

Renewable Energy Directive

2021/0218(COD) - 18/07/2022 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Industry, Research and Energy adopted the report by Markus PIEPER (EPP, DE) on the proposal for a directive of the European Parliament and of the Council amending Directive (EU) 2018/2001 of the European Parliament and of the Council, Regulation (EU) 2018/1999 of the European Parliament and of the Council and Directive 98/70/EC of the European Parliament and of the Council as regards the promotion of energy from renewable sources, and repealing Council Directive (EU) 2015/652.

The committee responsible recommended that the European Parliament's position adopted at first reading under the ordinary legislative procedure should amend the proposal as follows:

Binding overall EU target for 2030

Member States should collectively ensure that the share of energy from renewable sources in the Union's gross final energy consumption in 2030 is at least 45%. Each Member State should set an indicative target of at least 5% of newly installed renewable energy capacity between the date of entry into force of the Directive and 2030 as innovative renewable energy technology.

To facilitate the integration of renewable energy and to increase flexibility and balancing services, Member States should set an indicative target for storage technologies.

To contribute to the achievement of the Union's binding target in a cost-effective manner and to ensure system efficiency, Member States should set an indicative minimum target at national level for demand flexibility corresponding to a 5% reduction of peak electricity demand by 2030.

In line with the Commission Recommendation on the **primacy of energy efficiency**, the Directive should take an integrated approach by promoting the most efficient renewable energy source for a given sector and application, and by promoting system efficiency in order to use the least amount of energy possible for the various economic activities.

Calculating the share of energy from renewable sources

When calculating the share of renewable energy in a Member State, renewable fuels of non-biological origin should be included in the sector where they are consumed (electricity, heating and cooling, or transport). Where renewable fuels of non-biological origin are consumed in a Member State other than that in which they were produced, the energy generated by the use of renewable fuels of non-biological origin should account for 80% of their volume in the country and sector where they are consumed and 20% of their volume in the country where they are produced, unless otherwise agreed between the Member States concerned.

Joint projects

Each Member State should enter into **cooperation agreements** to set up joint projects with one or more other Member States to produce renewable energy, including hybrid offshore renewable energy assets, as follows:

(a) by 31 December 2025, Member States with an annual electricity consumption of 100 TWh or less should set up at least two joint projects;

(b) by 2030 at the latest, Member States with an annual electricity consumption of more than 100 TWh should set up a third joint project.

Accelerating procedures

Overly complex and lengthy administrative procedures are a major obstacle to the deployment of renewable energy. The amended text stressed the need to further **streamline administrative and permitting procedures** to reduce the administrative burden for both renewable energy projects and related grid infrastructure projects. Within one year of the entry into force of the Directive, the Commission should revise the permitting guidelines to shorten and simplify procedures for new projects, retrofitting projects and upgrading of renewable energy projects. Key performance indicators should be developed as part of these guidelines.

Integration of renewable energy in the building sector

With a view to promoting the production and use of renewable energy and waste heat and cooling in the buildings sector, Member States should set an **indicative target** for the share of renewable energy produced on-site or nearby in the final energy consumption of their buildings sector in 2030 that is consistent with the indicative target of at least 49% of energy from renewable sources and waste heat and cooling in the buildings sector in the final energy consumption of the Union in 2030.

Member States should have the possibility to count waste heat and cold towards the indicative target for renewable energy in buildings, up to a limit of 20 %, with an upper limit of 54 %.

To promote the use of renewable energy in the heating and cooling sector, each Member State should increase the share of renewable energy in this sector by an **indicative 2.3 percentage points**, calculated as an annual average for the periods 2021-2025 and 2026-2030, using the share of renewable energy in the heating and cooling sector in 2020 as a reference point.

Reduction of greenhouse gas emission intensity in the transport sector

In the transport sector, renewables deployment should lead to a **16% reduction** in greenhouse gas emissions, through the use of higher shares of advanced biofuels and a more ambitious quota for renewable fuels of non-biological origin such as hydrogen.

Fuel suppliers would be obliged to ensure that the share of advanced biofuels and biogas produced from feedstocks listed in Annex IX, Part A, in the energy supplied to the transport sector is at least 0.5 % in 2025 and at least 2.2 % in 2030, and the share of renewable fuels of non-biological origin is at least 2.6 % in 2028 and at least 5.7 % in 2030.

Biofuels, bioliquids and biomass fuels

Energy from biofuels, bioliquids and biomass fuels should only be considered if they meet sustainability and greenhouse gas emission saving criteria and if they respect the waste hierarchy and take into account the cascading principle.

Biofuels, bioliquids and biomass fuels produced from agricultural biomass considered must not be produced from raw material from land of high biodiversity value (e.g. primary forests, old-growth forests and forests with high biodiversity value; areas designated for the protection of rare, threatened or endangered ecosystems or species; natural grasslands spanning more than one hectare with high biodiversity value).

Speeding up the launch of hydrogen

Members also insisted on the transparency of green electricity components and the simplification of hydrogen ramp-up, including a **simpler system for guaranteeing of its origin**. The amended text stressed the importance of encouraging research and innovation in the field of clean energies, such as hydrogen, in order to meet the growing demand for alternative fuels and, above all, to make available on the market energy that is cheaper than fossil fuels like diesel, fuel oil and petrol, for which prices are now hitting record highs.