



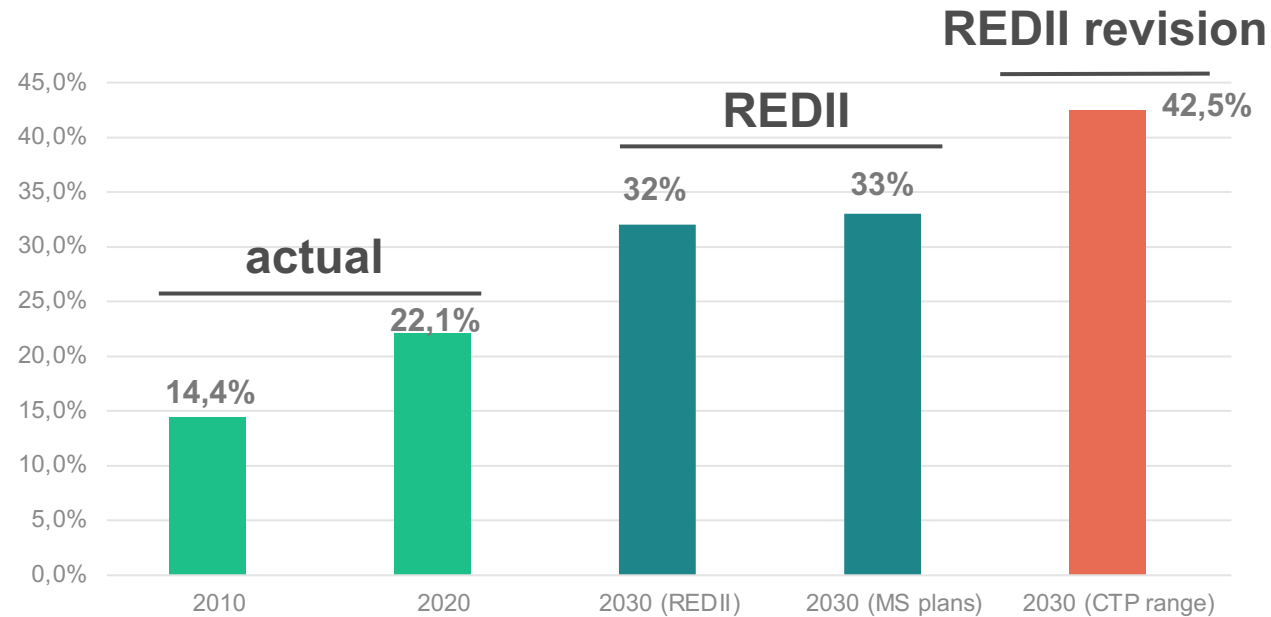
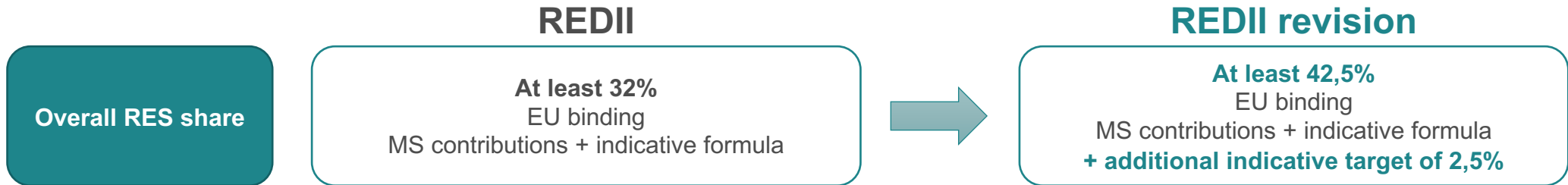
RED III Status Quo and Outlook

Bernd Kuepker

Policy officer, DG ENER, C.2: Decarbonisation and sustainability of energy sources.

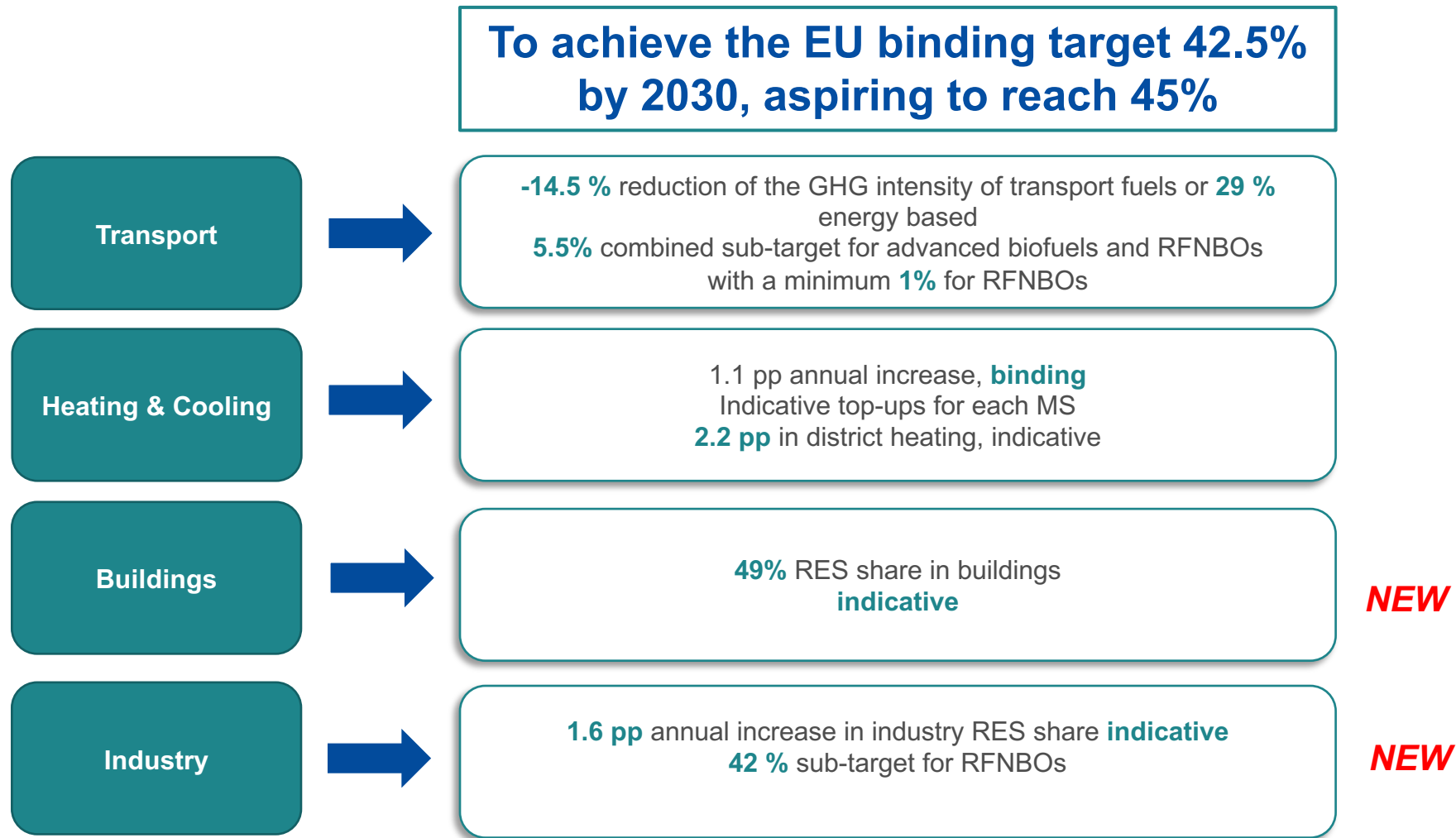
EU 2030 renewable energy target

Target for promotion of renewable energy



+ New indicative target for the deployment of innovative technologies: 5% in 2030

Sectorial targets



Industry

Industry (Articles 22a et 22b): *new* in RED

- New measures to boost renewables uptake in industry sector (32% of energy consumption).
 - Indicative annual increase of at least 1.6 percentage points by 2030 (share of RES in the energy sources used in industry)
 - New binding target for RFNBO (renewable fuels of non-biological origin):
 - ✓ **42% in 2030**
 - ✓ **60% in 2035**
 - ✓ *Possible discount of 20% in 2030 for Member States on track towards their expected national contribution to the binding overall Union target with a low share of hydrogen from fossil fuels consumed (no more than 23% in 2030 and 20% in 2035)*

Transport

Transport

REDII

At least **14% renewables** in transport (road and rail)

+

At least **3.5% advanced biofuels**

+

Incentives for advanced biofuels (double counting) + use of fuels in maritime and aviation (1.2x multiplier)



Revised RED

At least **29% renewables** in transport (all transport modes)

or

14.5% reduction of emission intensity of fuels

+

At least **5.5% advanced biofuels and RFNBOs** (combined target of which at least 1%-point RFNBOs)

+

Incentives for advanced biofuels and RFNBOs (double counting)

+

Incentives for their use in aviation and maritime (**1.2x or 1.5x multipliers** for advanced biofuels and RFNBO respectively)

New indicative target of **1.2%** in the maritime sector

RFNBO = Renewable Fuels of Non Biological Origin

Changes to the policy on conventional biofuels

- **Policy framework for biofuels produced from food and feed crops remains unchanged in substance:**
 - Contribution towards the targets for renewable energy as well as the target on the reduction of the emission intensity remains limited based on the share of such fuels in 2020
 - The targets for the share of renewable energy and the reduction of the emission intensity may be reduced if MS remain below the 7% share of food and feed crop-based biofuels
 - COM to set out a trajectory for the phase out of biofuels with high indirect land use change (ILUC) - risk and to review the ILUC delegated act. Additional guidance on the review process was added

Inclusion international aviation and maritime

- **Inclusion of aviation and marine bunker fuels in the denominator of the 29% and the 14,5% targets.**
- **Limit for the counting of marine bunker fuels:** Max 13% of gross final consumption of energy and Max 5% of gross final consumption of energy for Cyprus and Malta
- **Limit for the counting of aviation fuels (set out under RED II already):** Max 6,18 % of gross final consumption of energy and Max 4,12 % of gross final consumption of energy for Cyprus and Malta
- **Only renewable marine bunker fuels are considered under the overall renewable energy target**

Limitation for Annex IX Part B fuels

- **The 1,7% limit for Annex IX Part B fuels remains but becomes more flexible**
 - Member States may increase the limit taking into account the availability of feedstock listed in Part B of Annex IX. Increase must be notified and is subject to approval.
 - COM is empowered adapting the 1.7% limit on the basis of an assessment of the availability of feedstock. The limit shall be at least 1,7%. If COM adopts such a delegated act, the limit applies to all MS. Member States may apply for an increase again.

Bioenergy sustainability

Strengthening EU criteria



REDII

(enhanced sustainability criteria)

Revised RED

(targeted strengthening)

Sustainability criteria (“no-go areas”)

Land criteria for agricultural biomass



Extension of the “no go areas” set in RED II for agricultural biomass to **forest biomass**, with a risk-based approach for so-called a-level countries



New “no-go areas” (old growth forests, heathland)

Application of EU sustainability & GHG emission savings criteria

For solid biomass fuels applicable to heat and power installations > **20 MW**
For biomass fuels **GHG emissions savings criteria** apply to new installations



For solid biomass fuels applicable to installations > **7.5 MW**.
Gradual phasing-in of requirements for **GHG emission savings** to be made by existing installations



Extension of existing **derogation** under RED II for **outermost regions** to apply specific sustainability criteria for biomass fuels to also **cover biofuels and bioliquids**

Cascading principle

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



Cascading principle, with derogations



No direct financial support to the energy use of veneer logs, saw logs and other roundwood of industrial grade, as well as of stumps and roots;
Phase-out of subsidies for the production of electricity from forest biomass in **electricity-only installations**, with limited exceptions

+ Consistency with revised LULUCF Regulation (2030 EU and national targets and budgets)
Specification of sustainable harvesting practices

Outlook

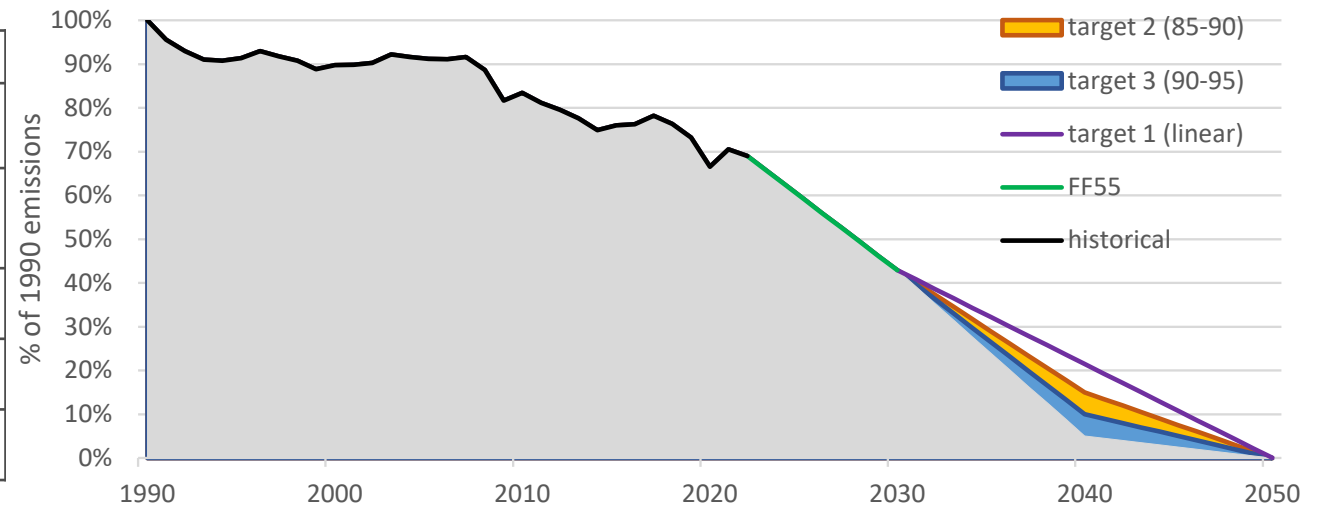
2040 Framework: Considered target levels

- Target Option 1: a net GHG reduction target in 2040 of up to 80% (linear)
- Target Option 2: a net GHG reduction target in 2040 of 85%-90%
- Target Option 3: a net GHG reduction target in 2040 of 90%-95%

GHG budget and annual reduction of GHG emissions of each target option

| GHG budget 2030-2050 (GtCO ₂ -eq) | | Yearly reductions (% 1990 levels) | | | | |
|--|--------------|-----------------------------------|-----------|-----------|-----------|-----------|
| | | 1991-2010 | 2011-2030 | 2021-2030 | 2031-2040 | 2041-2050 |
| Target level below 75% | More than 23 | | | | -1.8% | -2.5% |
| 1 (linear, 78%) | 21 | -0.9% | -2.0% | -2.8% | -2.2% | -2.2% |
| 2 (at least 85%) | Up to 18 | | | | -2.8% | -1.5% |
| 3 (at least 90%) | Up to 16 | | | | -3.3% | -1.0% |

Profile of the net GHG emissions over 1990-2050



Note: The net GHG emissions reflect the scope of the European Climate Law, i.e., all domestic net emissions (as under the UNFCCC inventories), international intra-EU aviation, international intra-EU maritime, and 50% of international extra-EU maritime from the MRV scope. 2022 values are based on EEA proxies. The intra-EU / extra-EU international aviation split is estimated based on air transport activity data (passenger-kilometres). The intra-EU / extra-EU international maritime split is based on MRV information for recent years and applied backwards to 1990.

Ongoing work on RED implementation

Recently adopted:

- Delegated act on co-processing
- Delegated acts on RFNBOs and RCF

Ongoing work

- Annex IX review
- Report on the feedstock expansion under rules of revised RED
- Review of the ILUC delegated act
- Implementation of certification rules including on RFNBOs
- Delegated act on ow carbon fuels
- Review of Annex V and VI
- Implementation of the UDB

Thank
you

