



The revision of the Renewable Energy Directive and the REPowerEU Plan

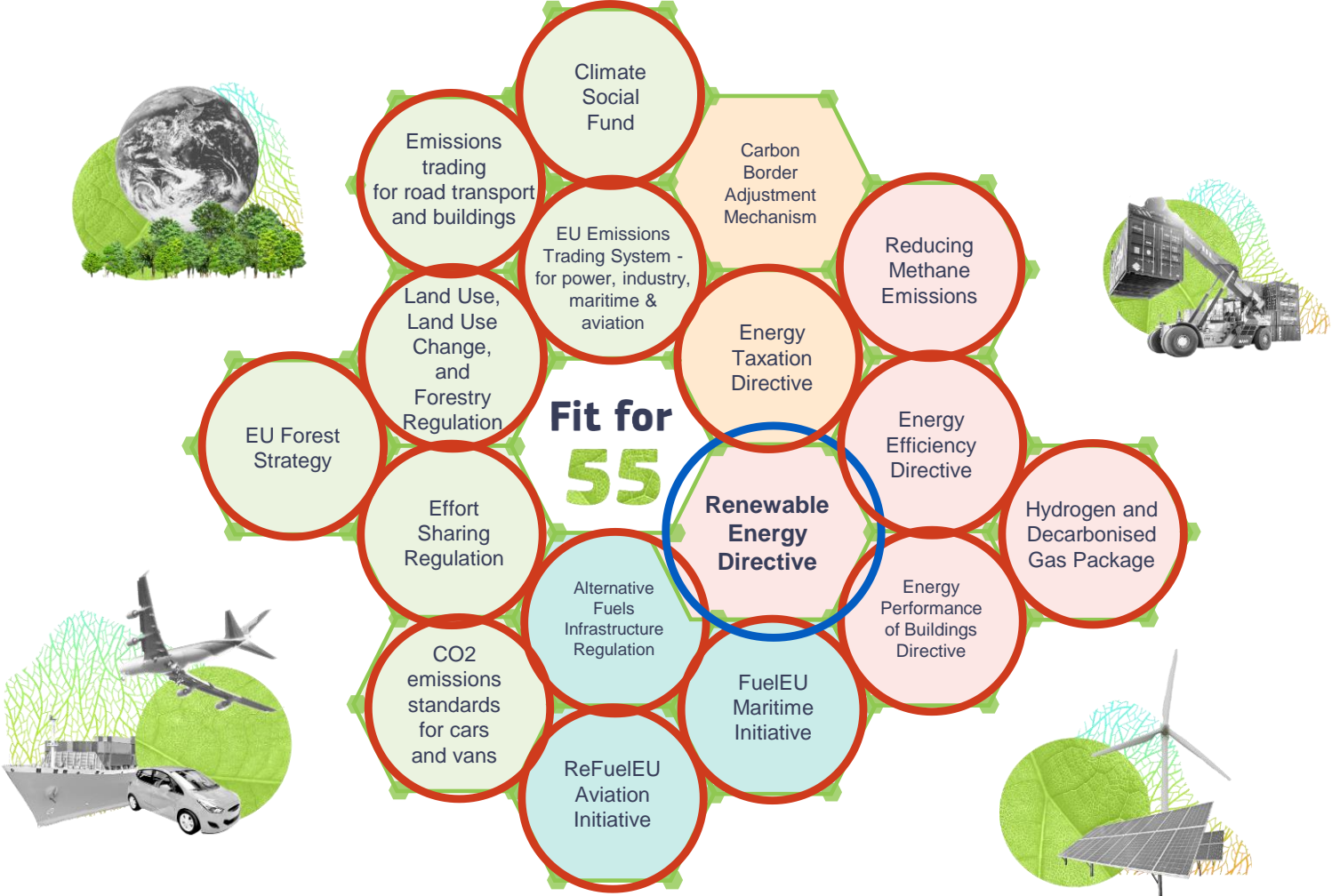
MEDREG-ECRB Joint workshop

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Delivering the European Green Deal – the Fit-for-55 package

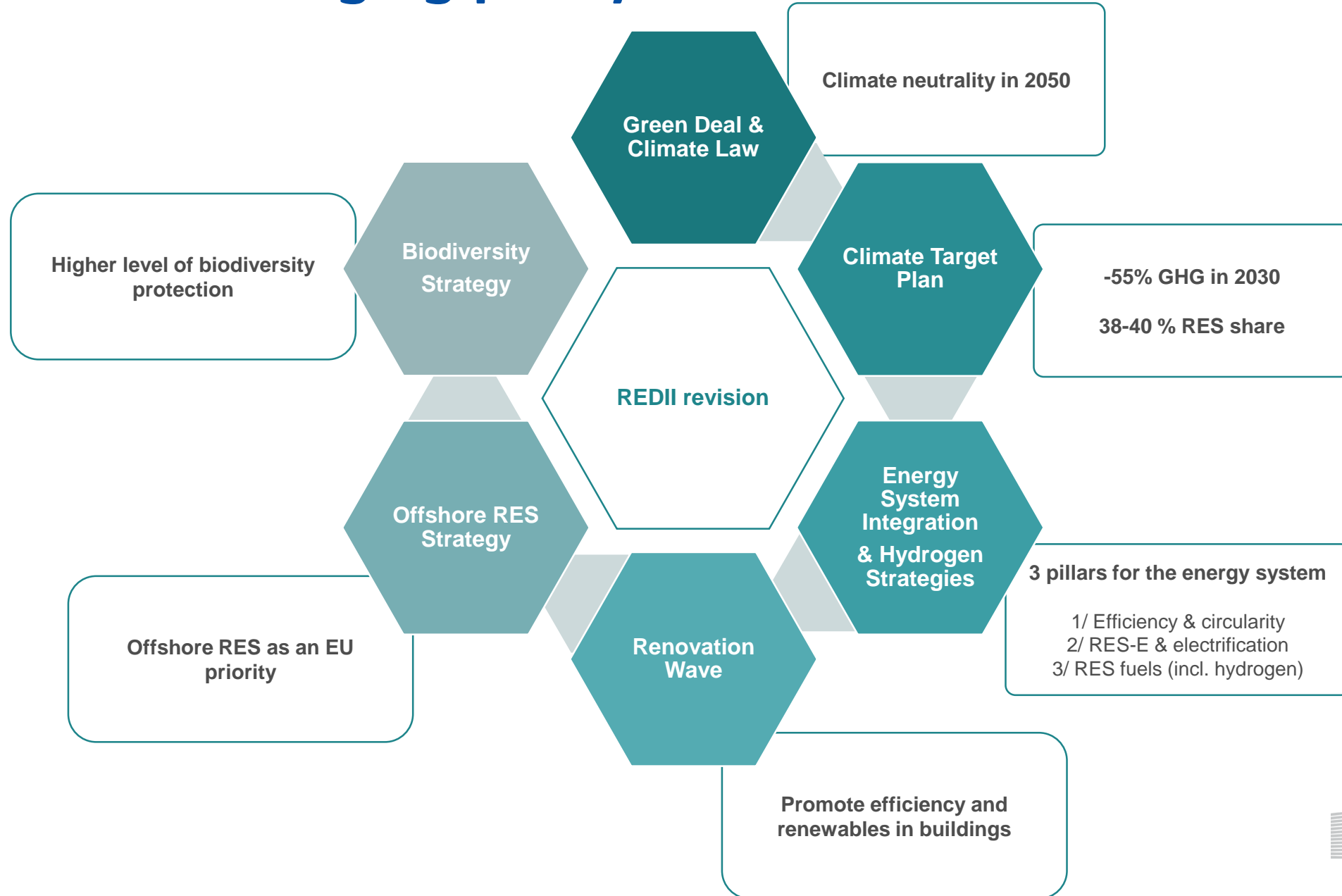
Delivering on the EU climate and energy ambition



The revision of the Renewable Energy Directive

July 2021

A fast-changing policy context



Good progress so far – but the pace of renewables deployment must be accelerated

EU RES share 2020 – 22,1 %

- Electricity Sector – 37,5 %
- Heating and Cooling Sector- 23,1 %
- Transport Sector – 10,2 %

... with important differences between countries.

Current REDII implementation remains crucial



Binding EU RE target of 32%
by 2030



Guarantees of Origin



Administrative procedures

RED II



Cooperation mechanisms



Support mechanisms



Self-consumption and renewable energy
communities



Sustainability criteria for bioenergy



RE in H&C and transport

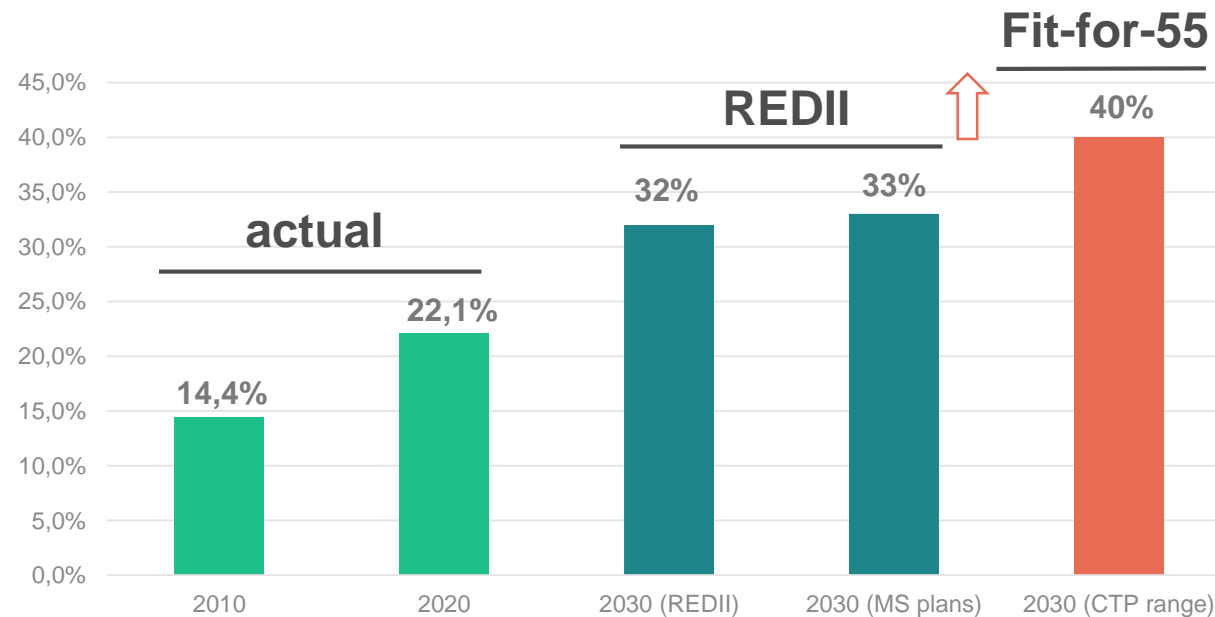
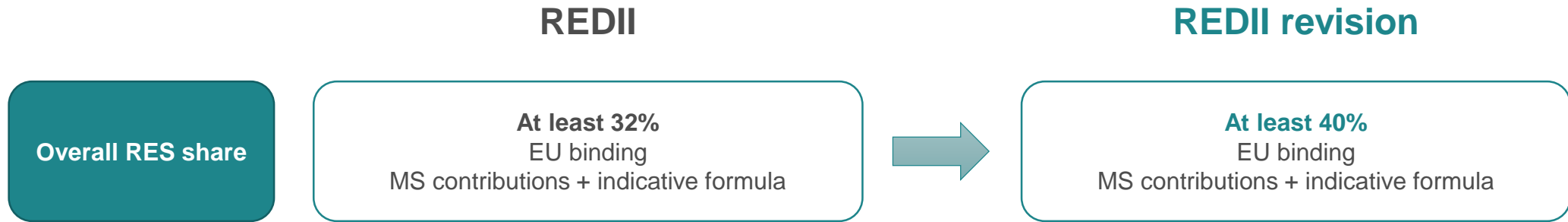
REDII transposition deadline:
June 2021



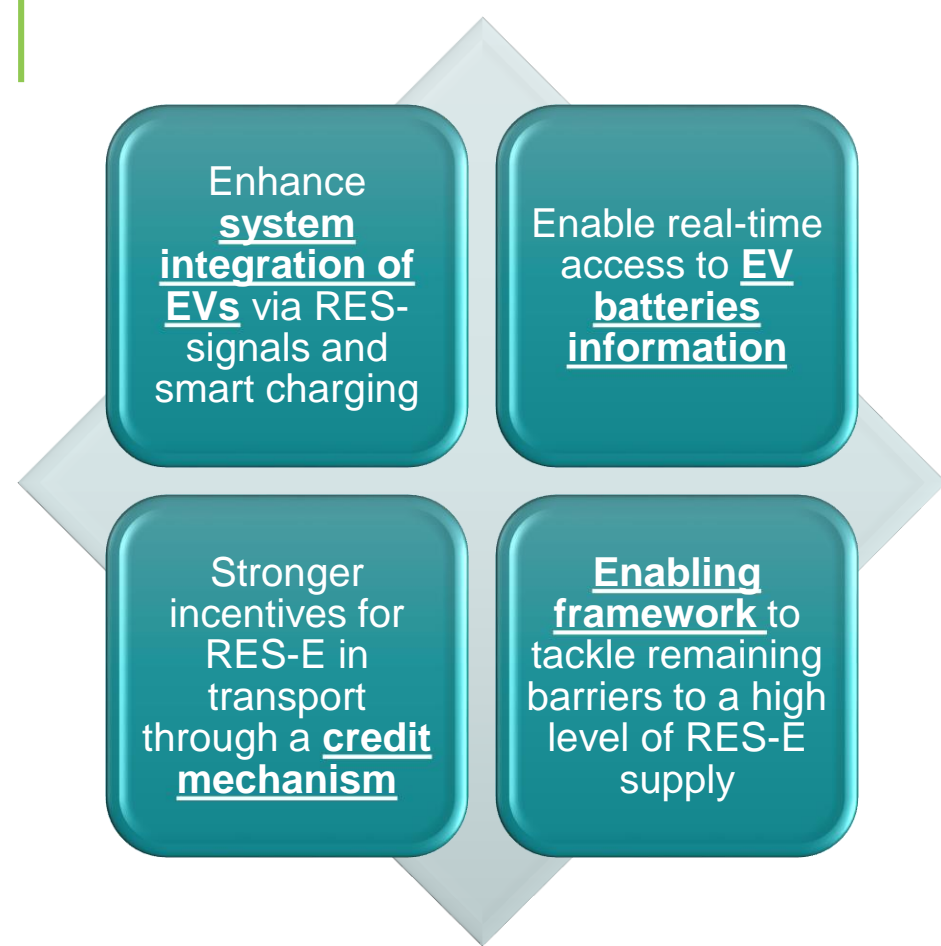
REDII revision is about
targeted amendments

**to deliver the European Green Deal and
mainstream renewables across the
economy**

1. Overall ambition – the EU-level target

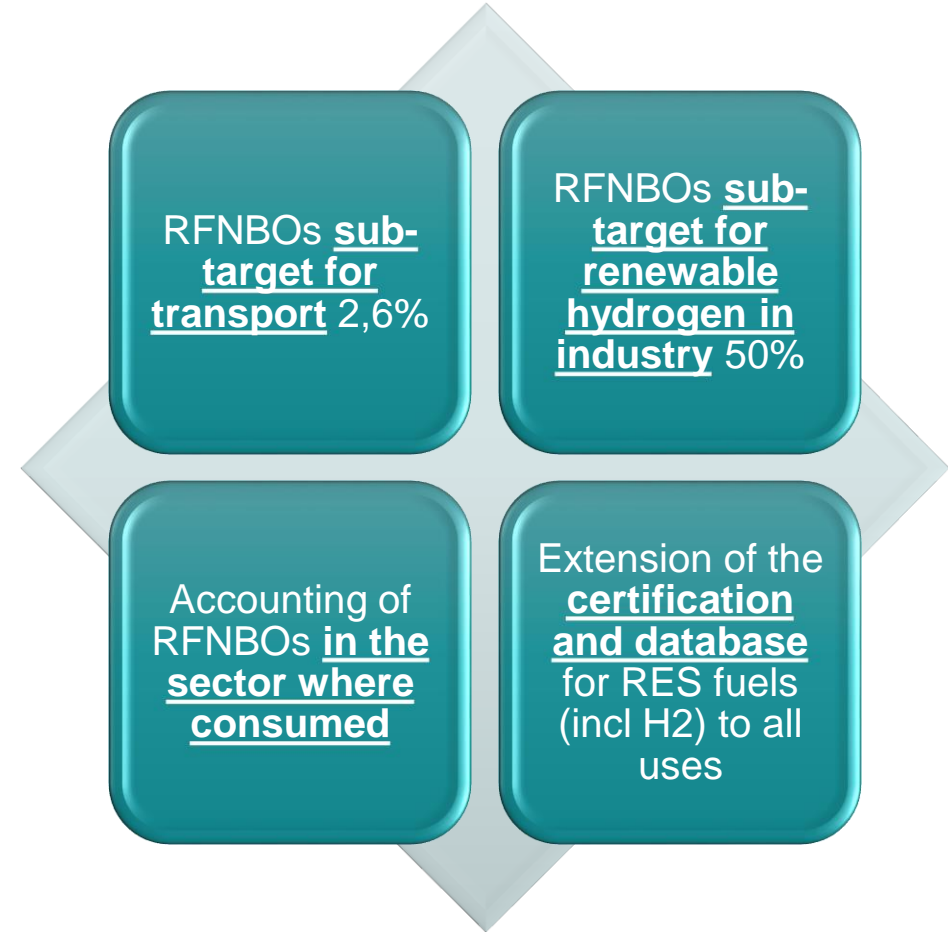


2. Facilitating Energy System Integration



+

Revised AFIR, CO2 for cars
(combined action to boost transport electrification)



+

Fuel Aviation & Maritime (combined action to drive RES Hydrogen uptake in those sectors)

3. Sectoral targets - summary

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

4. Flanking measures to enable cost-effective RES deployment

Permitting

Guidance to MS in 2022, review clause (one year after entry into force), remove barriers through enabling framework and enhanced reporting through EU Governance

Offshore

Joint planning of offshore RES generation (complementing TEN-E)

Power Purchase Agreements

Additional facilitative elements

Guarantees of Origin

Removing exemptions for the issuance of GOs for supported electricity

Cross-border cooperation

Cross-border pilot project (including use of RES Financing Mechanism)

Industrial products

Common EU methodology for claiming / labelling the renewable quality of industrial products

5. 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)

REPowerEU Plan – May 2022

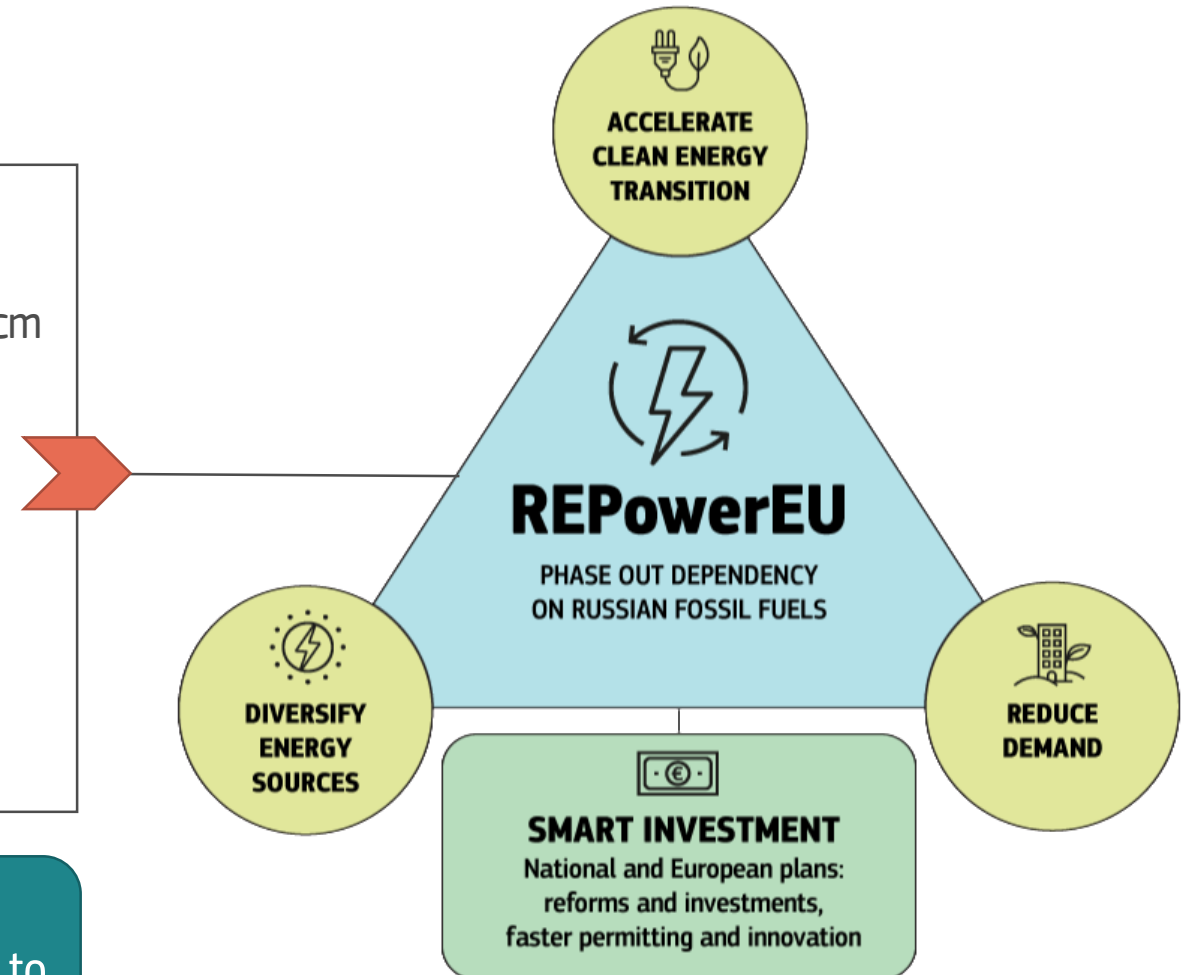
REPowerEU: from goals to actions

Independence from Russian fossil fuels by 2027

- Increase imports of **liquefied natural gas** (LNG) by 50 bcm
- Increase **pipeline gas** imports by 10 bcm
- Increase **biomethane** production by 3.5 bcm
- EU-wide **energy saving** to cut gas demand by 14 bcm
- **Rooftop solar** to reduce gas demand by 2.5 bcm
- **Heat pumps** to reduce gas demand by 1.5 bcm
- Reduce gas demand in the power sector by 20 bcm by deployment of **wind and solar**

Increase the target of renewable energy from 40% to **45%** by 2030

Increase the target of energy savings from 9% to **13%** by 2030



The Permitting Package

Commission guidance on
good/best practices

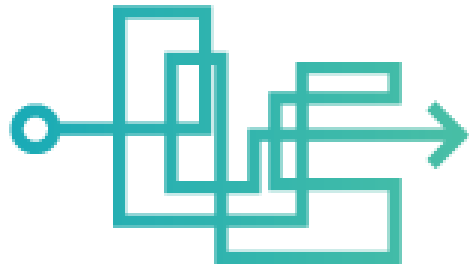
Amendment of **REDII** on
permitting – planning, procedures,
deadlines



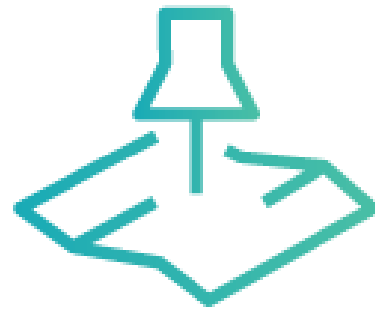
**Solutions
proposed**

Recommendation on **speeding up
permitting-granting procedures**
and facilitating **Power
Purchase Agreements**

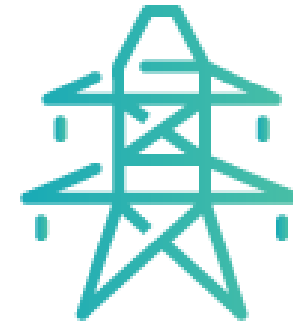
Main goals of the permitting package



Faster and simpler
permit-granting
procedures

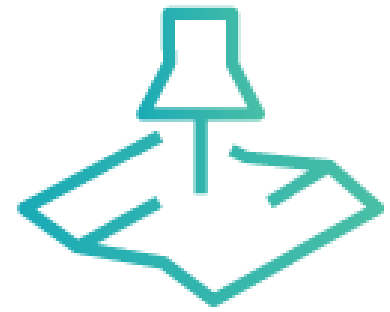


Improve site
selection
procedures



Easing grid
connection of
renewables

Planning and site selection for RES



National territory + EEZ

Suitable areas necessary for reaching RES target

Wind

Solar PV

...

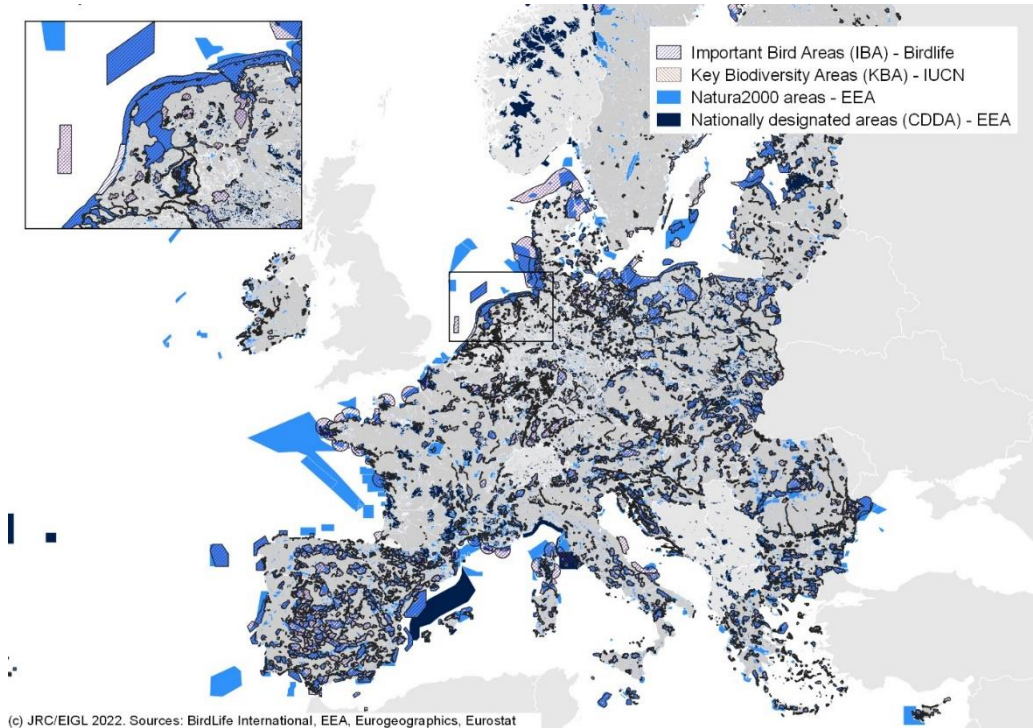
Renewables go-to areas

Wind

Solar PV

Wind and solar

...



Solar: four flagship initiatives

**EU Solar PV
Industry
Alliance**

**Permitting
package –
legislative
proposal,
Recommendation
and guidance**

**EU Solar
Rooftops
Initiative**

**EU large-
scale skills
partnership for
onshore renewable
energy, including
solar energy**



Legislative measures adopted since June

- **Gas storage** regulation (June) and **gas demand reduction** regulation (August)
- Short term emergency measures (September):
 - ✓ **Mandatory electricity savings at peak times**
 - ✓ **Cap on the revenues of companies producing electricity with low costs** (such as RES)
 - ✓ **Cap on the revenues for the unexpected profits** of fossil fuel companies

Electricity market design

- In addition to short term measures, need for a reform of the electricity market:
 - ✓ to **bring the benefits of lower cost renewables and low carbon technologies to consumers** by decoupling cheaper forms of generation as much as possible from the price of the marginal technology
 - ✓ to **ensure more liquid forward markets and better protection of consumers.**

Timeline

- RED revision: trilogues ongoing (first trilogue on 6 October)
- REPowerEU/permitting: vote of the European Parliament expected for end of November
- Electricity market design: white paper by the end of the year, expected to lead to a **Commission proposal in 2023** for discussion with co-legislators.
- New measures to be announced by the Commission on 18 October

Thank you for your attention!



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