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Commission presents Renewable Energy Directive revision



The European Commission published today a proposal to revise the Renewable Energy Directive. As part of the package “[Delivering on the European Green Deal](#)”, the Commission is seeking to accelerate the take-up of renewables in the EU to make a decisive contribution to its ambition of reducing net greenhouse gas emissions by at least 55% by 2030 – and ultimately becoming climate neutral by 2050.

Building on the [Directive 2018/2001/EU](#), today’s proposal increases the current EU-level target of ‘at least 32%’ of renewable energy sources in the overall energy mix to at least 40% by 2030, which represents **doubling the current renewables share** of 19.7% in just a decade.

It also sets a comprehensive framework for the deployment of renewables across all sectors of the economy, in line with the Commission’s vision for the integrated [energy system of the future](#). This revision focuses on sectors where progress in integrating renewables has been slower to date (such as transport, buildings and industry). Some of these measures take the form of additional

targets, others are aimed more at simplifying administrative procedures and smoothing out bottlenecks under the current rules, for example by accelerating the permitting process. The proposal seeks to enable EU energy systems to become more flexible, making it easier to integrate renewables into the grid as efficiently as possible. This should enable district heating, heat pumps, home batteries and electric vehicles to fulfil their potential better. The proposal also supports the uptake of renewable hydrogen where electrification is more difficult. Moreover, new rules are proposed to strengthen the sustainability criteria for forest biomass – to ensure products such as biomass can continue to make an important contribution in a way that is consistent with the EU's biodiversity objectives.

Together with the rest of today's package – which include revisions to EU rules on energy efficiency, energy taxation, emissions trading, transport - the proposal now passes to the Council and the European Parliament at the start of the EU decision-making process.

Presenting the proposal today, EU Commissioner for energy Kadri Simson said:

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“The revision of the Renewable Energy Directive is a key part of today’s package, which outlines how we intend to reduce emissions by 55% by 2030. By 2050, most of our energy has to come from renewable sources. Planning and building energy infrastructure takes time, so to get to net zero by mid-century, we need an unprecedented transformation during this decade already.”

“The steady renewables evolution of recent years and decades must become a revolution. Renewable electricity is by now the cheapest option in many places. And often, it’s European companies and European technology providing that green power. By pushing our 2030 renewables target to 40%, we are not only promoting cleaner and cheaper energy production, we are also boosting an economic sector with remarkable potential to create jobs, growth and trade.”

“Today’s proposal is looking to further accelerate the rise of renewables, providing additional incentives for improvement where progress is slow, such as in buildings or transport, but also introducing greater flexibility in our energy system which will serve to facilitate new technologies, such as renewable hydrogen, and the smooth integration of offshore renewables into the grid.”

Targets

The headline element in the proposal is to raise the binding target for the share of renewables in the EU energy mix to 40% by 2030. This is a significant increase from the 32% target set in the 2018 directive, when the EU objective was to meet the Paris Agreement commitment of cutting emissions by at least 40%. However, the cumulative impact of all 27 [National Energy and Climate Plans](#) (NECPs) submitted by Member States in 2020 shows that measures already foreseen in the EU-27 would amount to a 33.1-33.7% renewables share. But this progress must further accelerate in the coming decade in order to meet the 55% emissions-reduction objective.

Experience shows that the EU's ground-breaking decision to set a target for the share of renewables – of 20% by 2020 – was a game-changer in terms of driving investment. And most countries have now followed this concept of a medium-term target. Figures for 2019 show that the EU achieved a 19.7% share, i.e. in line with the 2020 targets. However, a more detailed analysis shows that there was considerable variation in take-up. For example, whereas the electricity sector achieved a 34.1% renewables share in 2019, the figure for the heating and cooling sector amounted to 22.1% and the share in the transport sector was just 8.9%. The Commission assessments also highlight the need to do more to reduce emissions in the buildings sector, which accounts for 40% of energy consumption in the EU (80% of which is in the heating and cooling sector) and 36% of energy-related emissions. Following detailed impact assessment and public consultation, today's proposal outlines the following new targets at national level aimed at stimulating change for

- **buildings**, a new benchmark of **49%** renewables use by 2030
- **industry**, a new benchmark of a **1.1** percentage point annual increase in renewables use
- **heating and cooling**, the existing indicative **1.1** percentage point annual increase becomes binding on Member States, with specific indicative national top-ups
- **district heating and cooling**, an indicative **2.1** percentage point annual increase in the use of renewables and waste heat and cold (an increase from the current 1.0 percentage point increase)

In the transport sector, the proposal introduces a target for reducing the **greenhouse gas intensity of transport fuels** by **13%** by 2030 compared to the new emissions-based benchmark covering all transport modes (equivalent to an energy-based target of 28% using the methodology in the current directive) with an additional sub-target of **2.2%** for **advanced biofuels** (single counted). This represents a substantial increase of ambition in this key sector compared with the current 14% transport target (energy based) with a 3.5% advanced biofuels sub-target (double-counted). With a view to supporting the 40GW electrolyser strategic goal outlined in last year's [hydrogen strategy](#), there is also a new sub target for renewable fuels from non-biological origin (RFNBO) of 2.6% (single counted), and a new target for a 50% share of renewables in hydrogen consumption in industry – including non-energy uses.

Boosting electrification and adding flexibility for the energy system

A new credit mechanism in the transport sector is aimed at boosting the use of renewable electricity in transport. The proposal also includes a range of new measures aimed at making the EU energy system more flexible, for example by facilitating system integration of renewables through real-time information, smart charging of electric vehicles and tackling barriers to a higher level of renewables supply.

Fostering renewable hydrogen for hard-to-decarbonise sectors

Building on the EU Hydrogen Strategy, the proposal introduces two binding sub-targets for the use of renewable hydrogen and its derivatives, respectively in the transport sector, and in industry. It also extends the existing rules for certification and traceability to renewable fuels in all sectors, and not only in the transport sector.

Enhancing the sustainability criteria of bioenergy

With bioenergy providing 60% of renewables in the EU, the proposal seeks to tighten the sustainability criteria for forest biomass to close a number of loopholes that might contradict the EU's biodiversity strategy. The first step is to prohibit the use of all biomass from primary and highly biodiverse forests (rather than just agricultural biomass, as under current rules) and the use of stumps and roots. GHG emissions-saving criteria should also apply to existing biomass-based installations (not just new ones) and the threshold for applying sustainability criteria for small-scale installations is lowered to 5 MW, rather than the current 20MW level. In order to minimise the use of roundwood, the new rules also introduce an obligation on Member States to design support schemes in accordance with the **biomass cascading principle** whereby woody biomass is used according to its highest economic and environmental added-value and to phase out support for electricity installations using woody biomass.

Other measures to remove barriers to renewables use

The proposal includes a number of other elements aimed at addressing shortcomings identified in the current rules. On **permitting provisions**, for example, as a follow up to the 2018 directive, the proposal requests Member States to remove additional barriers to permitting procedures, with enhanced reporting requirements and a review clause by 2024. To further support Member States progress in such a key area for renewables deployment, the Commission will consider issuing guidance with best practices on permitting in the course of 2022. Similarly there are additional elements to facilitate **Power Purchase Agreements (PPAs)**. On **Guarantees of Origin (GOs)**, Member States will no longer be allowed to exempt GOs for supported electricity, which will support the uptake of PPAs. The proposal also introduces an EU **labelling methodology** for industrial products produced using renewable energy, which will support consumer-driven uptake of these products. Finally, there is also a new **obligation to have a cross-border pilot project** to foster regional cooperation on renewables.

Related links

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- [Q&A Memo – Making our energy systems fit for our climate targets](#)
 - [European Green Deal: Commission proposes transformation of EU economy and society to meet climate ambitions](#) (press release 14/7/2021)
 - [Energy factsheet](#)
 - [Buildings factsheet](#)
 - [Hydrogen factsheet](#)
 - [Delivering on the European Green Deal](#)
 - [Renewable energy directive, targets and rules](#)
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