplier for the purposes of sub-regulation (3).

For the purposes of this sub-regulation, a group of suppliers choosing to be considered as a single supplier shall meet its obligation under sub-regulation (3) within the Maltese territory.

Added by: L.N. 410 of 2017.

(6) The Authority may provide that the maximum contribution of biofuels produced from cereal and other starch-rich crops, sugars and oil crops and from crops grown as main crops primarily for energy purposes on agricultural land for the purpose of compliance with the target referred to in sub-regulation (3) shall not exceed the maximum contribution established in point (d) of the second subparagraph of Article 3(4) of Directive 2009/28/EC.

Added by: L.N. 410 of 2017.

### **3A.** (1)Any person who:

penalties.

Added by:
L.N. 410 of 2017.

Offences and

- (a) wilfully or through negligence acts in breach of any provision of these regulations;
- (b) fails to comply with any lawful order by an inspector, employee or officer of the Authority in execution of their duties in terms of these regulations;
- (c) hinders, obstructs, molests or interferes or attempts to hinder, obstruct, molest or interfere with any inspector, any employee or officer of the Authority in the execution of his duties in terms of these regulations;
- (d) makes a declaration for any of the purposes of these regulations which is false, misleading or incorrect in any material respect,
  - shall be guilty of an offence against these regulations and shall, on conviction, be liable to imprisonment for not more than eighteen months, or to a fine (*multa*) of not more than sixty-nine thousand and eight hundred and eighty-one euro and twenty cents (69,881.20), or to one thousand and three hundred and ninety-seven euro and sixty-two cents (1,397.62) for each day during which the offence persists, or to both such fine and imprisonment.
- (2) The liability of an offender under sub-regulation (1) shall be without prejudice to the liability of the offender to pay to the Authority any cost incurred in removing the cause of the offence and to undo anything which was done without an authorisation.
  - (3) The Court, besides awarding the punishment referred to in

this regulation, may order the convicted offenders to close their activity and, or to undo anything which was done without an authorisation.

- (4) In the prosecution of offences against these regulations officials of the Authority shall have the right to assist the police, and to plead the case before the Court.
- (5) Officers from the Authority may assist the Police in the exercise of any of their powers to prevent the commission of an offence against these regulations and, or to secure evidence concerning any such offence.
- (6) The provisions of these regulations shall not affect any criminal proceedings and, or any other proceedings that may be instituted under any other law.

Administrative fines.

4. The Authority may impose an administrative fine upon any person who infringes any provision of these regulations or who fails to comply with any directive or decision given by the Authority in ensuring compliance with these regulations.

Added by: L.N. 410 of 2017.

#### FIRST SCHEDULE

ANNEX I of Council Directive (EU) 2015/652 shall be applicable in its entirety as the First Schedule to these regulations.

Added by: L.N. 410 of 2017.

### SECOND SCHEDULE

ANNEX II of Council Directive (EU) 2015/652 shall be applicable in its entirety as the Second Schedule to these regulations.

Added by: L.N. 410 of 2017.

## THIRD SCHEDULE

ANNEX IV of Council Directive (EU) 2015/652 shall be applicable in its entirety as the Third Schedule to these regulations.

Added by: L.N. 410 of 2017.

## FOURTH SCHEDULE

ANNEX V of Directive 98/70/EC, as added by ANNEX I (2) of Directive (EU) 2015/1513, shall be applicable in its entirety as the Fourth Schedule to these regulations.".