

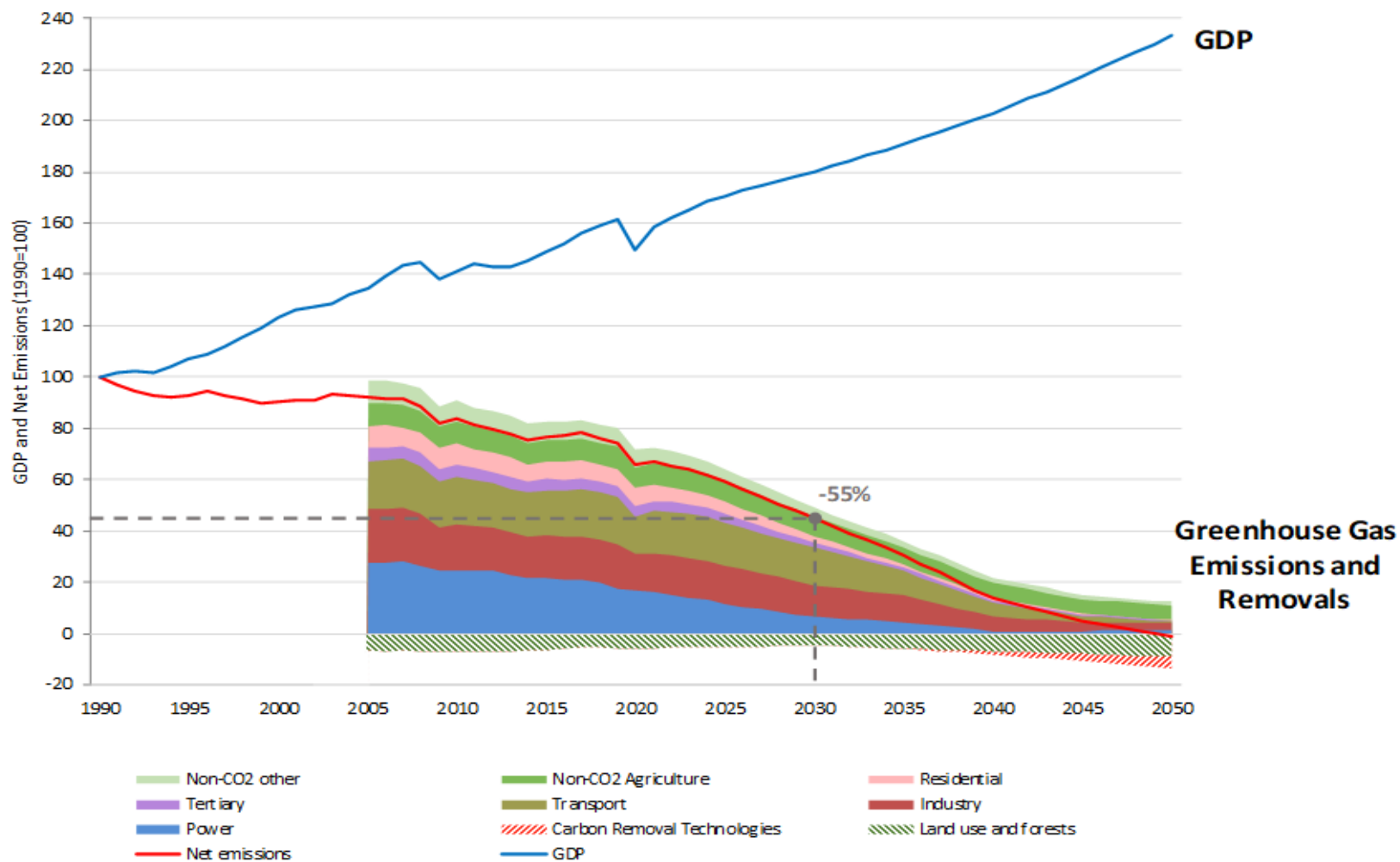


The EU Plan for Green Transition: REDII Implementation, Fit For 55 and Outlook on RED III

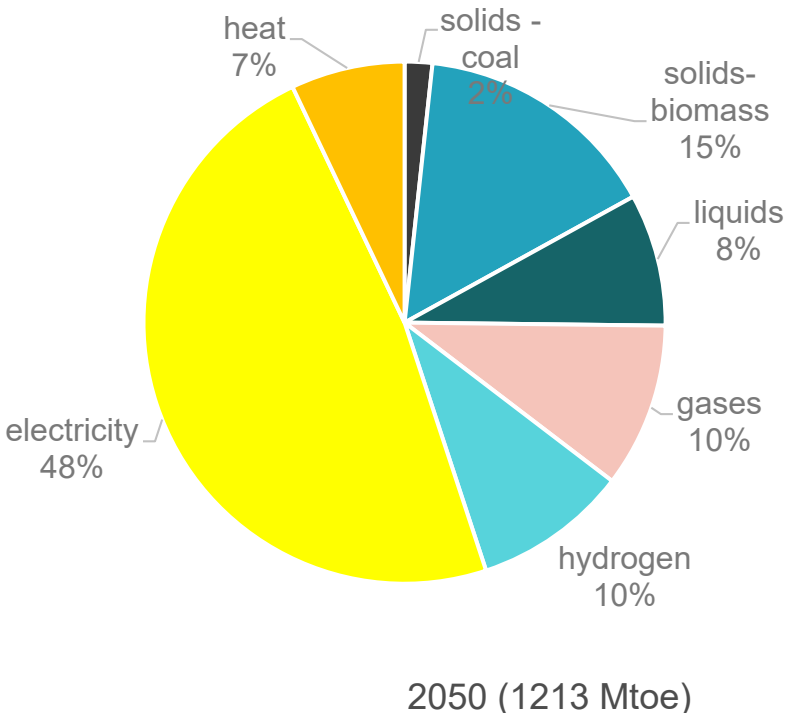
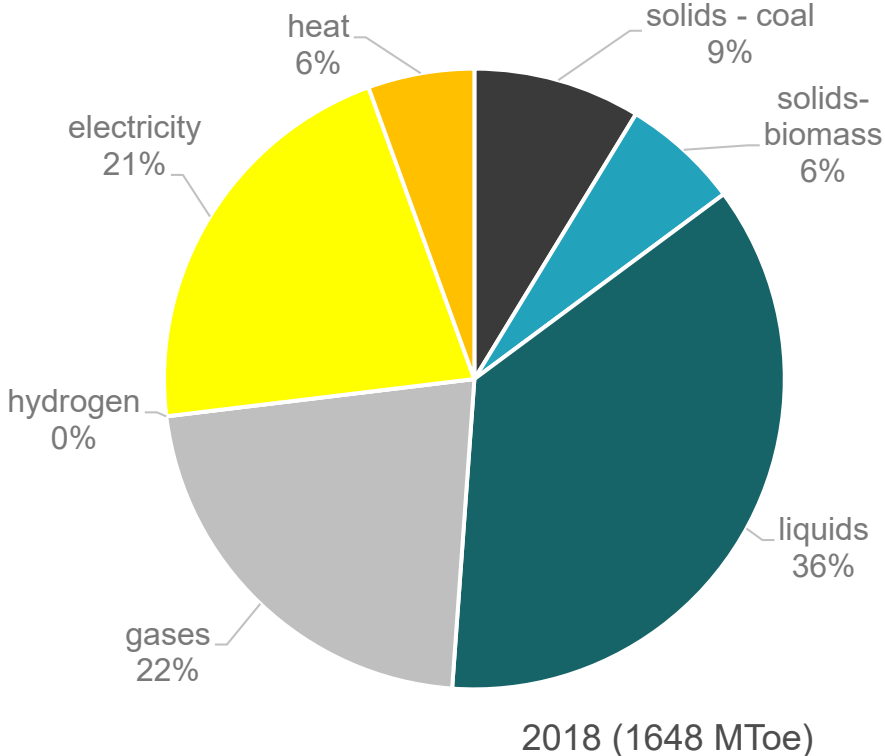
February 2022



Trajectory towards decarbonisation

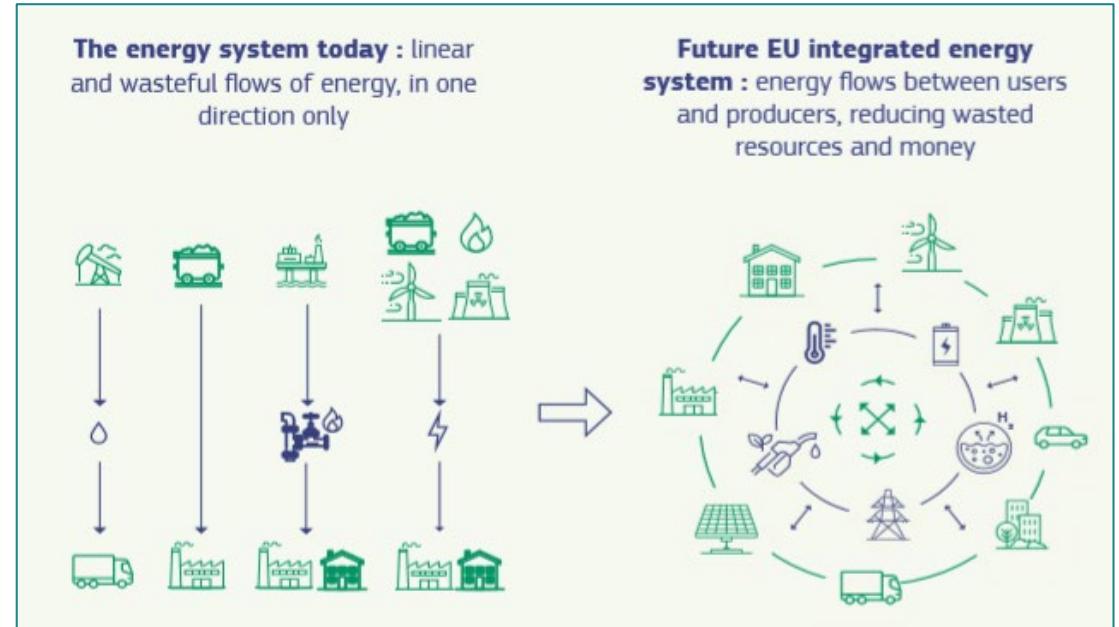
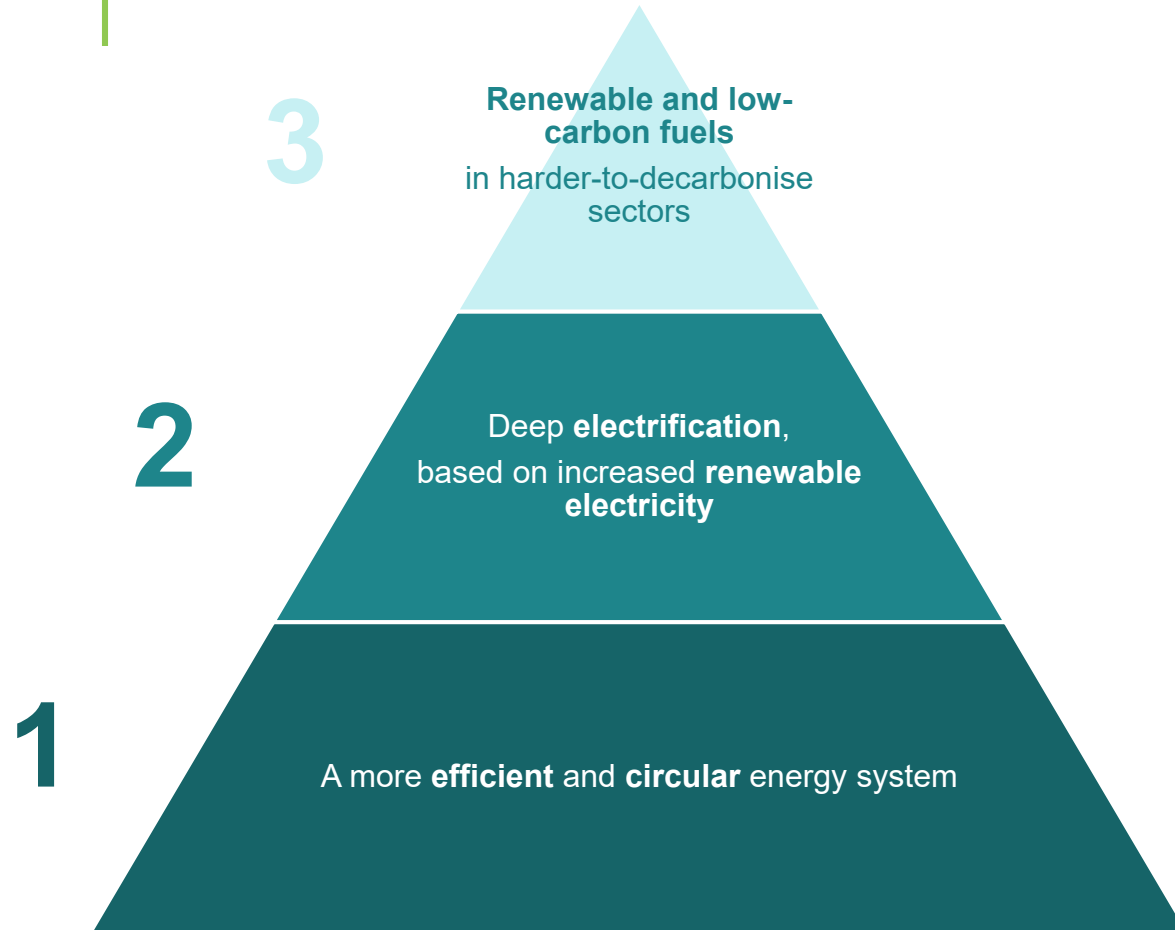


Projected changes to the energy mix



Source: Based on EU28 Eurostat/LTS 1.5LIFE/TECH scenarios

Transforming our energy system - the vision



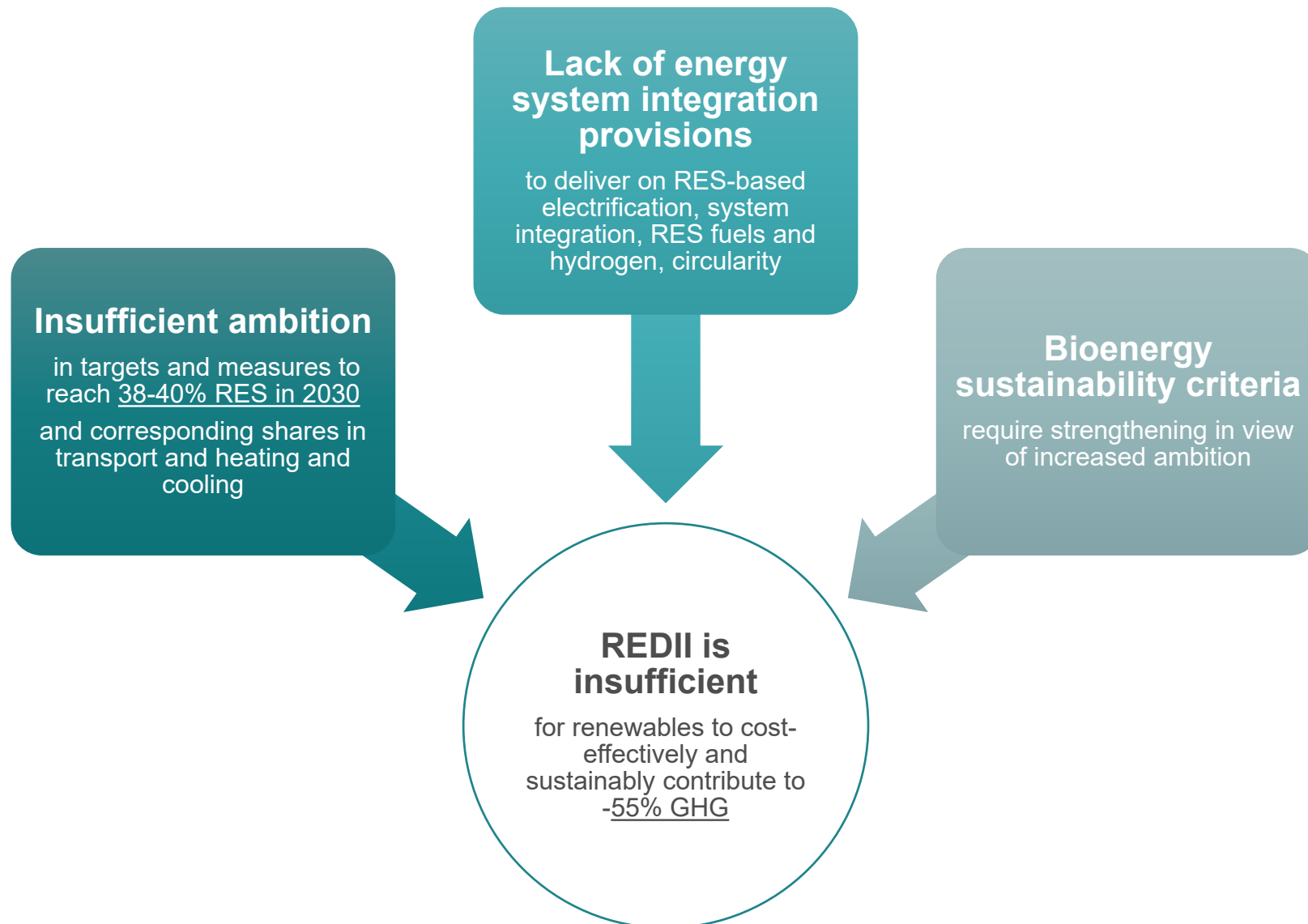
€
Investment needs
up to EUR 400 bn per annum
to deliver on 55%

Energy supply and use responsible for 75% of emissions

Delivering on the EU climate and energy ambition



Impact assessment of the REDII revision: Is RED II fit for purpose?



Summary of proposed sectoral targets

REDII

32%

Transport

14% target for renewables in transport
3.5% sub-target for advanced biofuels (double counting)

Heating & Cooling

1.1 pp annual increase, **indicative**
1.0 pp in district H&C, indicative

Buildings

Industry

REDII revision

40%

-13 % reduction of the GHG intensity of transport fuels (equiv. to 28 % energy based)
2.2% sub-target for advanced biofuels
2.6% sub-target for RFNBOs

1.1 pp annual increase, **binding**
Indicative top-ups for each MS
2.1 pp in district heating, indicative

NEW

49% RES share in buildings
indicative

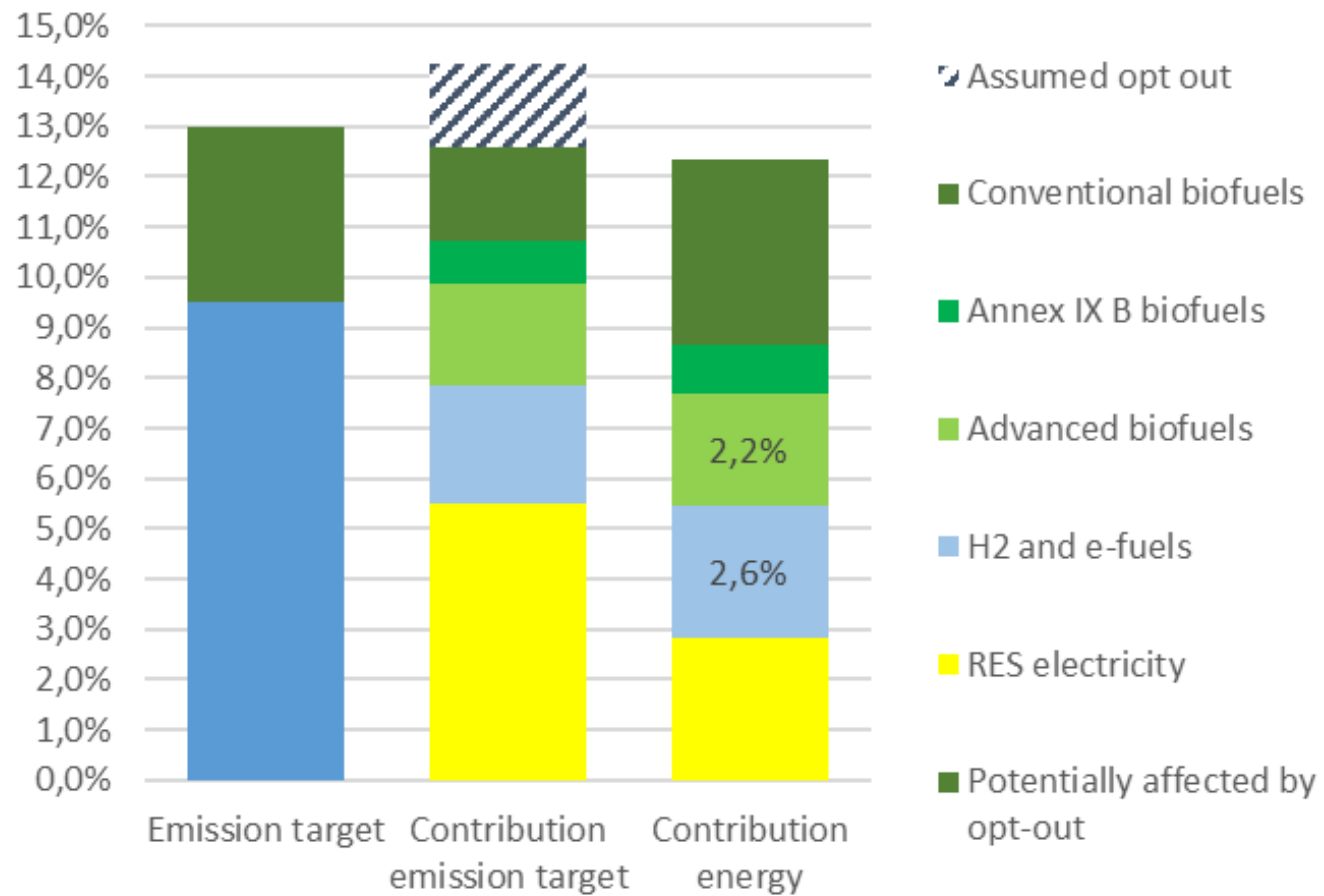
NEW

1.1 pp annual increase in industry RES share
indicative
50 % sub-target for RFNBOs

Main changes concerning the promotion of renewables fuels in REDII

- A shift to a target expressed in terms of a reduction of the GHG emission intensity of fuels.
- An increase of the ambition level of the target. The emission intensity of fuels would need to be reduced by 13%, which corresponds to a share of 28% renewables as determined according to the current methodology set out in RED II.
- An introduction of energy-based sub target of 2.6% for renewable fuels of non biological origin. The target for advanced biofuels would be set at 2.2%.
- Maritime and aviation sectors are fully covered.
- A credit mechanism is introduced allowing fuel suppliers to exchange credits. Charging point operators would receive credits for supplying renewable electricity to EVs and could sell these credits to fuel suppliers.

Average contribution of energy carriers to the targets



Bioenergy sustainability: targeted strengthening EU criteria

REDII

(enhanced sustainability criteria
being implemented)

REDII revision

(targeted strengthening)

Sustainability
criteria (no-go
areas)

Land criteria for agricultural biomass
Biodiversity/climate criteria for forest
biomass (risk-based approach)



New land criteria for forest biomass:
no sourcing from primary and highly
biodiverse forests, peatland and wetland
Minimise large clear-cuts

Application of EU
bioenergy & GHG
saving criteria

Only applicable to heat and power
installations equal or above **20 MW**
GHG saving criteria only for new
installations



Application also to small-scale installations
equal or above e.g. **5 MW**
GHG saving criteria apply also to existing
installations

Cascading
principle

MS required to design support schemes with
the aim of **avoiding undue distortions** of
the raw material market



MS to minimise distortions of biomass market
No support for saw & veneer logs, stumps/ roots
Delegated Act on cascading use of biomass
From 2026, no support for installations
producing electricity with forest biomass*

+

Revised LULUCF Regulation (2030 EU and national targets, national land use plans)
Revised ETS (zero rating for biomass/biogas only if REDII compliant)

Ongoing work on RED II implementation

To be adopted soon:

- COM Decisions recognising voluntary schemes

Ongoing discussions with Bioenergy Sustainability Committee:

- Guidance on implementation of forest biomass criteria
- Implementing act on sustainability certification

Finalisation of internal work by COM:

- Methodologies for certification of RFNBOs (“additionality” and GHG emissions)
- Delegated act on co-processing
- Annex IX review
- Report on the feedstock expansion
- Finalisation of UDB is progressing (to be finalised by end of 2022)

RED II transposition checks

Thank you for your attention!



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