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From:	Permanent Representatives Committee (Part 1)
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Subject:	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 - General approach

I. INTRODUCTION

1. On 14 July 2021, the Commission sent the European Parliament and the Council a proposal for the revision of the Renewable Energy Directive (RED II), as part of the Fit for 55 package.

2. The proposal aims to raise the 2030 target for renewable energy as a share of the EU's final energy consumption to 40 %. It also strengthens sectoral provisions to achieve this new target and reduce emissions from the energy sector.
3. On 18 May 2022, following a request made by the Heads of State or Government at the March 2022 European Council, the Commission published the REPowerEU plan, which seeks to rapidly reduce dependency on Russian fossil fuels by markedly accelerating the green transition.

II. EXAMINATION BY THE OTHER INSTITUTIONS

4. The European Parliament has designated the ITRE Committee as responsible for the proposal and appointed Mr Markus Pieper (DE, PPE) as rapporteur. The ENVI Committee (rapporteur Mr Nils Torvalds (FI, RENEW)), which was given particular responsibility for the provisions on bioenergy, adopted its opinion on 17 May. The European Parliament is expected to adopt its position in ITRE in July 2022 and in plenary in September 2022.
5. The European Economic and Social Committee adopted its opinion on the proposal on 8 December 2021. The Committee of the Regions adopted its opinion on 8 April 2022.

III. STATE OF PLAY IN THE COUNCIL

6. The Working Party on Energy began its deliberations on the proposal in July 2021. It examined the Commission's impact assessment on 6 September 2021.
7. The TTE Council of energy ministers held a policy debate at its meeting on 2 December 2021 to steer further work on the file.

8. Under the French Presidency, discussions in the Working Party have continued, first in thematic blocks and then on the basis of overarching proposals. Throughout the discussions in the Energy Working Party, the Presidency has made many suggestions to reach compromises and strike new balances, with the aim, in particular, of making the main provisions more flexible while preserving the overall level of ambition as far as possible. As regards binding sub-targets, the compromise that has been developed largely centres on the sub-targets proposed for the transport, industry, heating and cooling sectors.

9. The Permanent Representatives Committee (Coreper) was called upon to examine the compromises drafted by the Presidency four times, on 13 April, 25 May, 17 June and 22 June. These meetings were used to gauge the balance of power with regard to (i) the binding sub-targets for renewable fuels of non-biological origin (RFNBO) in the industry and transport sectors; (ii) the heating and cooling target; (iii) the greenhouse gas intensity reduction target in the transport sector; (iv) the granting of permits for renewable energy projects; (v) the role of forest biomass; (vi) the role of low-carbon fuels. These meetings often revealed divided positions on these aspects. Drawing on the guidance provided by delegations, the Coreper meeting on 22 June resulted in a balanced text. The compromise thus reached, which is annexed to this document, will be presented as a general approach to the Energy Council on 27 June 2022 for approval.

10. In comparison with the Commission’s initial proposal, this compromise: (i) provides, in Article 25, for the possibility for Member States to choose, with regard to the transport sub-target, between a greenhouse gas reduction metering system and the energy content system currently used. In the same article, the hydrogen target for the transport sector is now indicative; (ii) introduces more flexibility in and a more gradual approach to the calculation of heating and cooling sub-targets, in Articles 23 and 24 respectively; (iii) proposes a more gradual scaling-up of the sub-target for industry in Article 22a; (iv) clarifies the non-binding nature of the 49 % target for the share of energy from renewable sources in the buildings sector in Article 15a; (v) clarifies and adds flexibility to the provisions on forest biomass and the cascading principle in Articles 3 and 29; (vi) maintains, in Article 19, the current rules on the management of guarantees of origin; (vii) clarifies, in Article 20a, the provisions on the integration of renewable energy in the energy system; (viii) enhances the elements aimed at speeding up the granting of permits for renewable energy projects, in Article 15, taking into account certain elements of REPowerEU; (ix) maintains, while adding flexibility, the elements relating to regional cooperation; (x) strengthens, in Article 30, the measures for limiting fraud in relation to the sustainability of biofuels; (xi) amends, in Article 31a, the provisions on the Union database, to maximise synergies with national databases.
11. In comparison to 9887/22, new text is **underlined in bold with grey highlighting**. Deletions are indicated thus: [...]. Amendments already made in previous versions are **underlined in bold** or, in the case of deletions, indicated by [...].

IV. CONCLUSION

12. In view of the above, the Council is invited to:

- examine the compromise text, as set out in the annex to this note;
- confirm a general approach 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, at the TTE (Energy) Council meeting on 27 June 2022.



Brussels, 14.7.2021
COM(2021) 557 final

2021/0218 (COD)

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

{SEC(2021) 657 final} - {SWD(2021) 620 final} - {SWD(2021) 621 final} -
{SWD(2021) 622 final}

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**

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 114 and 194(2) thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee¹,

Having regard to the opinion of the Committee of the Regions²,

Acting in accordance with the ordinary legislative procedure,

¹ OJ C , , p. .

² OJ C , , p. .

Whereas:

- (1) **In its Communication of 11 December 2019, entitled “The European Green Deal”³ the Commission** established[...] the objective of the Union becoming climate neutral in 2050 in a manner that contributes to the European economy, growth and job creation. That objective, **as well as** [...] the objective of a 55% reduction in greenhouse gas emissions by 2030 as set out in the **Commission Communication of 17 September 2020, entitled “Stepping up Europe’s 2030 climate ambition - Investing in a climate-neutral future for the benefit of our people” (the “2030 Climate Target Plan”⁴)** that was endorsed both by the European Parliament⁵ and by the European Council⁶, requires an energy transition and **a** significantly higher share[...] of renewable energy sources in an integrated energy system.
- (2) Renewable energy plays a fundamental role in delivering the European Green Deal and [...] **in** achieving climate neutrality by 2050, given that the energy sector contributes over 75% of total greenhouse gas emissions in the Union. By reducing those greenhouse gas emissions, renewable energy also contributes to tackling environmental-related challenges such as biodiversity loss.

³ Communication from the Commission COM(2019) 640 final of 11.12.2019, The European Green Deal.

⁴ Communication from the Commission COM(2020) 562 final of 17.9.2020, Stepping up Europe’s 2030 climate ambition Investing in a climate-neutral future for the benefit of our people

⁵ European Parliament resolution of 15 January 2020 on the European Green Deal (2019/2956(RSP))

⁶ European Council conclusions of 11 December 2020, <https://www.consilium.europa.eu/media/47296/1011-12-20-euco-conclusions-en.pdf>

- (3) Directive (EU) 2018/2001 of the European Parliament and of the Council⁷ sets a binding Union target to reach a share of at least 32 % of energy from renewable sources in the Union's gross final consumption of energy by 2030. Under the **2030** Climate Target Plan, the share of renewable energy in gross final energy consumption would need to increase to 40% by 2030 in order to achieve the Union's greenhouse gas emissions reduction target⁸. Therefore, the target set out in Article 3 of that Directive needs to be increased.

⁷ Directive (EU) 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources, OJ L 328, 21.12.2018, p. 82–209

⁸ Point 3 of the Communication from the Commission COM(2020) 562 final of 17.9.2020, Stepping up Europe's 2030 climate ambition Investing in a climate-neutral future for the benefit of our people

(4) There is a growing recognition of the need **to align** [...] bioenergy policies with the cascading principle of biomass use⁹, with a view to ensuring fair access to the biomass raw material market for the development of innovative, high value-added bio-based solutions and a sustainable circular bioeconomy. When developing support schemes for bioenergy, Member States should therefore take into consideration the available sustainable supply of biomass for energy and non-energy uses and the maintenance of the national forest carbon sinks and ecosystems as well as the principles of the circular economy and the biomass cascading use, and the waste hierarchy established in Directive 2008/98/EC of the European Parliament and of the Council¹⁰. For this, **Member States** [...] should **not** grant [...] support to the production of energy from saw logs, veneer logs, stumps and roots and avoid promoting the use of quality roundwood for energy except in well-defined circumstances. In line with the cascading principle, woody biomass should be used according to its highest economic and environmental added value in the following order of priorities: 1) wood-based products, 2) extending their service life, 3) re-use, 4) recycling, 5) bio-energy and 6) disposal. Where no other use for woody biomass is economically viable or environmentally appropriate, energy recovery helps to reduce energy generation from non-renewable sources. Member States' support schemes for bioenergy should therefore be directed to such feedstocks for which little market competition exists with the material sectors, and whose sourcing is considered positive for both climate and biodiversity, in order to avoid negative incentives for unsustainable bioenergy pathways, as identified in the [...] **2021 report of the Joint Research Centre entitled** 'The use of woody biomass for energy production in the EU'¹¹. On the other hand, in **implementing measures ensuring the application of** [...] the cascading principle, it is necessary to recognise the national specificities which guide Member States in the design of their support schemes. Waste prevention, reuse and recycling of waste should be the priority option. Member States should avoid creating support schemes which would be counter to

⁹ The cascading principle aims to achieve resource efficiency of biomass use through prioritising biomass material use to energy use wherever possible, increasing thus the amount of biomass available within the system. In line with the cascading principle, woody biomass should be used according to its highest economic and environmental added value in the following order of priorities: 1) wood-based products, 2) extending their service life, 3) re-use, 4) recycling, 5) bio-energy and 6) disposal.

¹⁰ Directive 2008/98/EC of the European Parliament and of the Council of 19 November 2008 on waste and repealing certain Directives (OJ L 312, 22.11.2008, p. 3).

¹¹ <https://publications.jrc.ec.europa.eu/repository/handle/JRC122719>

targets on treatment of waste and which would lead to the inefficient use of recyclable waste. Moreover, in order to ensure a more efficient use of bioenergy, [...] Member States should not give support anymore to electricity-only plants, unless the installations are in regions with a specific use status as regards their transition away from fossil fuels [...].

- (5) The rapid growth and increasing cost-competitiveness of renewable electricity production can be used to satisfy a growing share of energy demand, for instance using heat pumps for space heating or low-temperature industrial processes, electric vehicles for transport, or electric furnaces in certain industries. Renewable electricity can also be used to produce synthetic fuels for consumption in hard-to-decarbonise transport sectors such as aviation and maritime transport. A framework for electrification needs to enable robust and efficient coordination and expand market mechanisms to match both supply and demand in space and time, stimulate investments in flexibility, and help integrate large shares of variable renewable generation. Member States should therefore ensure that the deployment of renewable electricity continues to increase at an adequate pace to meet growing demand. For this, Member States should establish a framework that includes market-compatible mechanisms to tackle remaining barriers to have secure and adequate electricity systems fit for a high level of renewable energy, as well as storage facilities, fully integrated into the electricity system. In particular, this framework **should** [...] tackle remaining barriers, including non-financial ones such as insufficient digital and human resources of authorities to process a growing number of permitting applications.

- (6) When calculating the share of renewables in a Member State, renewable fuels of non-biological origin should be counted in the sector where they are consumed (electricity, heating and cooling, or transport). To avoid double-counting, the renewable electricity used to produce these fuels should not be counted. This would result in a harmonisation of the accounting rules for these fuels throughout the Directive, regardless of whether they are counted for the overall renewable energy target or for any sub-target. It would also allow to count the real energy consumed, taking account of energy losses in the process to produce those fuels. Moreover, it would allow for the accounting of renewable fuels of non-biological origin imported into and consumed in the Union. **Member States may however agree, via a specific cooperation agreement, to account the renewable fuels of non-biological origin consumed in one Member State towards the share of gross final consumption of energy from renewable sources in the Member State where they were produced.**
- (7) [...] **C**[...]operation **between Member States** to promote renewable energy can take the form of statistical transfers, support schemes or joint projects. It allows for a cost-efficient deployment of renewable energy across Europe and contributes to market integration. Despite its potential, cooperation **between Member States** has been very limited, thus leading to suboptimal results in terms of efficiency in increasing renewable energy. Member States should therefore be **encouraged** [...] to test cooperation through implementing a pilot project. Projects financed by national contributions under the Union renewable energy financing mechanism established by Commission Implementing Regulation (EU) 2020/1294¹² would [...] **support this goal**[...]

¹² Commission Implementing Regulation (EU) 2020/1294 of 15 September 2020 on the Union renewable energy financing mechanism (OJ L 303, 17.9.2020, p. 1).

- (8) **In its Communication of 19 November 2020, entitled “An EU Strategy to harness the potential of offshore renewable energy for a climate neutral future”, the Commission** [...] introduced [...] an ambitious objective of 300 GW of offshore wind and 40 GW of ocean energy across all the Union’s sea basins by 2050. To ensure this step change, Member States will need to work together across borders at sea-basin level. Member States should therefore jointly **agree to cooperate in view of the definition of goals for** [...] offshore renewable **energy** generation [...] within each sea basin by 2050, with intermediate steps in 2030 and 2040 **in accordance with [Revised Regulation (EU) No 347/2013]. Those** [...] **goals** [...] should be reflected in the updated national energy and climate plans that will be submitted in 2023 and 2024 pursuant to Regulation (EU) 2018/1999 **of the European Parliament and of the Council**¹³. In defining the amount, Member States should take into account the offshore renewable energy potential of each sea basin, environmental protection, climate adaptation and other uses of the sea, as well as the Union’s decarbonisation targets. In addition, Member States should increasingly consider the possibility of combining offshore renewable energy generation with transmission lines interconnecting several Member States, in the form of hybrid projects or, at a later stage, a more meshed grid. **That** [...] would allow electricity to flow in different directions, thus maximising socio-economic welfare, optimising infrastructure expenditure and enabling a more sustainable use [...] of the sea.

¹³ **Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action, amending Regulations (EC) No 663/2009 and (EC) No 715/2009 of the European Parliament and of the Council, Directives 94/22/EC, 98/70/EC, 2009/31/EC, 2009/73/EC, 2010/31/EU, 2012/27/EU and 2013/30/EU of the European Parliament and of the Council, Council Directives 2009/119/EC and (EU) 2015/652 and repealing Regulation (EU) No 525/2013 of the European Parliament and of the Council (OJ L 328, 21.12.2018, p. 1).**

- (9) The market for renewable power purchase agreements is rapidly growing and provides a complementary route to the market of renewable power generation in addition to support schemes by Member States or to selling directly on the wholesale electricity market. At the same time, the market for renewables power purchase agreements is still limited to a small number of Member States and large companies, with significant administrative, technical and financial barriers remaining in large parts of the Union's market. The existing measures in Article 15 **of Directive (EU) 2018/2001** to encourage the uptake of renewables power purchase agreements should therefore be strengthened further, by exploring the use of credit guarantees to reduce these agreements' financial risks, taking into account that these guarantees, where public, should not crowd out private financing. **In this vein, the Commission should analyse the barriers to long-term power purchase agreements and in particular to the deployment of cross-border renewable power purchase agreements and issue guidance on the removal of these barriers.**
- (10) Overly complex and excessively long administrative procedures constitute a major barrier for the deployment of renewable energy. On the basis of the measures to improve administrative procedures for renewable energy installations that Member States are to report on by 15 March 2023 in their first integrated national energy and climate progress reports pursuant to Regulation (EU) 2018/1999 [...] ¹⁴, the Commission should assess whether the provisions included in this **amending** Directive to streamline these procedures have resulted in smooth and proportionate procedures. If that assessment reveals significant scope for improvement, the Commission should take appropriate measures to ensure **that** Member States have streamlined and efficient administrative procedures in place.

¹⁴ [...]

- (10a) Some of the most common issues faced by renewable energy projects relate to delays in the permit-granting procedures established at national level. In order to reduce greenhouse gas emissions and contribute to the attainment of climate neutrality, Member States should [...] presume the planning, construction and operation of plants for the production of energy from renewable sources, their connection to the grid and the related grid itself and storage assets [...] as being in the interest of public health and safety and carried out for imperative reasons of overriding public interest in the planning and permit-granting process when balancing legal interests in the individual cases. All the other conditions set out in the 92/43/EEC [...] 2009/147/EC and 2000/60/EC Directives should be fulfilled. Member States should also respect the provisions of the Berne Convention on the Conservation of European Wildlife and Natural Habitats and Aarhus Convention and the Espoo Convention of the United Nations Economic Commission for Europe (UNECE).
- (10b) In order to contribute to the achievement of climate neutrality, Member States should give [...] priority, in the planning and permit-granting process, to the construction and operation of energy plants from renewable sources and the related grid infrastructure development. Member States should also provide appropriate reporting notably on the possible effect of these measures on biodiversity so that the Commission may assess and decide on appropriate action.
- (10[...] c) In order to facilitate and simplify the repowering of existing renewable energy plants, the assessment of any impacts derived from the repowering of [...] existing energy plants in the planning and permit-granting process [...] should be limited to the potential [...] impacts resulting from the change or extension compared to the original project [...]] [...]

(11) Buildings have a large untapped potential to contribute effectively to the reduction in greenhouse gas emissions in the Union. The decarbonisation of **the** heating and cooling [...] sector through an increased share in production and use of renewable energy will be needed to meet the ambition set in the **2030** Climate Target Plan to achieve the Union objective of climate neutrality. However, progress on the use of renewable[...] **energy** for heating and cooling has been stagnant in the last decade, largely relying on increased use of biomass. Without the establishment of [...] **indicative shares** to increase the production and use of renewable energy in buildings, [...] **it will not be possible** to track progress and identify bottlenecks in the uptake of renewable[...] **energy**. Furthermore, the creation of **indicative shares** [...] will provide a long-term signal to investors, including for the period immediately after 2030. This will complement obligations related to energy efficiency and the energy performance of buildings. Therefore, indicative [...] **shares** for the use of renewable energy in buildings should be set to guide and incentivise Member States **in their** efforts to exploit the potential of using and producing renewable energy in buildings, **including renewable electricity, and ambient energy by means of heat pumps**, [...] encourage the development [...] and integration of technologies which produce renewable energy while providing certainty for investors and local level engagement.

(11a) **The indicative EU renewable energy share for the building sector to be reached by 2030 constitutes a necessary minimum milestone for ensuring the decarbonisation of the EU building stock by 2050 in line with [Revised EPBD]. It is key to enable a seamless, cost-effective phase out of fossil fuels from buildings to ensure their replacement with renewables as highlighted by the EU Climate Target Plan and as required by the [Revised EPBD]. The indicative share of renewable energy in the building sector complements the regulatory framework for buildings under [Revised EPBD] by ensuring that renewable energy technologies, appliances and infrastructures, including efficient district heating and cooling, are sufficiently scaled-up in a timely manner to gradually replace fossil fuels in buildings and to ensure the availability of safe and reliable renewable energy supply for nearly zero-energy buildings until 2030. The indicative renewable building share also supports the inclusion of renewable energy investment in long-term national building renovation strategies/[building renovation plans enabling the achievement of the goals as proposed under [revised EPBD]]. Furthermore, the indicative renewable building share provides an important additional indicator to develop efficient district heating and cooling for the purposes of decarbonising the building stock, thereby complementing both the indicative district heating and cooling target under Article 24 of this Directive and the requirement to ensure that renewable energy and waste heat and cold from efficient district heating and cooling system are available to help cover the total annual primary energy use of a new or renovated building. Finally, this indicative renewable building share is also necessary to cost-effectively ensure the delivery of the annual increases in renewable heating and cooling under Article 23, as well as the indicative average annual increase in renewable energy in district heating and cooling under Article 24.**

(11b) Given the large energy consumption in residential, commercial and public building, existing definitions provided for in Regulation (EC) No 1099/2008 could be used in the calculation of the national share of energy from renewable sources in buildings as to minimise administrative burden whilst ensuring the progress in realising the indicative EU renewable energy share for the buildings in 2030.

- (12) Insufficient numbers of skilled workers, in particular installers and designers of renewable heating and cooling systems, slow down the replacement of fossil fuel heating systems by renewable energy based systems and is a major barrier to integrating renewables **energy** in buildings, industry and agriculture. Member States should cooperate with social partners and renewable energy communities to anticipate the skills that will be needed. A sufficient number of high-quality training programmes and certification possibilities **that ensure the** [...] proper installation and reliable operation of a wide range of renewable heating and cooling systems should be made available and designed in a way to attract participation in such training programmes and certification systems. Member States should consider what actions should be taken to attract groups currently under-represented in the occupational areas in question. The list of trained and certified installers should be made public to ensure consumer trust and easy access to tailored designer and installer skills guaranteeing proper installation and operation of renewable heating and cooling.
- (13) Guarantees of origin are a key tool for consumer information **and** [...] for the further uptake of renewables power purchase agreements. In order to establish a coherent Union base for the use of guarantees of origin and to provide access to appropriate supporting evidence for persons concluding renewables power purchase agreements, [...] renewable energy producers should be able to receive a guarantee of origin without prejudice to Member States' obligation to take into account the market value of the guarantees of origin if the energy producers receive financial support **which includes the right of Member States to decide not to issue a guarantee of origin to a producer who receives financial support from a support scheme.**

- (14) Infrastructure development for district heating and cooling networks should be stepped up and steered towards harnessing a wider range of renewable heat and cold sources in an efficient and flexible way in order to increase the deployment of renewable energy and [...] deepen energy system integration. It is therefore appropriate to update the list of renewable energy sources that district heating and cooling networks should increasingly accommodate and **to** require the integration of thermal energy storage as a source of flexibility, greater energy efficiency and more cost-effective operation.
- (15) With more than 30 million electric vehicles expected in the Union by 2030 it is necessary to ensure that they can fully contribute to the system integration of renewable electricity, and thus [...] **enable a larger share** [...] of renewable electricity **to be reached** in a cost-optimal manner. The potential of electric vehicles to absorb renewable electricity at times when it is abundant and feed it back into a grid when there is scarcity has to be fully utilised. It is therefore appropriate to introduce specific measures on electric vehicles and information about renewable energy and how and when to access it which complement those in Directive (EU) 2014/94 of the European Parliament and of the Council¹⁵ and the [proposed Regulation concerning batteries and waste batteries, repealing Directive 2006/66/EC and amending Regulation (EU) No 2019/1020].

¹⁵ Directive 2014/94/EU of the European Parliament and of the Council of 22 October 2014 on the deployment of alternative fuels infrastructure (OJ L 307, 28.10.2014, p. 1)

- (16) In order for flexibility and balancing services from the aggregation of distributed storage assets to be developed in a competitive manner, real-[...] **timely** access to basic battery information such as state of health, state of charge, capacity and power set point should be provided under non-discriminatory terms and free of charge to the owners or users of the batteries and the entities acting on their behalf, such as building energy system managers, mobility service providers and other electricity market participants. It is therefore appropriate to introduce measures **that** address[...] the need of access to such data for facilitating the integration-related operations of domestic batteries and electric vehicles, **and that** complement[...] the provisions on access to battery data related to facilitating the repurposing of batteries in [the proposed [...] **R**[...]egulation **of the European Parliament and of the Council** concerning batteries and waste batteries, repealing Directive 2006/66/EC and amending Regulation (EU) No 2019/1020]. The provisions on access to battery data of electric vehicles should apply in addition to any **provisions** laid down in Union law on **the** type approval of vehicles.
- (17) The increasing number of electric vehicles in road, rail, maritime and other transport modes will require that recharging operations are optimised and managed in a way that does not cause congestion and **that** takes full advantage of the availability of renewable electricity and low electricity prices in the system. In situations where bidirectional charging would assist further penetration of renewable electricity by electric vehicle fleets in **the** transport **sector** and **in** the electricity system in general, such functionality should also be made available. In view of the long life span of recharging points, requirements for charging infrastructure should be kept updated in a way that would cater for future needs and would not result in negative lock-in effects to the development of technology and services.

(18) Electric vehicle users entering into contractual agreements with electromobility service providers and electricity market participants should have the right to receive information and explanations on how the terms of the agreement will affect the use of their vehicle and the state of health of its battery. Electromobility service providers and electricity market participants should explain clearly to electric vehicle users how they will be remunerated for the flexibility, balancing and storage services provided to the electricity system and market by the use of their electric vehicle. Electric vehicle users also need to have their consumer rights secured when entering into such agreements, in particular regarding the protection of their personal data such as location and driving habits, in connection to the use of their vehicle. Electric vehicle users' preference regarding the type of electricity purchased for use in their electric vehicle, as well as other preferences, can also be part of such agreements. For the above reasons, it is important that electric vehicle users can use their subscription at multiple recharging points. This will also allow the electric vehicle user's service provider of choice to optimally integrate the electric vehicle in the electricity system, through predictable planning and incentives based on the electric vehicle user preferences. This is also in line with the principles of a consumer-centric and prosumer-based energy system, and the right of supplier choice of electric vehicle users as final customers as per the provisions of Directive (EU) 2019/944.

- (19) **Regulation (EU) 2019/943¹⁶ and Directive (EU) 2019/944¹⁷ require Member States to allow and foster the participation of demand response through aggregation, as well as to provide for dynamic electricity price contracts to final customers where applicable. In order to facilitate that demand response further incentivises the absorption of green electricity, it needs to be based not only on dynamic prices but also on signals about the actual penetration of green electricity in the system. It is therefore necessary to improving the signals that consumers and market participants receive regarding the share of renewable electricity and the intensity of greenhouse gas emissions of the supplied electricity, through the dissemination of dedicated information. Consumption patterns can then be adjusted based on renewable energy penetration and the presence of zero carbon electricity, in conjunction with an adjustment made on the basis of price signals. This would further support the deployment of innovative business models and digital solutions, which have the capacity to link consumption to the renewables state in the electricity grid and therefore incentivise the right network investments to underpin the clean energy transition.** Distributed storage assets, such as domestic batteries and batteries of electric vehicles have the potential to offer considerable flexibility and balancing services to the grid through aggregation. In order to facilitate the development of such services, the regulatory provisions concerning connection and operation of the storage assets, such as tariffs, commitment times and connection specifications, should be designed in a way that does not hamper the potential of all storage assets, including small and mobile ones, to offer flexibility and balancing services to the system and to contribute to the further penetration **of** renewable electricity, in comparison with larger, stationary storage assets. **In addition to the general provisions preventing market discrimination included in Regulation (EU) 2019/943 and Directive (EU) 2019/944, specific requirements should be introduced to address holistically the participation of these assets and remove any remaining barriers and obstacles to unleash the potential of such assets to help the decarbonisation of the electricity system and empower the consumers to actively participate in the energy transition.**

¹⁶ **Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity (OJ L 158, 14.6.2019, p. 54)**

¹⁷ **Directive (EU) 2019/944 of the European Parliament and of the Council of 5 June 2019 on common rules for the internal market for electricity and amending Directive 2012/27/EU (OJ L 158, 14.6.2019, p. 125)**

- (20) Recharging points where electric vehicles typically park for extended periods of time, such as where people park for reasons of residence or employment, are highly relevant to energy system integration.[...] **T**[...]herefore smart charging functionalities need to be ensured. In **that** [...] regard, the operation of non-publicly accessible normal charging infrastructure is particularly important for the integration of electric vehicles in the electricity system as it is located where electric vehicles are parked repeatedly for long periods of time, such as in buildings with restricted access, employee parking or parking facilities rented out to natural or legal persons.
- (21) Industry accounts for 25% of the Union’s energy consumption, and is a major consumer of heating and cooling, which is currently supplied 91% by fossil fuels. However, 50% of heating and cooling demand is low-temperature (<200 °C) for which there are cost-effective renewable energy options, including through electrification. In addition, industry uses non-renewable sources as raw materials to produce products such as steel or chemicals. Industrial investment decisions today will determine the future industrial processes and energy options that can be considered by industry. **Consequently**[...] it is important that those investments decisions are future-proof. Therefore, benchmarks should be put in place to incentivise industry to switch to a renewables-based production processes that not only are fueled by renewable energy, but also use renewable-based raw materials such as renewable hydrogen. **As a priority, Member States should promote electrification where possible, for instance for low temperature industrial heat.** Moreover, a common methodology **is required** for products that are labelled as having been produced partially or fully using renewable energy or using renewable fuels of non-biological origin as feedstock [...], taking into account existing Union product labelling methodologies and sustainable product initiatives. **That** [...]would avoid deceptive practices and increase consumers trust. Furthermore, given consumer preference for products that contribute to environmental and climate change objectives, it would stimulate a market demand for those products.

(22) Renewable fuels of non-biological origin can be used for energy purposes, but also for non-energy purposes as feedstock or raw material in industries such as **the steel industry** or **the chemical[...] industry**. The use of renewable fuels of non-biological origin for both purposes exploits their full potential to replace fossil fuels used as feedstock and to reduce greenhouse gas emissions in industry and should therefore be included in a target for the use of renewable fuels of non-biological origin. **Renewable fuels of non-biological origin based on renewable hydrogen will contribute towards reducing greenhouse gas emissions in the Union only if it is avoided that incentives for the production of more fossil electricity are provided, which would lead to an increased level of emissions. The conditions attached to production of renewable fuels of non-biological origin should not negatively affect [...] or slow down green and sustainable industrial transition, provided that the overall greenhouse gas emissions of the Member State in question do not increase.** National measures to support the uptake of renewable fuels of non-biological origin in industry should not result in net pollution increases due to an increased demand for electricity generation that is satisfied by the most polluting fossil fuels, such as coal, diesel, lignite, oil, peat and oil shale.

(23) Increasing **the level of** ambition in the heating and cooling sector is key to delivering the overall renewable energy target given that heating and cooling constitutes around half of the Union's energy consumption, covering a wide range of end uses and technologies in buildings, industry and district heating and cooling. To accelerate the increase of renewable[...] **energy** in heating and cooling **sector**, an **minimum** annual [...] percentage point increase at Member State level should be made binding as a minimum for all Member States. **The minimum annual average binding increase of 0.8 percentage point between 2021 and 2025, and of 1.1 percentage point between 2026 and 2030 in heating and cooling applicable to all Member States should be complemented with additional indicative increases or top up rates calculated specifically for each Member State in line with the ambition needed in this sector defined in the European Green Deal. These Member State-specific additional indicative increases or top-ups aim to redistribute the additional efforts needed to achieve the desired level of renewables in 2030 among Member States based on GDP and cost-effectiveness and to guide Member States as regards what could be a sufficient level of renewable energy to deploy in this sector in case further renewable energy is not deployed in other sectors. A longer list of different measures should also be included in Directive (EU) 2018/2001 to facilitate increasing the share of renewables in heating and cooling. Member States may implement one or more measures from the list of measures.** [...] Member States, which already have renewable shares above 50% in the heating and cooling sector **should be able**[...] **to** [...] **continue** applying only half of the binding annual increase rate and **half of the additional indicative increases or top ups**. Member States with **a renewable share of** 60% or [...] **higher** may count any such share as **already** fulfilling **both the binding** [...] average annual increase rate **and the indicative additional increases or top up rates** in accordance with points b) and c) of paragraph 2 of Article 23. [...]

- (24) To ensure that a greater role of district heating and cooling is accompanied by better information for consumers, it is appropriate to clarify and strengthen the disclosure of the [...] share **of renewable energy** and **the** energy efficiency of **those** [...] systems.
- (25) Modern renewable-based efficient district heating and cooling systems have demonstrated their potential to provide cost-effective solutions for integrating renewable energy, increased energy efficiency and energy system integration, **while** facilitating the overall decarbonisation of the heating and cooling sector. To ensure **that that** [...] potential is harnessed, the annual increase of renewable energy and/or waste heat **and cold** in district heating and cooling should be raised from 1 percentage point to 2.1 **percentage points** without changing the indicative nature of [...] **that** increase, reflecting the uneven development of this type of network across the Union.
- (26) To reflect the increased importance of district heating and cooling and the need to steer the development of these networks towards the integration of more renewable energy, it is appropriate to set requirements to ensure the connection of third party suppliers of renewable energy and waste heat and cold with district heating or cooling networks systems above 25 MW.

- (26a) **District heating and cooling systems increasingly contribute to the balancing of the electricity grid by providing additional demand for variable renewable electricity, such as wind and solar, when such renewable electricity is abundant, cheap and would be otherwise curtailed, via the use of large electric heat pumps, especially when those heat pumps are coupled with large thermal storage. The benefits of heat pumps are twofold as they significantly increase energy efficiency, saving considerable energy and costs for consumers, and the integration of renewables through allowing a greater use of geothermal and ambient energy. In order to further incentivise the deployment of heat pumps, especially large heat pumps in district heating and cooling systems, it is appropriate to allow Member States to count renewable electricity driving those heat pumps towards the binding and indicative renewable energy annual increase in the heating and cooling and district heating and cooling.**
- (27) **Despite being widely available, w[...]**aste heat and cold are underused [...], leading to a waste of resources, lower energy efficiency in national energy systems and higher than necessary energy consumption in the Union. Requirements for closer coordination between district heating and cooling operators, industrial and tertiary sectors, and local authorities could facilitate the dialogue and cooperation necessary to harness cost-effective waste heat and cold potentials via district heating and cooling systems.

(27a) It is appropriate to allow waste heat and cold to fulfil part of the targets for renewables in buildings and industry provided waste heat and cold is supplied to buildings and industry from efficient district heating and cooling. The eligibility of waste heat and cold to fulfil a certain percentage of the indicative renewable target for the EU building stock and for the annual average increase target in renewables for industry, allows harnessing synergies between renewable energy and waste heat and cold in district heating and cooling networks by increasing the economic rationale for investing in the modernisation and development of these networks. Consequently, including waste heat in the industrial renewable energy benchmark is acceptable only as regards waste heat or cold delivered via a district heating and cooling operator from another industrial site or building, whereby ensuring that such operator have heat or cold supply as its main activity and the waste heat counted is clearly differentiated from internal waste heat recovered within the same or related enterprise or buildings. In the case of industry, only waste heat sold to an industrial enterprise as a customer of and imported from a district heating supplier could be included in the industrial target.

(28) To ensure district heating and cooling participate fully in energy sector integration, it is necessary to extend the cooperation with electricity distribution system operators to electricity transmission system operators and **to** widen the scope of cooperation to grid investment planning and markets **in order** to better utilise the potential of district heating and cooling for providing flexibility services in electricity markets. Further cooperation with gas network operators, including hydrogen and other energy networks, should also be made possible to ensure a wider integration across energy carriers and their most cost-effective use.

(29) The use of renewable fuels and renewable electricity in **the** transport **sector** can contribute to the decarbonisation of the Union transport sector in a cost-effective manner, and improve, amongst other **matters**, energy diversification in that sector while promoting innovation, growth and jobs in the Union economy and reducing reliance on energy imports. With a view to achieving the increased target for greenhouse gas emissions savings defined by the Union, the level of renewable energy supplied to all transport modes in the Union should be increased. Expressing the transport target as a greenhouse gas intensity reduction target would stimulate an increasing use of the most cost-effective and performing fuels, in terms of greenhouse gas **emissions** savings, in transport. In addition, a greenhouse gas intensity reduction target would stimulate innovation and set out a clear benchmark to compare across fuel types and renewable electricity depending on their greenhouse gas intensity. **Furthermore**, [...], increasing the level of the energy-based target on advanced biofuels and biogas and introducing a target for renewable fuels of non-biological origin would ensure an increased use of the renewable fuels with smallest environmental impact in transport modes that are difficult to electrify. The achievement of those targets should be ensured by obligations on fuel suppliers as well as by other measures included in [Regulation (EU) 2021/XXX on the use of renewable and low-carbon fuels in maritime transport - FuelEU Maritime and Regulation (EU) 2021/XXX on ensuring a level playing field for sustainable air transport]. Dedicated obligations on aviation fuel suppliers should be set only pursuant to [Regulation (EU) 2021/XXX on ensuring a level playing field for sustainable air transport].

(29a) [...] In order to encourage the uptake of the supply of renewable fuels to the hard to decarbonise sector of international maritime bunkering, renewable fuels supplied to international maritime bunkers should be included in the final consumption of energy from renewable sources in the transport sector and, accordingly, fuels supplied to international maritime bunkers should be included in the final consumption of energy sources in the transport sector. However, some Member States have a large share of maritime in their gross final consumption of energy. In view of the current technological and regulatory constraints that prevent the commercial use of biofuels in maritime, it is therefore appropriate to provide Member States with a partial exemption within the calculation of the amount of energy supplied to maritime transport in order to allow them to cap at 15 % their gross final consumption of energy consumption of energy in the maritime transport sector, in the calculation of the specific transport targets. For insular Member States where the gross final consumption of energy in the maritime transport sector is disproportionately high, namely more than a third of road and rail consumption, the cap should be 5%. However, considering the specific characteristics of international maritime bunkering, the amount of energy consumed in international maritime bunkering should, for the purposes of measuring the overall renewable share as it is the standing practice in the energy balances of Eurostat or the International Energy Agency, not be included in the gross final consumption of energy of a Member State.

- (30) Electromobility will play an essential role in decarbonising the transport sector. To foster the further development of electromobility, Member States should establish a credit mechanism enabling operators of charging points accessible to the public to contribute, by supplying renewable electricity, towards the fulfilment of the obligation set up by Member States on fuel suppliers. While supporting electricity in **the** transport **sector** through such a mechanism, it is important that Member States continue setting a high level of ambition for the decarbonisation of their liquid fuel mix in **the** transport **sector**.
- (31) The Union's renewable energy policy aims to contribute to achieving the climate change mitigation objectives of the European Union in terms of the reduction of greenhouse gas emissions. In the pursuit of this goal, it is essential to also contribute to wider environmental objectives, and in particular the prevention of biodiversity loss, which is negatively impacted by the indirect land use change associated to the production of certain biofuels, bioliquids and biomass fuels. Contributing to these climate and environmental objectives constitutes a deep and longstanding intergenerational concern for Union citizens and the Union legislator. As a consequence, the changes in the way the transport target is calculated should not affect the limits established on how to account toward that target certain fuels produced from food and feed crops on the one hand and high indirect land-use change-risk fuels on the other hand. In addition, in order not to create an incentive to use biofuels and biogas produced from food and feed crops in transport, Member States should continue to be able to choose whether **to** count them or not towards the transport target. If they do not count them, they may reduce the greenhouse gas intensity reduction target accordingly, assuming that food and feed crop-based biofuels save 50% greenhouse gas emissions, which corresponds to the typical values set out in an annex to this **amending** Directive for the greenhouse gas emissions savings of the most relevant production pathways of food and feed crop-based biofuels as well as the minimum **greenhouse gas emissions** savings threshold [...] **that applies** to most installations producing such biofuels.

- (32) Expressing the transport target as a greenhouse gas intensity reduction target makes it unnecessary to use multipliers to promote certain renewable energy sources. This is because different renewable energy sources save different amounts of greenhouse gas emissions and, therefore, contribute differently to a target. Renewable electricity should be considered to have zero **greenhouse gas** emissions, meaning it saves 100% **of greenhouse gas** emissions compared to electricity produced from fossil fuels. This will create an incentive for the use of renewable electricity since renewable fuels and recycled carbon fuels are unlikely to achieve such a high percentage of **greenhouse gas emissions** savings. Electrification relying on renewable energy sources would therefore become the most efficient way to decarbonise road transport. In addition, in order to promote the use of advanced biofuels and biogas and renewable fuels of non-biological origin in the aviation and maritime **transport** modes, which are difficult to electrify, it is appropriate to keep the multiplier for those fuels supplied in those modes when counted towards the specific targets set for those fuels.
- (33) Direct electrification of end-use sectors, including the transport sector, contributes to the efficiency and facilitates the transition to an energy system based on renewable energy. It is therefore in itself an effective means to reduce greenhouse gas emissions. The creation of a framework on additionality applying specifically to renewable electricity supplied to electric vehicles in the transport **sector** is therefore not required.
- (34) Since renewable fuels of non-biological origin are to be counted as renewable energy regardless of the sector in which they are consumed, the rules to determine their renewable nature when produced from electricity, which were applicable only to those fuels when consumed in the transport sector, should be extended to all renewable fuels of non-biological origin, regardless of the sector [...] **in which** they are consumed.
- (35) To ensure higher environmental effectiveness of the Union sustainability and greenhouse **gas** emissions saving criteria for solid biomass fuels in installations producing heating, electricity and cooling, the minimum threshold for the applicability of such criteria should be lowered from the current 20 MW to **10**[...] MW.

(36) Directive (EU) 2018/2001 strengthened the bioenergy sustainability and greenhouse gas **emissions** savings framework by setting criteria for all end-use sectors. It set out specific rules for biofuels, bioliquids and biomass fuels produced from forest biomass, requiring the sustainability of harvesting operations [...]. To achieve an enhanced protection of especially biodiverse and carbon-rich habitats, such as primary forests, highly biodiverse forests, grasslands and peat lands, exclusions and limitations to source forest biomass from those areas should be introduced **within the risk-based approach**, [...] **inspired by** the approach for biofuels, bioliquids and biomass fuels produced from agricultural biomass. In addition, the greenhouse gas emission saving criteria should also apply to existing biomass-based installations to ensure that bioenergy production in all such installations leads to greenhouse gas emission reductions compared to energy produced from fossil fuels.

(36a) **The Union is committed to improve the environmental, economic and social sustainability of biomass fuel production. This Directive is complementary to other EU legislative instruments, such as the [legislative initiative] on Sustainable Corporate Governance (SCG), setting out due diligence requirements in the value chain with regard to adverse human rights or environmental impacts.**

(36b) **The concept of "highly biodiverse forest and other wooded land which is species-rich and not degraded" shall ensure adequate protection of those areas while not creating a general obstacle to the use of forest biomass for the production of biofuels, bioliquids and biomass fuels. To this end, for the application of this concept to the case of forest biomass, and exclusively forest biomass, only forests and wooded land that have been identified scientifically or administratively by the competent authorities as being very rich in biodiversity will be subject to exclusions and limitations to forest biomass production.**

(36c) The sustainability criteria concerning forest biomass harvesting should be further specified, in line with the principles of sustainable forest management. These specifications aim at strengthening and clarifying the risk based approach for forest biomass, while providing Member States with proportionate provisions allowing for targeted adaptations for practices that can be locally appropriate.

(37) In order to reduce the administrative burden for producers of renewable fuels and recycled carbon fuels and for Member States, where voluntary or national schemes have been recognised by the Commission through an implementing act as giving evidence or providing accurate data regarding [...] compliance with sustainability and greenhouse gas emissions saving criteria as well as other requirements set in this **amending** Directive, Member States should accept the results of the certification issued by such schemes within the scope of the Commission's recognition. In order to reduce the burden on small installations, Member States **may** [...] establish a simplified **voluntary** verification mechanism for installations **with a total thermal input** of between **10** [...] and **20** [...] MW.

(38) **In recent years, Europe has seen multiple cases of fraud or suspicion of fraud with biofuels. To mitigate the risks and better prevent fraud, the Directive (EU) 2018/2001 has offered valuable additions in terms of transparency, traceability and supervision.**

The Union database to be set up by the Commission aims at enabling the tracing of liquid and gaseous renewable fuels and recycled carbon fuels. Its scope should be extended from transport to all other end-use sectors in which such fuels are consumed. This should make a vital contribution to the comprehensive monitoring of the production and consumption of those fuels, **while** mitigating risks of double-counting or irregularities along the supply chains covered by the Union database. In addition, to avoid any risk of double claims on the same renewable gas, a guarantee of origin issued for any consignment of renewable gas registered in the database should be cancelled. **The Commission and Member States should endeavor to work on the interconnectivity between the databases before the EU database goes live, ensuring the bidirectionality of the databases and enabling a smooth transition.**

Complementary to this strengthening of the transparency and the traceability of individual consignments of raw materials and fuels in the supply chain, the recently adopted Implementing Act on sustainability certification¹⁸ enhanced the requirements on auditing for certification bodies as well as increased the powers for public supervision, including the possibility for competent national authorities to access documents and premises of economic operators in their controls. This way the integrity of the verification framework of the Directive (EU) 2018/2001 has been significantly strengthened by complementing the auditing by certification bodies and Union Database with verification and supervisory capacity of the competent authorities of the Member States. It is strongly recommended to make use of both possibilities for public supervision.

¹⁸ **Commission implementing regulation (EU) .../... on rules to verify sustainability and greenhouse gas emissions saving criteria and low indirect land-use change-risk criteria**

(38a) This amending Directive is based on Article 194(2) of the Treaty on the Functioning of the European Union (TFEU), which provides the legal basis for proposing measures to develop new and renewable forms of energy, one of the goals of the Union’s energy policy, set out in Article 194(1), point(c) TFEU. Directive (EU) 2018/2001, which is amended by this amending Directive, was also adopted under Article 194(2) TFEU. Article 114 TFEU, the internal market legal basis, is added in order to amend Directive 98/70/EC of the European Parliament and of the Council¹⁹ on fuel quality, which is based on that provision.

- (39) The Governance Regulation (EU) 2018/1999 makes several references in a number of places to the Union-level binding target of at least 32 % for the share of renewable energy consumed in the Union in 2030. As that target needs to be increased in order to contribute effectively to the ambition to decrease greenhouse gas emissions by 55 % by 2030, those references should be amended. Any additional planning and reporting requirements set will not create a new planning and reporting system, but should be subject to the existing planning and reporting framework under Regulation (EU) 2018/1999.
- (40) The scope of Directive 98/70/EC of the European Parliament and of the Council²⁰ should be amended in order to avoid a duplication of regulatory requirements with regard to transport fuel decarbonisation objectives and align with Directive (EU) 2018/2001.

¹⁹ **Directive 98/70/EC of the European Parliament and of the Council of 13 October 1998 relating to the quality of petrol and diesel fuels and amending Council Directive 93/12/EEC (OJ L 350, 28.12.1998, p. 58).**

²⁰ Directive 98/70/EC of the European Parliament and of the Council of 13 October 1998 relating to the quality of petrol and diesel fuels and amending Council Directive 93/12/EEC (OJ L 350, 28.12.1998, p. 58).

- (41) The definitions of Directive 98/70/EC should be amended in order to align them with Directive (EU) 2018/2001 and thereby avoid different definitions being applied in those two acts.
- (42) The obligations regarding the greenhouse gas emissions reduction and the use of biofuels in Directive 98/70/EC should be deleted in order to streamline and avoid double regulation with regards to the strengthened transport fuel decarbonisation obligations which are provided for in Directive (EU) 2018/2001.
- (43) The obligations regarding the monitoring of and reporting on the greenhouse gas emission reductions set out in Directive 98/70/EC should be deleted to avoid regulating reporting obligations twice.
- (44) Council Directive (EU) 2015/652, which provides the detailed rules for the uniform implementation of Article 7a of Directive 98/70/EC, should be repealed as it becomes obsolete with the repeal of Article 7a of Directive 98/70/EC by this Directive.
- (45) As regards bio-based components in diesel fuel, the reference in Directive 98/70/EC to diesel fuel B7, that is diesel fuel containing up to 7 % fatty acid methyl esters (FAME), limits available options to attain higher biofuel incorporation targets as set out in Directive (EU) 2018/2001. That is due to the fact that almost the entire Union supply of diesel fuel is already B7. For that reason the maximum share of bio-based components should be increased from 7% to 10%. Sustaining the market uptake of B10, that is diesel fuel containing up to 10 % fatty acid methyl esters (FAME), requires a Union-wide B7 protection grade for 7% FAME in diesel fuel due to the sizeable proportion of vehicles not compatible with B10 expected to be present in the fleet by 2030. This should be reflected in Article 4, paragraph 1, second subparagraph of Directive 98/70/EC as amended by this act.

- (46) The transitional provisions should allow for an ordered continuation of data collection and the fulfilment of reporting obligations with respect to the articles of Directive 98/70/EC deleted by this Directive.
- (47) In accordance with the Joint Political Declaration of 28 September 2011 of Member States and the Commission on explanatory documents²¹, Member States have undertaken to accompany, in justified cases, the notification of their transposition measures with one or more documents explaining the relationship between the components of a directive and the corresponding parts of national transposition instruments. With regard to this Directive, the legislator considers the transmission of such documents to be justified, in particular following the judgment of the European Court of Justice in Case Commission vs Belgium²² (case C-543/17).

HAVE ADOPTED THIS DIRECTIVE:

Article 1

Amendments to Directive (EU) 2018/2001

Directive (EU) 2018/2001 is amended as follows:

- (1) in Article 2, the second paragraph is amended as follows:

(a) point (4) is replaced by the following:

‘gross final consumption of energy’ means the energy commodities delivered for energy purposes to industry, transport, households, services including public services, agriculture, forestry and fisheries, the consumption of electricity and heat by the energy branch for electricity and heat [...], and losses of electricity and heat in distribution and transmission

²¹ OJ C 369, 17.12.2011, p. 14.

²² Judgment of the Court of Justice of 8 July 2019, Commission v Belgium, C-543/17, ECLI: EU: C:2019:573.

(a) point (36) is replaced by the following:

‘(36) ‘renewable fuels of non-biological origin’ means liquid and gaseous fuels the energy content of which is derived from renewable sources other than biomass;’;

(b) point (47) is replaced by the following:

‘(47) ‘default value’ means a value derived from a typical value by the application of pre-determined factors and that may, in circumstances specified in this Directive, be used in place of an actual value;’;

(c) the following points are added:

‘(1a) ‘quality roundwood’ means roundwood felled or otherwise harvested and removed, whose characteristics, such as species, dimensions, rectitude, and node density, make it suitable for industrial use, as defined and duly justified by Member States according to the relevant forest conditions. This does not include pre-commercial thinning operations or trees extracted from forests affected by fires, pests, diseases or damage due to abiotic factors ;

(14a) ‘bidding zone’ means a bidding zone as defined in Article 2, point (65) of Regulation (EU) 2019/943 of the European Parliament and of the Council²³;

(14b) ‘smart metering system’ means smart metering system as defined in Article 2, point (23) of Directive (EU) 2019/944 of the European Parliament and of the Council²⁴;

(14c) ‘recharging point’ means recharging point as defined in [...] Article 2, point (33) of Directive (EU) No 2019/944;

²³ Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity (OJ L 158, 14.6.2019, p. 54).

²⁴ Directive [...] (EU) 2019/944 of the European Parliament and of the Council of 5 June 2019 on common rules for the internal market for electricity and amending Directive 2012/27/EU (OJ L 158, 14.6.2019, p. 125).

(14d) ‘market participant’ means market participant as defined in [...] Article 2, point (25) of Regulation (EU) 2019/943;

(14e) ‘electricity market’ means electricity market as defined in Article 2, point (9) of Directive 2019/944;

(14f) ‘domestic battery’ means a stand-alone rechargeable battery of rated capacity greater than 2 kwh, which is suitable for installation and use in a domestic environment;

(14g) ‘electric vehicle battery’ means an electric vehicle battery as defined in Article 2, point (12) of [the proposed Regulation concerning batteries and waste batteries, repealing Directive 2006/66/EC and amending Regulation (EU) No 2019/1020²⁵];

(14h) ‘industrial battery’ means industrial battery as defined in Article 2. point (11) of [the proposed Regulation concerning batteries and waste batteries, repealing Directive 2006/66/EC and amending Regulation (EU) No 2019/1020];

(14i) ‘state of health’ means state of health as defined in point (25) of Article 2, point (25) of [the proposal for a Regulation concerning batteries and waste batteries, repealing Directive 2006/66/EC and amending Regulation (EU) No 2019/1020²⁶];

(14j) ‘state of charge’ means state of charge as defined in Article 2, point (24) of [the proposal for a Regulation concerning batteries and waste batteries, repealing Directive 2006/66/EC and amending Regulation (EU) 2019/1020];

(14k) ‘power set point’ means the **dynamic** information held in a battery’s management system prescribing the electric power settings at which the battery **should optimally** operate[...] during a recharging [...] during a recharging or a discharging operation, so that its state of health and operational use are optimised;

²⁵ COM(2020) 798 final

²⁶ the proposal for a [...] Regulation **of the European Parliament and of the Council** ‘concerning batteries and waste batteries, repealing Directive 2006/66/EC and amending Regulation (EU) 2019/1020 (xxxx).

(14l) ‘smart **re**charging’ means a recharging operation in which the intensity of electricity delivered to the battery is adjusted **dynamically** [...], based on information received through electronic communication;

(14m) ‘regulatory authority’ means regulatory authority defined in Article 2, point (2) of Regulation (EU) 2019/943;

(14n) ‘bidirectional charging’ means smart charging where the direction of electric **current** [...] may be reversed, so that electric **power is transferred** [...] from the battery to the recharging point it is connected to;

(14o) ‘normal power recharging point’ means ‘normal power recharging point’ as defined in Article 2 point 31 of [the proposal for a Regulation concerning the deployment of alternative fuel infrastructure, repealing Directive 2014/94/EU];

(18a) ‘industry’ means companies and products that fall **under** sections B, C, **and** F and **under section** `J, division (63) of the statistical classification of economic activities (NACE REV.2)²⁷;

(18b) ‘non-energy purpose’ means the use of fuels as raw materials in an industrial process, instead of being used to produce energy;

(22a) ‘renewable fuels’ means biofuels, bioliquids, biomass fuels and renewable fuels of non-biological origin;

²⁷ Regulation (EC) No 1893/2006 of the European Parliament and of the Council of 20 December 2006 establishing the statistical classification of economic activities NACE Revision 2 and amending Council Regulation (EEC) No 3037/90 as well as certain EC Regulations on specific statistical domains (OJ L 393, 30.12.2006, p. 1).’;

(44a) ‘plantation forest’²⁸ means a planted forest that is intensively managed and meets, at planting and stand maturity, all the following criteria: one or two species, even age class, and regular spacing. It includes short rotation plantations for wood, fibre and energy, and excludes forests planted for protection or ecosystem restoration, as well as forests established through planting or seeding which at stand maturity resemble or will resemble naturally regenerating forests;

(44b) ‘planted forest’ means forest predominantly composed of trees established through planting and/or deliberate seeding provided that the planted or seeded trees are expected to constitute more than fifty percent of the growing stock at maturity; it includes coppice from trees that were originally planted or seeded;’;

(2) Article 3 is amended as follows:

(a) paragraph 1 is replaced by the following:

‘1. Member States shall collectively ensure that the share of energy from renewable sources in the Union’s gross final consumption of energy in 2030 is at least 40%.’;

(b) paragraph 3 is replaced by the following:

‘3. Member States shall take measures to ensure that energy from biomass is produced in a way that minimises undue distortive effects on the biomass raw material market and harmful impacts on biodiversity. To that end, they shall take into account the waste hierarchy as set out in Article 4 of Directive 2008/98/EC and the cascading principle referred to in the [...] **fourth** subparagraph.

²⁸ **Delegations are informed that FAO definitions are used for "plantation forests" and "planted forests"**

As part of the measures referred to in the first subparagraph:

- (a) Member States shall grant no support for:
- (i) the use of saw logs, veneer logs, stumps and roots to produce energy.
 - (ii) the production of renewable energy produced from the incineration of waste if the separate collection obligations laid down in Directive 2008/98/EC have not been complied with.
 - (iii) practices which are not in line with the [...] **provisions** referred to in the [...] **fourth** subparagraph.
- (b) **From twelve months after entry into force of this amending Directive** [...], and without prejudice to the obligations in the first sub-paragraph, Member States shall grant no **new** support, **nor renew any support**, to the production of electricity from forest biomass in electricity-only-installations, unless such electricity [...]

[...] is produced in a region identified in a territorial just transition plan approved by the European Commission, in accordance with Regulation (EU) 2021/... of the European Parliament and the Council establishing the Just Transition Fund due to its reliance on solid fossil fuels, and meets the relevant requirements set in Article 29(11) **of this Directive**. [...]

[...]

This provision is without prejudice to supports to electricity only installations that started operation before the entry into force of this directive provided that these installations meet the requirements set in Article 29(11), second subparagraph, and that the support is specifically geared to the [...] equipment of Biomass CO2 Capture and Storage.

[...] As of the entry into force of this amending Directive, Member States shall take measures to ensure the application of the cascading principle for biomass, in particular [...] to minimise the use of quality roundwood for energy production, with a focus on support schemes and with due regard to national specificities.

With a view to ensuring that woody biomass is used according to its highest economic and environmental added value in the following order of priorities: 1) wood-based products, 2) extending their service life, 3) re-use, 4) recycling, 5) bio-energy and 6) disposal, support schemes for bioenergy shall be designed in such a way as to avoid incentivising unsustainable bioenergy pathways and distorting competition with the material sectors.

[...] Member States [...] may derogate from the cascading principle when [...] the local industry is quantitatively or technically [...] unable to use forest biomass according to a higher economic and environmental added value than energy, for feedstocks coming from [...]:

(i) necessary forest management activities, [...] aiming [...] at ensuring pre commercial thinning operations or in compliance with national legislation on wildfire prevention in high-risk areas; or

(ii) salvage logging following documented natural disturbances [...]; or

(iii) harvest of certain woods whose characteristics are not suitable for local processing facilities [...]

At most once a year, Member States shall notify the Commission of a summary of derogations to the application of the cascading principle as referred to in the first subparagraph, together with the justifications for such [...] derogations and the geographical scale to which [...] they apply[...]. The Commission shall make public the notifications received, and may issue a public opinion on any of those notifications.

By [...] **2027** the Commission shall present a report on the impact of the Member States' support schemes for biomass, including on biodiversity and possible market distortions, and **shall** [...] assess the possibility for further limitations regarding support schemes to forest biomass.';

(c) the following paragraph 4a is inserted:

'4a. Member States shall establish a framework, which may include support schemes and **measures** facilitating the uptake of renewable power purchase agreements, enabling the deployment of renewable electricity to a level that is consistent with the Member State's national contribution referred to in paragraph 2 and at a pace that is consistent with the indicative trajectories referred to in Article 4(a)(2) of Regulation (EU) 2018/1999. In particular, that framework shall tackle remaining barriers, including those related to permitting procedures, to a high level of renewable electricity supply. When designing that framework, Member States shall take into account the additional renewable electricity required to meet demand in the transport, industry, building and heating and cooling sectors and for the production of renewable fuels of non-biological origin.';

(3) Article 7 is amended as follows:

(a) in paragraph 1, the second subparagraph is replaced by the following:

'With regard to the first subparagraph, point (a), (b), or (c), gas and electricity from renewable sources shall be considered only once for the purposes of calculating the share of gross final consumption of energy from renewable sources. Energy produced from renewable fuels of non-biological origin shall be accounted in the sector - electricity, heating and cooling or transport - where it is consumed.'

Member States may agree, via a specific cooperation agreement, to account the renewable fuels of non-biological origin consumed in one Member State towards the share of gross final consumption of energy from renewable sources in the Member State where they were produced. In order to monitor that the same renewable fuels of non-biological origin are not accounted in both the Member State where they are produced and in the Member State where they are consumed and to record the amount claimed, the Commission shall be notified of any such agreement, including the amount of RFNBOs to be counted in total and for each Member State and the date on which such agreement will become operational.

(b) in paragraph 2, the first subparagraph is replaced by the following:

‘For the purposes of paragraph 1, first subparagraph, point (a), gross final consumption of electricity from renewable sources shall be calculated as the quantity of electricity produced in a Member State from renewable sources, including the production of electricity from renewables self-consumers and renewable energy communities and electricity from renewable fuels of non-biological origin and excluding the production of electricity in pumped storage units from water that has previously been pumped uphill as well as the electricity used to produce renewable fuels of non-biological origin.’;

(c) in paragraph 4, point (a) is replaced by the following:

‘(a) Final consumption of energy from renewable sources in the transport sector shall be calculated as the sum of all biofuels, biogas and renewable fuels of non-biological origin consumed in the transport sector. [...] **This shall also include renewable fuels supplied to international marine bunkers**[...]

(4) Article 9 is amended as follows:

(a) the following paragraph 1a is inserted:

‘1a. By 31 December 2025, each Member State shall **endeavour to** agree **on**[...] establishing **at least one joint project with one or more other Member States for the production of renewable energy.**[...] The Commission shall be notified of such an agreement, including the date on which the project is expected to become operational. Projects financed by national contributions under the Union renewable energy financing mechanism established by Commission Implementing Regulation (EU) 2020/1294²⁹ shall be deemed to satisfy this obligation for the Member States involved.’;

(b) the following paragraph is inserted:

‘7a. Member States bordering a sea basin shall **agree to** cooperate [...] **on goals for** [...] offshore renewable **generation to be deployed within each** [...] sea basin by 2050, with intermediate steps in 2030 and 2040, **in accordance with [Revised Regulation (EU) No 347/2013]**[...] They shall take into account the specificities and development in each region, the offshore renewable potential of the sea basin and the importance of ensuring the associated integrated grid planning. Member States shall notify [...] **these goals** in the updated integrated national energy and climate plans submitted pursuant to Article 14 of Regulation (EU) 2018/1999.’;

²⁹ Commission Implementing Regulation (EU) 2020/1294 of 15 September 2020 on the Union renewable energy financing mechanism (OJ L 303, 17.9.2020, p. 1).

(5) Article 15 is amended as follows:

(a) paragraph 2 is replaced as follows:

‘2. Member States shall clearly define any technical specifications which are to be met by renewable energy equipment and systems in order to benefit from support schemes. Where harmonised standards or European standards exist, including technical reference systems established by the European standardisation organisations, such technical specifications shall be expressed in terms of those standards. Precedence shall be given to harmonised standards, the references of which have been published in the Official Journal of the European Union in support of European legislation, in their absence, other harmonised standards and European standards shall be used, in that order. Such technical specifications shall not prescribe where the equipment and systems are to be certified and shall not impede the proper functioning of the internal market.’;

(b) paragraphs 4, 5, 6 and 7 are deleted; [...]

(c) paragraph 8 is replaced by the following:

8a. Member States shall assess the regulatory and administrative barriers to long-term renewables power purchase agreements, and shall remove unjustified barriers to, and promote the uptake of, such agreements, including by exploring how to reduce the financial risks associated with them, in particular by using credit guarantees. Member States shall ensure that those agreements are not subject to disproportionate or discriminatory procedures or charges, and that any associated guarantees of origin can be transferred to the buyer of the renewable energy under the renewable power purchase agreement.

Member States shall describe their policies and measures promoting the uptake of renewables power purchase agreements in their integrated national energy and climate plans referred to in Articles 3 and 14 of Regulation (EU) 2018/1999 and progress reports submitted pursuant to Article 17 of that Regulation. They shall also provide, in those reports, an indication [...] of renewable power generation supported by renewables power purchase agreements.’;

Following the assessment of Member States under the first subparagraph, the Commission shall analyse the barriers to long-term power purchase agreements and in particular to the deployment of cross-border renewable power purchase agreements and issue guidance on the removal of these barriers’;

[...]

8b. [...] For the purposes of [...] Article 6(4) and 16(1)(c) of Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora, [...] Article 9(1)(a) of Directive 2009/147/EC of the European Parliament and of the Council of 30 November 2009 on the conservation of wild birds, and Article 4(7) of Directive 2000/60/EC of the European Parliament and of the Council establishing a framework for Community action in the field of water policy, Member States shall ensure that [...] the planning, construction and operation of plants for the production of energy from renewable sources, their connection to the grid and the related grid itself and storage assets [...] are presumed as being in the interest of public health and safety, and as being carried out for imperative reasons of overriding public interest, in the planning and permit-granting process when balancing legal interests in the individual cases [...]. Member States may restrict the application of these provisions to certain parts of their territory as well as to certain types of technologies or to projects with certain technical characteristics in accordance with the priorities set in their national integrated energy and climate plans.

In order to contribute to the achievement of climate neutrality, Member States shall ensure, at least for projects which are recognized as being of public interest, that in the planning and permit-granting process, the construction and operation of energy plants from renewable sources and the related grid infrastructure development is given [...] priority when balancing legal interests in the individual case. Concerning species protection, the preceding sentence shall only apply if and to the extent that appropriate species conservation measures contributing to the maintenance or restoration of the populations of the species at a favourable conservation status are undertaken and sufficient financial resources as well as areas are made available for this purpose.

[...]

- 8c. **Member States shall ensure that in the planning and permit-granting process for the repowering of renewable energy plants, the assessment of impacts derived from such repowering is limited to the potential impacts resulting from the change or extension compared to the original project [...]. Member States may exclude hydropower from this provision.**

8d. By 15 March 2025 and every two years thereafter, as part of their integrated national energy and climate reports pursuant to Article 17 of Regulation (EU) 2018/1999, Member States, when reporting on the implementation of the measures set out in Article 15 to streamline administrative procedures pursuant to Article 20(b)(5) of Regulation (EU) 2018/1999, shall also report on [...] their effect on biodiversity. By 31 December 2026, the Commission shall examine the measures taken by Member States. If there is a major impact on biodiversity, the Commission may present, as appropriate, a proposal to revise paragraph 8b.

(d) the following paragraph 9 is added:

‘9. By [...]one year[...] after the entry into force of this amending Directive, the Commission shall review, and where appropriate, propose modifications to, the rules on administrative procedures set out in Articles 15 **(1) and (3)**, 16 and 17 and their application, and may [...] **consider** additional measures to support Member States in their implementation.’;

(6) the following Article **15a** is inserted:

Mainstreaming renewable energy in buildings

1. In order to promote the production and use of renewable energy in the building sector, Member States shall **define** [...] an indicative [...] **national** share of [...] **renewable energy** in final energy consumption in their buildings sector in 2030 that is consistent with an indicative target of at least a [49 [...]]% share of energy from renewable sources in the buildings sector [...] **in** [...] the Union’s **level** final **energy** consumption [...] energy **in buildings** in 2030. [...] Member States shall include their **share** [...] in the [...] integrated national energy and climate plans [...] **referred to in Articles 3 and** [...] 14 of Regulation (EU) 2018/1999 as well as information on how they plan to achieve it.

Member States may count waste heat and cold towards the target referred to in the first subparagraph, up to a limit of 20%. If they decide to do so, the target shall increase by half of the waste heat and cold percentage used.

2. Member States shall introduce **appropriate** measures in their [...] **national** regulations and **building** codes and, where applicable, in their support schemes, to increase the share of electricity and heating and cooling from renewable sources in the building stock. **This may** [...] include [...] national measures relating to substantial increases in renewables self-consumption, renewable energy communities and local energy storage, in combination with energy efficiency improvements relating to cogeneration and [...] **major renovations which increase the number of nearly zero energy buildings and buildings that go beyond minimum energy performance requirements according to article 5(1) of Directive 2010/31/EU** [...] To achieve the indicative share of renewables set out in paragraph 1, Member States shall, in their [...] **national** regulations and **building** codes and, where applicable, in their support schemes or by other means with equivalent effect, require the use of minimum levels of energy from renewable sources in **new** buildings **and in existing buildings that are subject to major renovation or a renewal of the heating system**, in line with the provisions of Directive 2010/31/EU. Member States shall allow those minimum levels to be fulfilled, among others, through efficient district heating and cooling.

For existing buildings, the first subparagraph shall apply to the armed forces only to the extent that its application does not cause any conflict with the nature and primary aim of the activities of the armed forces and with the exception of material used exclusively for military purposes.

3. Member States shall ensure that public buildings at national, regional and local level, fulfil an exemplary role as regards the share of renewable energy used, in accordance with the provisions of Article 9 of Directive 2010/31/EU and Article 5 of Directive 2012/27/EU. Member States may, among others, allow that obligation to be fulfilled by providing for the roofs of public or mixed private-public buildings to be used by third parties for installations that produce energy from renewable sources.

4. In order to achieve the indicative share of renewable energy set out in paragraph 1, Member States shall promote the use of renewable heating and cooling systems and equipment. To that end, Member States shall use all appropriate measures, tools and incentives, including, among others, energy labels developed under Regulation (EU) 2017/1369 of the European Parliament and of the Council³⁰, energy performance certificates pursuant to Directive 2010/31/EU, or other appropriate certificates or standards developed at national or Union level, and shall ensure the provision of adequate information and advice on renewable, highly energy efficient alternatives as well as on financial instruments and incentives available to promote an increased replacement rate of old heating systems and an increased switch to solutions based on renewable energy.’;

(7) in Article 18, paragraphs 3 and 4 are replaced by the following:

‘3. Member States shall ensure that certification schemes **or equivalent qualification schemes** are available for installers and designers of all forms of renewable heating and cooling systems in buildings, industry and agriculture, and for installers of solar photovoltaic systems. Those schemes may take into account existing schemes and structures as appropriate, and shall be based on the criteria laid down in Annex IV. Each Member State shall recognise the certification awarded by other Member States in accordance with those criteria.

Member States shall **set up the framework** **ensuring**[...] that trained and qualified installers of renewable heating and cooling systems are available in sufficient numbers for the relevant technologies to service the growth of renewable heating and cooling required to contribute to the annual increase in the share of renewable energy in the heating and cooling sector as set out in Article 23.

³⁰ Regulation (EU) 2017/1369 of the European Parliament and of the Council of 4 July 2017 setting a framework for energy labelling and repealing Directive 2010/30/EU (OJ L 198, 28.7.2017, p. 1).

To achieve such sufficient numbers of installers and designers, Member States shall ensure that sufficient training programmes leading to qualification or certification covering renewable heating and cooling technologies, and their latest innovative solutions, are [...] available. Member States shall put in place measures to promote participation in such programmes, in particular by small and medium-sized enterprises and the self-employed. Member States may put in place voluntary agreements with the relevant technology providers and vendors to train sufficient numbers of installers, which may be based on estimates of sales, in the latest innovative solutions and technologies available on the market.

4. Member States shall make information on the certification schemes or **equivalent qualification schemes** referred to in paragraph 3 available to the public. Member States shall ensure that the list of installers who are qualified or certified in accordance with paragraph 3 is regularly updated and made available to the public.’;

(8) Article 19 is amended as follows:

(a) paragraph 2 is amended as follows:

(i) the first subparagraph is replaced by the following:

‘To that end, Member States shall ensure that a guarantee of origin is issued in response to a request from a producer of energy from renewable sources, **unless Member States decide, for the purposes of accounting for the market value of the guarantee of origin, not to issue such a guarantee of origin to a producer that receives financial support from a support scheme.** Member States may arrange for guarantees of origin to be issued for energy from non-renewable sources. Issuance of guarantees of origin may be made subject to a minimum capacity limit. A guarantee of origin shall be of the standard size of 1 MWh. No more than one guarantee of origin shall be issued in respect of each unit of energy produced.[...];

[...]

(ii) [...]

(b) [...]

[...]

(9) in Article 20, paragraph 3 is replaced by the following:

‘3. Subject to their assessment included in the integrated national energy and climate plans in accordance with Annex I to Regulation (EU) 2018/1999 on the necessity to build new infrastructure for district heating and cooling from renewable sources in order to achieve the Union target set in Article 3(1) of this Directive, Member States shall, where relevant, take the necessary steps with a view to developing efficient district heating and cooling infrastructure to promote heating and cooling from renewable energy sources, including solar energy, ambient energy, geothermal energy, biomass, biogas, bioliquids and waste heat and cold, in combination with thermal energy storage.’;

(10) the following Article 20a is inserted:

‘Article 20a

Facilitating system integration of renewable electricity

- ‘1. Member States shall require transmission system operators and, **when appropriate,** distribution system operators in their territory to make available information on the share of renewable electricity and the greenhouse gas emissions content of the electricity supplied in each bidding zone, as accurately as possible [...] **in intervals equal to the market settlement frequency** [...] but [...] of no more than one hour, with forecasting where available. This information shall be made available digitally in a manner that ensures it can be used by electricity market participants, aggregators, consumers and end-users, and that it can be read by electronic communication devices such as smart metering systems, electric vehicle recharging points, heating and cooling systems and building energy management systems.
2. In addition to the requirements in [the proposal for a Regulation concerning batteries and waste batteries, repealing Directive 2006/66/EC and amending Regulation (EU) No 2019/1020], Member States shall ensure that manufacturers of domestic and industrial batteries enable real-time access to basic battery management system information, including battery capacity, state of health, state of charge and power set point, to battery owners and users as well as to third parties acting on their behalf, such as building energy management companies and electricity market participants, under non-discriminatory terms and at no cost.

Member States shall ensure that vehicle manufacturers make available, in real-time, in-vehicle data related to the battery state of health, battery state of charge, battery power set point, battery capacity, as well as the location of electric vehicles to electric vehicle owners and users, as well as to third parties acting on the owners' and users' behalf, such as electricity market participants and electromobility service providers, under non-discriminatory terms and at no cost, in addition to further requirements in the type approval and market surveillance regulation.

3. In addition to the requirements in [the proposal for a Regulation concerning the deployment of alternative fuel infrastructure, repealing Directive 2014/94/EU], Member States **or their designated competent authorities** shall ensure that **new and replaced** non-publicly accessible normal power recharging points installed in their territory from [the transposition deadline of this amending Directive] can support smart charging functionalities and, where appropriate, **in accordance with the requirements of Article 14 (3) and (4) of [the proposal for a Regulation concerning the deployment of alternative fuel infrastructure]** [...], bidirectional charging functionalities.
4. **In addition to the requirements in Directive (EU) 2019/944 and Regulation (EU) 2019/943, Member States shall ensure that the national regulatory framework allows [...] small or mobile systems such as domestic batteries and electric vehicles to participate in the electricity markets, including congestion management and the provision of flexibility and balancing services, [...] through aggregation. For this purpose, Member states shall, in close cooperation with all market participants and regulatory authorities, establish technical requirements for participation in those markets, on the basis of the technical characteristics of those markets.**;

(11) the following Article 22a is inserted:

‘Article 22a

Mainstreaming renewable energy in industry

1. Member States shall endeavour to increase the share of renewable sources in the amount of energy sources used for final energy and non-energy purposes in the industry sector by an indicative [...] increase [...] **of at least 1.1 percentage points as an annual average calculated for the periods 2021 to 2025 and 2026 to 2030. [...]**

Member States may count waste heat and cold towards the average annual increases referred to in the first subparagraph, up to a limit of 0.4 percentage points, provided the waste heat and cold is supplied from efficient district heating and cooling, excluding networks which supply heat to one building only or where all thermal energy is solely consumed on-site and where the thermal energy is not sold. If they decide to do so, the average annual increase shall increase by half of the waste heat and cold percentage points used.

Member States shall include the measures planned and taken to achieve such indicative increase in their integrated national energy and climate plans and progress reports submitted pursuant to Articles 3, 14 and 17 of Regulation (EU) 2018/1999.

Member States shall ensure that the contribution of renewable fuels of non-biological origin used for final energy and non-energy purposes shall be [...] **35** [...] % of the hydrogen used for final energy and non-energy purposes in industry by [...] **2030** [...] **and** [...] **50** [...] % by [...] **2035** [...]. For the calculation of that percentage, the following rules shall apply:

- (a) For the calculation of the denominator, the energy content of hydrogen for final energy and non-energy purposes shall be taken into account, excluding hydrogen used as intermediate products for the production of conventional transport fuels **and biofuels[...]. [...]** **and hydrogen that is produced by decarbonizing industrial residual gases and is used to replace the specific gases from which it is produced.**
- (b) For the calculation of the numerator, the energy content of the renewable fuels of non-biological origin consumed in the industry sector for final energy and non-energy purposes shall be taken into account, excluding renewable fuels of non-biological origin used as intermediate products for the production of conventional transport fuels **and biofuels[...]. [...]**.
- (c) For the calculation of the numerator and the denominator, the values regarding the energy content of fuels set out in Annex III shall be used.
2. Member States shall ensure that industrial products that are labelled or claimed to be produced with renewable energy and renewable fuels of non-biological origin shall indicate the percentage of renewable energy used or renewable fuels of non-biological origin used in the raw material acquisition and pre-processing, manufacturing and distribution stage, calculated on the basis of the methodologies laid down in Recommendation 2013/179/EU³¹ or, alternatively, ISO 14067:2018.’;

³¹ 2013/179/EU: Commission Recommendation of 9 April 2013 on the use of common methods to measure and communicate the life cycle environmental performance of products and organisations, OJ L 124, 4.5.2013, p. 1–210

(12) Article 23 is amended as follows:

(a) paragraph 1 is replaced by the following:

‘1. In order to promote the use of renewable energy in the heating and cooling sector, each Member State shall[...] increase the share of renewable energy in that sector by at least [...] **0.8** percentage points as an annual average calculated for the period[...] 2021 to 2025 **and by at least 1.1 percentage points as an annual average calculated for the period** 2026 to 2030, starting from the share of renewable energy in the heating and cooling sector in 2020, expressed in terms of national share of gross final energy consumption and calculated in accordance with the methodology set out in Article 7.

[...]

Member States may count waste heat and cold towards the average annual increases referred to in the first subparagraph, up to a limit of 0.4 percentage points. If they decide to do so, the average annual increase shall increase by half of the waste heat and cold percentage points used to an upper limit of 1.0 percentage points for the period 2021-2025 and of 1.3 percentage points for the period 2026-2030.

Member States shall inform the Commission about their intention to count waste heat and cold and the estimated amount in their integrated national energy and climate plans submitted pursuant to Articles 3 and 14 of Regulation (EU) 2018/1999. In addition to the minimum [...] percentage points annual increases referred to in the first subparagraph, each Member State shall endeavour to increase the share of renewable energy in their heating and cooling sector by the [...] **additional indicative percentage points** [...] set out in Annex 1a.

Member States may count renewable electricity used for heating and cooling by means of heat pumps in the annual average increase set out in the first subparagraph, up to a limit of 0.4 percentage points. If they decide to do so, the average annual increase shall increase by half of the renewable electricity used for heating and cooling by means of heat pumps percentage points used to an upper limit of 1.0 percentage points for the period 2021-2025 and of 1.3 percentage points for the period 2026-2030.

Member States shall inform the Commission about their intention to count renewable electricity used in heating and cooling by means of heat pumps towards the annual increase set out in first subparagraph. Member States shall include the estimated electricity and heat pump capacities in their integrated national energy and climate plans submitted pursuant to Articles 3 and 14 of Regulation (EU) 2018/1999. Member States shall include the amount of renewable electricity used in heating and cooling by means of heat pumps in their integrated national energy and climate progress reports pursuant to Article 17 of Regulation (EU) 2018/1999.

(aa) the following paragraph 1aa is inserted:

'1aa. For the calculation of the share of renewable electricity used in heating and cooling for the purposes of paragraph 1 of this Article, Member States shall use the average share of renewable electricity supplied in their territory in the two previous years'.

(b) the following paragraph 1a is inserted:

‘1a. Member States shall carry out an assessment of their potential of energy from renewable sources and of the use of waste heat and cold in the heating and cooling sector including, where appropriate, an analysis of areas suitable for their deployment at low ecological risk and of the potential for small-scale household projects. The assessment shall set out milestones and measures to increase renewables in heating and cooling and, where appropriate, the use of waste heat and cold through district heating and cooling with a view of establishing a long-term national strategy to decarbonise heating and cooling. The assessment shall be part of the integrated national energy and climate plans referred to in Articles 3 and 14 of Regulation (EU) 2018/1999, and shall accompany the comprehensive heating and cooling assessment required by Article 14(1) of Directive 2012/27/EU.’;

(c) in paragraph 2, [...] **first subparagraph:**

- the introductory phrase is replaced by the following:

'For the purposes of paragraph 1, when calculating its share of renewable energy in the heating and cooling sector and its average annual increase in accordance with that paragraph, including the additional indicative increase set out in Annex Ia, each Member State:'

- point (a) is deleted.

(d) paragraph 4 is replaced by the following:

- ‘4. To achieve the average annual increase referred to in paragraph 1, first subparagraph, Member States may implement one or more of the following measures:
- (a) physical incorporation of renewable energy or waste heat and cold in the energy sources and fuels supplied for heating and cooling;
 - (b) installation of highly efficient renewable heating and cooling systems in buildings, **connection of buildings to efficient district heating and cooling systems** or use of renewable energy or waste heat and cold in industrial heating and cooling processes;
 - (c) measures covered by tradable certificates proving compliance with the obligation laid down in paragraph 1, first subparagraph, through support to installation measures under point (b) of this paragraph, carried out by another economic operator such as an independent renewable technology installer or an energy service company providing renewable installation services;
 - (d) capacity building for national and local authorities to plan and implement renewable projects and infrastructures;
 - (e) creation of risk mitigation frameworks to reduce the cost of capital for renewable heat and cooling **and waste heat and cooling** projects;
 - (f) promotion of heat purchase agreements for corporate **consumers** and collective small consumers;
 - (g) planned replacement schemes of fossil heating systems or fossil phase-out schemes with milestones;

- (h) **requirements at local and regional level concerning** renewable heat planning, encompassing cooling, [...];
- (i) other policy measures, with an equivalent effect, including fiscal measures, support schemes or other financial incentives.

When adopting and implementing those measures, Member States shall ensure their accessibility to all consumers, in particular those in low-income or vulnerable households, who would not otherwise possess sufficient up-front capital to benefit.’;

(13) Article 24 is amended as follows:

- (a) paragraph 1 is replaced by the following:

‘1. Member States shall ensure that information on the energy performance and the share of renewable energy in their district heating and cooling systems is provided to final consumers in an easily accessible manner, such as on bills or on the suppliers' websites and on request. The information on the renewable energy share shall be expressed at least as a percentage of gross final **energy** consumption of heating and cooling assigned to the customers of a given district heating and cooling system, including information on how much energy was used to deliver one unit of heating to the customer or end-user.’;

(b) paragraph 4 is replaced by the following:

‘4. Member States shall endeavour to increase the share of energy from renewable sources and from waste heat and cold in district heating and cooling by at least [...]2.1[...] percentage points as an annual average calculated for the period 2021 [...] to 2030, starting from the share of energy from renewable sources and from waste heat and cold in district heating and cooling in 2020, and shall lay down the measures necessary **in their integrated national energy and climate plans** to that end. The share of renewable energy shall be expressed in terms of share of gross final energy consumption in district heating and cooling adjusted to normal average climatic conditions.

Member States may count renewable electricity used for district heating and cooling by means of heat pumps in the annual average increase set out in the first subparagraph.

Member States shall inform the Commission about their intention to count renewable electricity used in district heating and cooling by means of heat pumps towards the annual increase set out in first subparagraph. Member States shall include the estimated electricity and heat pump capacities in their integrated national energy and climate plans submitted pursuant to Articles 3 and 14 of Regulation (EU) 2018/1999. Member States shall include the amount of renewable electricity used in district heating and cooling by means of heat pumps in their integrated national energy and climate progress reports pursuant to Article 17 of Regulation (EU) 2018/1999.

4a. For the calculation of the share of renewable electricity used in district heating and cooling for the purposes of paragraph 4 of this Article, Member States [...] shall use the average share of renewable electricity supplied in their territory in the two previous years.

Member States with a share of energy from renewable sources and from waste heat and cold in district heating and cooling above 60 % may count any such share as fulfilling the average annual increase referred to in the first subparagraph.

Member States with a share of energy from renewable sources and from waste heat and cold in district heating and cooling above 50% and up to 60 % may count any such share as fulfilling half of the average annual increase referred to in the first subparagraph.

Member States shall lay down the necessary measures to implement the average annual increase referred to in the first subparagraph in their integrated national energy and climate plans pursuant to Annex I to Regulation (EU) 2018/1999.’;

(c) the following paragraph 4a is inserted:

‘4a. Member States shall ensure that operators of district heating or cooling systems above 25 MWth capacity are obliged to connect third party suppliers of energy from renewable sources and from waste heat and cold or are obliged to offer to connect and purchase heat or cold from renewable sources and from waste heat and cold from third-party suppliers based on non-discriminatory criteria set by the competent authority of the Member State concerned, where such operators need to do one or more of the following:

- (a) meet demand from new customers;
- (b) replace existing heat or cold generation capacity;
- (c) expand existing heat or cold generation capacity.’;

(d) paragraphs 5 and 6 are replaced by the following:

- ‘5. Member States may allow an operator of a district heating or cooling system to refuse to connect and to purchase heat or cold from a third-party supplier in any of the following situations:
- (a) the system lacks the necessary capacity due to other supplies of heat or cold from renewable sources or of waste heat and cold;
 - (b) the heat or cold from the third-party supplier does not meet the technical parameters necessary to connect and ensure the reliable and safe operation of the district heating and cooling system;
 - (c) the operator can demonstrate that providing access would lead to an excessive heat or cold cost increase for final customers compared to the cost of using the main local heat or cold supply with which the renewable source or waste heat and cold would compete;
 - (d) the operator’s system meets the definition of efficient district heating and cooling set out in [Article x of the proposed recast of the Energy Efficiency Directive].

Member States shall ensure that, when an operator of a district heating or cooling system refuses to connect a supplier of heating or cooling pursuant to the first subparagraph, information on the reasons for the refusal, as well as the conditions to be met and measures to be taken in the system in order to enable the connection, is provided by that operator to the competent authority. Member States shall ensure that an appropriate process is in place to remedy unjustified refusals.

6. Member States shall put in place a coordination framework between district heating and cooling system operators and the potential sources of waste heat and cold in the industrial and tertiary sectors to facilitate the use of waste heat and cold. That coordination framework shall ensure dialogue as regards the use of waste heat and cold involving at least:
- (a) district heating and cooling system operators;
 - (b) industrial and tertiary sector enterprises generating waste heat and cold that can be economically recovered via district heating and cooling systems, such as data centres, industrial plants, large commercial buildings and public transport; and
 - (c) local authorities responsible for planning and approving energy infrastructures.’;
- (e) paragraphs 8, 9 and 10 are replaced by the following:

‘8. Member States shall establish a framework under which electricity distribution system operators will assess, at least every four years, in cooperation with the operators of district heating and cooling systems in their respective areas, the potential for district heating and cooling systems to provide balancing and other system services, including demand response and thermal storage of excess electricity from renewable sources, and whether the use of the identified potential would be more resource- and cost-efficient than alternative solutions.

Member States shall ensure that electricity transmission and distribution system operators take due account of the results of the assessment required under the first subparagraph in grid planning, grid investment and infrastructure development in their respective territories.

Member States shall facilitate coordination between operators of district heating and cooling systems and electricity transmission and distribution system operators to ensure that balancing, storage and other flexibility services, such as demand response, provided by district heating and district cooling system operators, can participate in their electricity markets.

Member States may extend the assessment and coordination requirements under the first and third subparagraphs to gas transmission and distribution system operators, including hydrogen networks and other energy networks.

9. Member States shall ensure that the rights of consumers and the rules for operating district heating and cooling systems in accordance with this Article are clearly defined, publicly available and enforced by the competent authority.
10. A Member State shall not be required to apply paragraphs 2 **to** [...] 9 where at least one of the following conditions is met:
 - (a) its share of district heating and cooling was less than or equal to 2 % of the gross final energy consumption in heating and cooling on 24 December 2018;
 - (b) its share of district heating and cooling is increased above 2 % of the gross final energy consumption in heating and cooling on 24 December 2018 by developing new efficient district heating and cooling based on its integrated national energy and climate plan pursuant to Annex I to Regulation (EU) 2018/1999 and the assessment referred to in Article 23(1a) of this Directive;
 - (c) 90 % of the gross final energy consumption in district heating and cooling systems takes place in district heating and cooling systems meeting the definition laid down in [Article x of the proposed recast of the Energy Efficiency Directive].’;

(14) Article 25 is replaced by the following:

‘Article 25

Greenhouse gas intensity reduction in the transport sector from the use of renewable energy

1. Each Member State shall set an obligation on fuel suppliers to ensure that:

(a) the amount of renewable fuels and renewable electricity supplied to the transport sector leads

(i) to a share of renewable energy within the final consumption of energy in the transport sector of at least 29 % by 2030; or[...]

(ii) to a greenhouse gas intensity reduction of at least [...]13[...] % by 2030, compared to the baseline set out in Article 27(1), point (b), in accordance with an indicative trajectory set by the Member State;

Member States shall, in their progress reports submitted pursuant to Article 17 of Regulation (EU) 2018/1999, report on the share of renewable energy within the final consumption of energy in the transport sector as well as on the greenhouse gas intensity reduction;

- (b) the share of advanced biofuels and biogas produced from the feedstock listed in Part A of Annex IX in the energy supplied to the transport sector is at least 0,2 % in 2022, [...] **1** % in 2025 and **[...]4.4[...]** % in 2030.

[...] **Each member State shall endeavour to reach a** [...] share of renewable fuels of non-biological origin [...] **of [...] 5.2** [...] % in 2030.

For the calculation of the reduction referred to in point (a) and the share referred to in point (b), Member States shall take into account renewable fuels of non-biological origin also when they are used as intermediate products for the production of :

(i) conventional **transport** fuels ; **or**

(ii) **biofuels [...], provided that the greenhouse gas emissions reduction achieved by the use of renewable fuels of non-biological origin is not considered in the calculation of the greenhouse gas emission savings of the biofuels.**

For the calculation of the reduction referred to in point (a) and the share referred to in point (b), Member States may take into account biogas that is injected into the national gas transmission and distribution infrastructure.

With regard to point (a), (b), or (c) of the first subparagraph of Article 7(1), biogas shall be considered only once for the purposes of calculating the share of gross final consumption of energy from renewable sources.

For the calculation of the reduction referred to in point (a), Member States may take into account recycled carbon fuels.

When setting the obligation on fuel suppliers, Member States may exempt fuel suppliers supplying electricity or renewable liquid and gaseous transport fuels of non-biological origin from the requirement to comply with the minimum share of advanced biofuels and biogas produced from the feedstock listed in Part A of Annex IX with respect to those fuels.

When setting the obligation referred to in points (a) and (b) of the first subparagraph to ensure the achievement of the targets set out therein, Member States may do so by means of measures targeting volumes, energy content or greenhouse gas emissions, provided that it is demonstrated that the greenhouse gas intensity reduction and minimum shares referred to in points (a) and (b) of the first subparagraph are achieved.

When setting the obligation referred to in points (a) and (b) of the first subparagraph to ensure the achievement of the targets set out therein, Member States may distinguish between different energy carriers.

When setting the obligation referred to in points (a) and (b) of the first subparagraph, Member States may distinguish between maritime transport and other sectors, [...], as long as the general target is reached. [...]

2. Member States shall establish a mechanism allowing fuel suppliers in their territory to exchange credits for supplying renewable energy to the transport sector. Economic operators that supply renewable electricity to electric vehicles through public recharging stations shall receive credits, irrespectively of whether the economic operators are subject to the obligation set by the Member State on fuel suppliers, and may sell those credits to fuel suppliers, which shall be allowed to use the credits to fulfil the obligation set out in paragraph 1, first subparagraph.’;

(15) Article 26 is amended as follows:

(a) paragraph 1 is amended as follows:

(i) the first subparagraph is replaced by the following:

‘For the calculation of a Member State's gross final consumption of energy from renewable sources referred to in Article 7 and of **minimum share of renewable energy** **or** the greenhouse gas intensity reduction target referred to in Article 25(1), first subparagraph, point (a), the share of biofuels and bioliquids, as well as of biomass fuels consumed in transport, where produced from food and feed crops, shall be no more than one percentage point higher than the share of such fuels in the final consumption of energy in the transport sector in 2020 in that Member State, with a maximum of 7 % of final consumption of energy in the transport sector in that Member State.’;

(ii) the fourth subparagraph is replaced by the following:

‘Where the share of biofuels and bioliquids, as well as of biomass fuels consumed in transport, produced from food and feed crops in a Member State is limited to a share lower than 7 % or a Member State decides to limit the share further, that Member State may reduce the **minimum share of renewable energy or the** greenhouse gas intensity reduction target referred to in Article 25(1), first subparagraph, point (a), accordingly, in view of the contribution these fuels would have made in terms of **the minimum share of renewable energy or** greenhouse gas emissions saving. For [...] **the purpose of the greenhouse gas intensity reduction target**, Member States shall consider those fuels save 50 % greenhouse gas emissions.’;

(b) in paragraph 2, first and fifth subparagraphs, ‘the minimum share referred to in the first subparagraph of Article 25(1)’ is replaced by ‘the **minimum share and the** greenhouse gas [...] **intensity reduction target referred to in Article 25(1), first subparagraph, point (a)**’[...]

(16) Article 27 is amended as follows:

(a) the title is replaced by the following:

‘Calculation rules in the transport sector and with regard to renewable fuels of non-biological origin regardless of their end use’;

(b) paragraph 1 is replaced by the following:

‘1. For the calculation of the greenhouse gas intensity reduction referred to in Article 25(1), first subparagraph, point (a), the following rules shall apply:

- (a) the greenhouse gas emissions savings shall be calculated as follows:
 - (i) for biofuel and biogas, by multiplying the amount of these fuels supplied to all transport modes by their emissions savings determined in accordance with Article 31;
 - (ii) for renewable fuels of non-biological origin and recycled carbon fuels, by multiplying the amount of these fuels that is supplied to all transport modes by their emissions savings determined in accordance with delegated acts adopted pursuant to Article 29a(3);
 - (iii) for renewable electricity, by multiplying the amount of renewable electricity that is supplied to all transport modes by the fossil fuel comparator $EC_{F(e)}$ set out in Annex V;
- (b) the baseline referred to in Article 25(1) shall be calculated by multiplying the amount of energy supplied to [...] transport **modes** [...] by the fossil fuel comparator $E_{F(t)}$ set out in Annex V;
- (c) for the calculation of the relevant amounts of energy, the following rules shall apply:
 - (i) in order to determine the amount of energy supplied to the transport sector, the values regarding the energy content of transport fuels set out in Annex III shall be used;
 - (ii) in order to determine the energy content of transport fuels not included in Annex III, the Member States shall use the relevant European standards for the determination of the calorific values of fuels. Where no European standard has been adopted for that purpose, the relevant ISO standards shall be used;

- (iii) the amount of renewable electricity supplied to the transport sector is determined by multiplying the amount of electricity supplied to that sector by the average share of renewable electricity supplied in the territory of the Member State in the two previous years. By way of exception, where electricity is obtained from a direct connection to an installation generating renewable electricity and supplied to the transport sector, that electricity shall be fully counted as renewable;
- (iv) the share of biofuels and biogas produced from the feedstock listed in Part B of Annex IX in the energy content of fuels and electricity supplied to the transport sector shall, except in Cyprus and Malta, be limited to 1,7 %.
Member States may, in duly justified cases, increase that limit, taking into account the availability of feedstock. Any such modification shall be notified to the Commission together with the justifications for such increase. Any such modification shall be subject to approval by the Commission.
- (d) the greenhouse gas intensity reduction from the use of renewable energy is determined by dividing the greenhouse gas emissions saving from the use of biofuels, biogas, **renewables fuels of non-biological origin** and renewable electricity supplied to all transport modes by the baseline. **Member States may take into account recycled carbon fuels.**

The Commission is empowered to adopt delegated acts in accordance with Article 35 to supplement this Directive by adapting the energy content of transport fuels, as set out in Annex III, in accordance with scientific and technical progress;’;

(c) the following paragraph 1a is inserted:

‘1a. [...]: **For the calculation of the minimum shares referred to in the paragraphs 1(a)(i) and 1(b) of Article 25, the following provisions shall apply:**

(a) for the calculation of the denominator, that is the amount of energy consumed in the transport sector, all fuels and electricity supplied to the transport sector shall be taken into account;

(b) for the calculation of the numerator, [...] **that is the amount of energy from renewable sources consumed in the transport sector for the purposes of the first subparagraph of Article 25(1), the energy content of all types of energy from renewable sources [...] supplied to all transport modes, including to international marine bunkers, in the territory of [...] each Member State shall be taken into account; Member States may take into account recycled carbon fuels.**

(c) **the share of biofuels and biogas for transport produced from the feedstock listed in Annex IX and renewable fuels of non-biological origin shall be considered to be twice its energy content;**

- (d) the share of renewable electricity shall be considered to be four times its energy content when supplied to road vehicles and may be considered to be 1,5 times its energy content when supplied to rail transport;**
- (e) the share of biofuels and biogas produced from the feedstock listed in Part B of Annex IX in the energy content of fuels and electricity supplied to the transport sector shall, except in Cyprus and Malta, be limited to 1,7 %; Member States may, where justified, modify that limit, taking into account the availability of feedstock. Any such modification shall be subject to approval by the Commission;**
- (f) in order to determine the amount of energy supplied to the transport sector, the values regarding the energy content of transport fuels set out in fAnnex III shall be used;**
- (g) in order to determine the energy content of transport fuels not included in Annex III, the Member States shall use the relevant European standards for the determination of the calorific values of fuels. Where no European standard has been adopted for that purpose, the relevant ISO standards shall be used;**
- (h) the amount of renewable electricity supplied to the transport sector is determined by multiplying the amount of electricity supplied to that sector by the average share of renewable electricity supplied in the territory of the Member State in the two previous years. By way of exception, where electricity is obtained from a direct connection to an installation generating renewable electricity and supplied to the transport sector, that electricity shall be fully counted as renewable;**

- (i [...]) the shares of advanced biofuels and biogas produced from the feedstock listed in Part A of Annex IX and of renewable fuels of non-biological origin supplied in the aviation and maritime modes shall be considered to be 1,2 times their energy content.’;

(d.a) the following paragraph 1b is inserted.

For the purpose of the calculations under paragraph 1(b) and 1a(a), the amount of energy supplied to maritime transport shall, as a proportion of that Member State's gross final consumption of energy, be considered to be no more than 15 %. For Cyprus and Malta, the amount of energy consumed in maritime transport shall, as a proportion of those Member States' gross final consumption of energy, be considered to be no more than 5 %. These provisions shall apply until 31 December 2030.

- (d) paragraph 2 is deleted.

(e [...]) paragraph 3 is amended as follows:

- (i) the first, second and third subparagraphs are deleted;
- (ii) the fourth subparagraph is replaced by the following:

‘Where electricity is used for the production of renewable fuels of non-biological origin, either directly or for the production of intermediate products, the average share of electricity from renewable sources in the country of production, as measured two years before the year in question, shall be used to determine the share of renewable energy.’;

(iii) [...] the fifth subparagraph, [...] is replaced by the following:

[...]

‘However, electricity obtained from direct connection to an installation generating renewable electricity may be fully counted as renewable electricity where it is used for the production of renewable liquid and gaseous fuels of non-biological origin, provided that the installation:

(a) comes into operation after, or at the same time as, the installation producing the renewable liquid and gaseous fuels of non-biological origin; and

(b) is not connected to the grid or is connected to the grid but evidence can be provided that the electricity concerned has been supplied without taking electricity from the grid. ’;

(17) Article 28 is amended as follows:

(a) paragraphs 2, 3 and 4 are deleted.

(b) paragraph 5 is replaced by the following:

‘By **30 June 2023** [...], the Commission shall adopt delegated acts in accordance with Article 35 to supplement this Directive by specifying the methodology to determine the share of biofuel, and biogas for transport, resulting from biomass being processed with fossil fuels in a common process.’;

- (c) in paragraph 7, ‘laid down in the fourth subparagraph of Article 25(1)’ is replaced by ‘laid down in Article 25(1), first subparagraph, point (b)’;

(18) Article 29 is amended as follows:

(a) paragraph 1 is amended as follows:

(i) in the first subparagraph, point (a) is replaced by the following:

‘(a) contributing towards the renewable energy shares of Member States and the targets referred to in Articles 3(1), 15a(1), 22a(1), 23(1), 24(4), and 25(1) of this Directive;’;

(ii) the fourth subparagraph is replaced by the following:

‘Biomass fuels shall fulfil the sustainability and greenhouse gas emissions saving criteria laid down in paragraphs 2 to 7 and 10 if used,

- (a) in the case of solid biomass fuels, in installations producing electricity, heating and cooling with a total rated thermal input equal to or exceeding [...] **10** [...] MW,
- (b) in the case of gaseous biomass fuels, in installations producing electricity, heating and cooling with a total rated thermal input equal to or exceeding 2 MW,
- (c) in the case of installations producing gaseous biomass fuels with the following average biomethane flow rate:
 - (i) above 200 m³ methane equivalent/h measured at standard conditions of temperature and pressure (i.e. 0°C and 1 bar atmospheric pressure);
 - (ii) if biogas is composed of a mixture of methane and non-combustible other gases, for the methane flow rate, the threshold set out in point (i), recalculated proportionally to the volumetric share of methane in the mixture;

(iii) the following subparagraph is inserted after the fourth subparagraph:

‘Member States may apply the sustainability and greenhouse gas emissions saving criteria to installations with lower total rated thermal input or biomethane flow rate.’;

(b) [...]

in paragraph 6, first subparagraph, point (a), the following point (vi) is inserted :

« (vi) that forests in which the abovementioned forest biomass is harvested do not stem from the lands that have the statuses mentioned in paragraph 3 point (a), paragraph 3 point (b), paragraph 3 point (d), paragraph 4 point (a), and paragraph 5, respectively under the same conditions of determination of the status of land specified in these paragraphs. For the purposes of paragraph 3 point (b), only the lands that have been identified as being highly biodiverse by the relevant competent authority are considered”;³²

(c) [...]

³² A new recital 36b explains this addition.

in paragraph 6, first subparagraph, point (b), the following point (vi) is inserted :

« (vi) that forests in which the abovementioned forest biomass is harvested do not stem from the lands that have the statuses mentioned in paragraph 3 point (a), paragraph 3 point (b), paragraph 3 point (d), paragraph 4 point (a), and paragraph 5, respectively under the same conditions of determination of the status of land specified in these paragraphs. For the purposes of paragraph 3 point (b), only the lands that have been identified as being highly biodiverse by the relevant competent authority are considered;»

(d) [...]

[...]

(e) in paragraph 6, first subparagraph, point (a), point (iv) is replaced by the following:

‘(iv) that harvesting is carried out considering maintenance of soil quality and biodiversity **according to sustainable forest management principles**³³, with the aim of minimising negative impacts, in a way that avoids harvesting of stumps and roots, degradation of primary forests or their conversion into plantation forests, and harvesting on vulnerable soils; minimises large clear-cuts and ensures locally appropriate thresholds for deadwood extraction and requirements to use logging systems that minimise impacts on soil quality, including soil compaction, and on biodiversity features and habitats:’;

³³

Delegations are informed that this concept is explained in the recital 102 of the Directive 2018/2001.

(f) in paragraph 6, first subparagraph, point (b), point (iv) is replaced by the following:

‘(iv) that harvesting is carried out considering maintenance of soil quality and biodiversity **according to sustainable forest management principles**, with the aim of minimising negative impacts, in a way that avoids harvesting of stumps and roots, degradation of primary forests or their conversion into plantation forests, and harvesting on vulnerable soils; minimises large clear-cuts and ensures locally appropriate thresholds for deadwood extraction and requirements to use logging systems that minimise impacts on soil quality, including soil compaction, and on biodiversity features and habitats:’;

(g) in paragraph 10, first subparagraph, **the first sentence is replaced by the following:**

“The greenhouse gas emission savings from the use of biofuels, bioliquids and biomass fuels taken into account for the purposes referred to in paragraph 1, and according to the thresholds defined in paragraph 1 subparagraph 4, shall be:”

(h) in paragraph 10, first subparagraph, point (d) is replaced by the following:

[...]

(d) [...] for electricity, heating and cooling production from biomass fuels used in installations having started operation after the entry into force of this directive, at least 80 %;

(e) [...] for electricity, heating and cooling production from biomass fuels used in installations with a total rated thermal input equal to or exceeding 10 MW having started operation from 1 January 2021 to the entry into force of this directive, at least 70 % until 31 December 2029, and at least 80% from 1 January 2030;

(f) [...] for electricity, heating and cooling production from gaseous [...] biomass fuels used in installations with a total rated thermal input [...] equal to or lower than 10 MW having started operation from 1 January 2021 to the entry into force of this directive, at least 70 % before they reach 15 years of operation, and at least 80% once they reach 15 years of operation;

(g) [...] for electricity, heating and cooling production from biomass fuels used in installations with a total rated thermal input equal to or exceeding 10 MW having started operation before 31 December 2020, at least 80% once they reach 15 years of operation, at the earliest from 1 January 2026 and, at the latest, from 31 December 2029;

(h) for electricity, heating and cooling production from gaseous [...] biomass fuels used in installations with a total rated thermal input [...] equal to or lower than 10 MW having started operation before 31 December 2020, at least 80% once they reach 15 years of operation and at the earliest from 1 January 2026.

(19) the following Article 29a is inserted:

‘Article 29a

Greenhouse gas emissions saving criteria for renewable fuels of non-biological origin and recycled carbon fuels

1. Energy from renewable fuels of non-biological origin shall be counted towards Member States’ shares of renewable energy and the targets referred to in Articles 3(1), 15a(1), 22a(1), 23(1), 24(4) and 25(1) only if the greenhouse gas emissions savings from the use of those fuels are at least 70 %.
2. Energy from recycled carbon fuels may be counted towards the greenhouse gas emissions reduction target referred to in Article 25(1), first subparagraph, point (a), only if the greenhouse gas emissions savings from the use of those fuels are at least 70%.
3. The Commission [...] **shall** adopt delegated acts in accordance with Article 35 to supplement this Directive by specifying the methodology for assessing greenhouse gas emissions savings from renewable fuels of non-biological origin and from recycled carbon fuels. The methodology shall ensure that credit for avoided emissions is not given for CO₂ the capture of which has already received an emission credit under other provisions of law. **The methodology shall cover the life-cycle GHG emissions that must include indirect emissions.**

(20) Article 30 is amended as follows:

(a) in paragraph 1, first subparagraph, the introductory phrase is replaced by the following:

‘Where renewable fuels and recycled carbon fuels are to be counted towards the targets referred to in Articles 3(1), 15a(1), 22a(1), 23(1), 24(4) and 25(1), Member States shall require economic operators to show that the sustainability and greenhouse gas emissions saving criteria laid down in Articles 29(2) to (7) and (10) and 29a(1) and (2) for renewable fuels and recycled-carbon fuels have been fulfilled. For that purpose, they shall require economic operators to use a mass balance system which:’;

(b) in paragraph 3, the first and second subparagraphs are replaced by the following:

‘Member States shall take measures to ensure that economic operators submit reliable information regarding the compliance with the sustainability and greenhouse gas emissions saving criteria laid down in Articles 29(2) to (7) and (10) and 29a(1) and (2), and that economic operators make available to the relevant Member State, upon request, the data used to develop that information. **Member States shall require economic operators to arrange for an adequate standard of independent auditing of the information submitted, and to provide evidence that this has been done. In order to comply with point (a) of Article 29(6) and point (a) of Article 29(7), the first or second party auditing may be used up to the first gathering point of the forest biomass. The auditing shall verify that the systems used by economic operators are accurate, reliable and protected against fraud, including verification ensuring that materials are not intentionally modified or discarded so that the consignment or part thereof could become a waste or residue. It shall evaluate the frequency and methodology of sampling and the robustness of the data.**

The obligations laid down in this paragraph shall apply regardless of whether renewable fuels and recycled carbon fuels are produced within the Union or are imported.

Information about the geographic origin and feedstock type of biofuels, bioliquids and biomass fuels per fuel supplier shall be made available to consumers on the websites of operators, suppliers or the relevant competent authorities and shall be updated on an annual basis.’;

(c) in paragraph 4, the first subparagraph is replaced by the following:

‘The Commission may decide that voluntary national or international schemes setting standards for the production of renewable fuels and recycled carbon fuels, provide accurate data on greenhouse gas emission savings for the purposes of Articles 29(10) and 29a (1) and (2), demonstrate compliance with Articles 27(3) and 31a(5), or demonstrate that consignments of biofuels, bioliquids and biomass fuels comply with the sustainability criteria laid down in Article 29(2) to (7). When demonstrating that the criteria laid down in Article 29(6) and (7) are met, the operators may provide the required evidence directly at sourcing area level. The Commission may recognise areas for the protection of rare, threatened or endangered ecosystems or species recognised by international agreements or included in lists drawn up by intergovernmental organisations or the International Union for the Conservation of Nature for the purposes of Article 29(3), first subparagraph, point (c)(ii).’;

(d) paragraph 6 is replaced by the following:

‘6. Member States may set up national schemes where compliance with the sustainability and greenhouse gas emissions saving criteria laid down in Articles 29(2) to (7) and (10) and 29a(1) and (2), in accordance with the methodology developed under Article 29a(3), is verified throughout the entire chain of custody involving competent national authorities. Those schemes may also be used to verify the accuracy and completeness of the information included by economic operators in the Union database, to demonstrate compliance with Article 27(3) and for the certification of biofuels, bioliquids and biomass fuels with low indirect land-use change-risk.

A Member State may notify such a national scheme to the Commission. The Commission shall give priority to the assessment of such a scheme in order to facilitate mutual bilateral and multilateral recognition of those schemes. The Commission may decide, by means of implementing acts, whether such a notified national scheme complies with the conditions laid down in this Directive. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 34(3).

Where the decision is positive, other schemes recognised by the Commission in accordance with this Article shall not refuse mutual recognition with that Member State’s national scheme as regards verification of compliance with the criteria for which it has been recognised by the Commission.

For installations producing electricity, heating and cooling with a total rated thermal input between [...] **10** and [...] **20** MW[...], Member States [...] **may** establish simplified national verification schemes to ensure the fulfillment of the sustainability and greenhouse gas emissions criteria set out in paragraphs (2) to (7) and (10) of Article 29. **For the same installations, the implementing acts provisioned in Article 30 paragraph 8 shall set out the uniform conditions for simplified voluntary verification schemes to ensure the fulfilment of the sustainability and greenhouse gas emissions criteria set out in paragraphs (2) to (7) and (10) of Article 29.**’;

(e) in paragraph 9, the first subparagraph is replaced by the following:

‘Where an economic operator provides evidence or data obtained in accordance with a scheme that has been the subject of a decision pursuant to paragraph 4 or 6, a Member State shall not require the economic operator to provide further evidence of compliance with the elements covered by the scheme for which the scheme has been recognised by the Commission.’;

(f) in paragraphe 9, the last following paragraph is added:

‘Competent public authorities of the Member States may also supervise economic operators once they are certified under a voluntary scheme. Where Member States find issues of non-conformity, they shall take appropriate action and inform the voluntary scheme without delay.’;

([...] g) paragraph 10 is replaced by the following:

‘At the request of a Member State, which may be based on the request of an economic operator, the Commission shall, on the basis of all available evidence, examine whether the sustainability and greenhouse gas emissions saving criteria laid down in Article 29(2) to (7) and (10) and Article 29a(1) and (2) in relation to a source of renewable fuels and recycled carbon fuels have been met.

Within six months of receipt of such a request and in accordance with the examination procedure referred to in Article 34(3), the Commission shall, by means of implementing acts, decide whether the Member State concerned may either:

- (a) take into account the renewable fuels and recycled carbon fuels from that source for the purposes referred to in points (a), (b) and (c) of the first subparagraph of Article 29(1); or
- (b) by way of derogation from paragraph 9 of this Article, require suppliers of the source of renewable fuels and recycled carbon fuels to provide further evidence of compliance with those sustainability and greenhouse gas emissions saving criteria and those greenhouse gas emissions savings thresholds.’;

(21) in Article 31, paragraphs 2, 3 and 4 are deleted:

(22) the following Article **31a** is inserted:

‘Article 31a

Union database

1. The Commission shall ensure that a Union database is set up to enable the tracing of liquid and gaseous renewable fuels and recycled carbon fuels.
2. Member States shall require the relevant economic operators to enter in a timely manner accurate information into that database on the transactions made and the sustainability characteristics of the fuels subject to those transactions, including their life-cycle greenhouse gas emissions, starting from their point of production to the moment it is **placed on the market** [...] in the Union. Information on whether support has been provided for the production of a specific consignment of fuel, and if so, on the type of support scheme, shall also be included in the database. **These data can be entered into the EU database via national databases.**

Where appropriate to improve traceability of data along the entire supply chain, the Commission is empowered to adopt delegated acts in accordance with Article 35 to further extend the scope of the information to be included in the Union database to cover relevant data from the point of production or collection of the raw material used for the fuel production.

Member States shall require fuel suppliers to enter the information necessary to verify compliance with the requirements laid down in Article 25(1), first subparagraph, into the Union database.

3. Member States shall have access to the Union database for the purposes of monitoring and data verification.

4. If guarantees of origin have been issued for the production of a consignment of renewable gases, Member States shall ensure that those guarantees of origin are cancelled before the consignment of renewable gases can be registered in the database.

5. Member States shall ensure **in their national legal framework** that the accuracy and completeness of the [...] **data** [...] **entered** by economic operators in the database is verified, for instance **by using certification bodies in the framework of voluntary or national schemes recognised by the Commission pursuant to Article 30(4), (5f) and (6).** [...]

[...] **Such** voluntary or national schemes [...] may use third party information systems as intermediaries to collect the data, provided that such use has been notified to the Commission.

Member States may use already existing national databases aligned to and linked with the EU database via interface or set up a national database that can be used by economic operators as an [...] tool for collecting data and for [...] entering, transferring and declaring those data into the Union Database, provided that:

(a) the national database [...] complies with the Union Database including in terms of the timeliness of data transmission, the typology of data sets transferred, and the protocols for data quality and data verification; Member States may set up [...] their national Database according to the national provisions, for instance to take into account stricter national requirements, as regards sustainability criteria [...]. This should not hinder the overall traceability of sustainable consignments of raw materials or fuels to be entered into the Union Database in line with this Directive.

(b) Member States ensure that the [...] data entered in the national database is instantly transferred to the Union database.

The verification of the data quality entered through national databases to the EU database, the sustainability characteristics of the fuels related to that data, and the final approval of transactions [...] shall be performed solely through the Union Database. The accuracy and completeness of the data must be checked in line with Implementing Regulation xxx/2022³⁴, and therefore may be checked by certification bodies.

[...]

Member States shall notify the detailed features of their national database to the Commission. Following that notification, the Commission shall assess whether the national database complies with the requirements in points (a) and (b) of the third subparagraph. If that is not the case, the Commission may require Member States to take appropriate steps to ensure compliance with those requirements.

³⁴ **Commission Implementing Regulation .../... of xxx on rules to verify sustainability and greenhouse gas emissions saving criteria and low indirect land-use change-risk criteria**

(23) Article 35 is amended as follows:

(a) paragraph 2 is replaced by the following:

‘The power to adopt delegated acts referred to in **Article 3(3)(b), second subparagraph, Article 7(3)**, Article 8(3), second subparagraph, **Article 25 (2), second paragraph**, [...], Article 26(2), fourth subparagraph, Article 26(2) fifth subparagraph, Article 27(1), second subparagraph, Article 27(3), [...] **seventh** subparagraph, Article 28(5), Article 28(6), second subparagraph, **Article 29a(3)**, Article 31(5), second subparagraph, and Article 31a(2), second subparagraph, shall be conferred on the Commission for a period of five years from [the entry into force of this amending Directive]. The Commission shall draw up a report in respect of the delegation of power not later than nine months before the end of the five-year period. The delegation of power shall be tacitly extended for periods of an identical duration, unless the European Parliament or the Council opposes such extension not later than three months before the end of each period.’;

(b) paragraph 4 is replaced by the following:

‘The delegation of power referred to in **Article 3(3)(b), second subparagraph, Article 7(3), fifth subparagraph**, Article 8(3), second subparagraph, **Article 25 (2), second paragraph**, [...], Article 26(2), fourth subparagraph, Article 26(2) fifth subparagraph, Article 27(1), second subparagraph, Article 27(3), [...] **seventh** subparagraph, Article 28(5), Article 28(6), second subparagraph, **Article 29a(3)**, Article 31(5), and Article 31a(2), second subparagraph, may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the *Official Journal of the European Union* or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.’;

- (c) paragraph 7 is replaced by the following:

‘A delegated act adopted pursuant to **Article 3(3)(b), second subparagraph**, Article 7(3), fifth subparagraph, Article 8(3), second subparagraph, [...] **Article 25 (2), second paragraph**, Article 26(2), fourth subparagraph, Article 26(2) fifth subparagraph, Article 27(1), second subparagraph, Article 27(3), [...] **seventh** subparagraph, Article 28(5), Article 28(6), second subparagraph, **Article 29a(3)**, Article 31(5), and Article 31a(2), second subparagraph, shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of two months of notification of that act to the European Parliament and to the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.’;

- (24) the Annexes are amended in accordance with the Annexes to this Directive.

Article 2

Amendments to Regulation (EU) 2018/1999

- (1) Article 2 is amended as follows:

- (a) point 11 is replaced by the following:

‘(11) ‘the Union's 2030 targets for energy and climate’ means the Union-wide binding target of at least 40 % domestic reduction in economy-wide greenhouse gas emissions as compared to 1990 to be achieved by 2030, the Union's binding target for renewable energy in 2030 as referred to in Article 3 of Directive (EU) 2018/2001, the Union-level headline target of at least 32,5 % for improving energy efficiency in 2030, and the 15 % electricity interconnection target for 2030 or any subsequent targets in this regard agreed by the European Council or by the European Parliament and by the Council for 2030.’;

(b) in point 20, point (b) is replaced by the following:

‘(b) in the context of Commission recommendations based on the assessment pursuant to point (b) of Article 29(1) with regard to energy from renewable sources, a Member State's early implementation of its contribution to the Union's binding target for renewable energy in 2030 as referred to in Article 3 of Directive (EU) 2018/2001 as measured against its national reference points for renewable energy;’;

(2) In Article 4, point (a)(2) is replaced by the following:

‘(2) with respect to renewable energy:

With a view to achieving the Union's binding target for renewable energy in 2030 as referred to in Article 3 of Directive (EU) 2018/2001, a contribution to that target in terms of the Member State's share of energy from renewable sources in gross final consumption of energy in 2030, with an indicative trajectory for that contribution from 2021 onwards. By 2022, the indicative trajectory shall reach a reference point of at least 18 % of the total increase in the share of energy from renewable sources between that Member State's binding 2020 national target, and its contribution to the 2030 target. By 2025, the indicative trajectory shall reach a reference point of at least 43 % of the total increase in the share of energy from renewable sources between that Member State's binding 2020 national target and its contribution to the 2030 target. By 2027, the indicative trajectory shall reach a reference point of at least 65 % of the total increase in the share of energy from renewable sources between that Member State's binding 2020 national target and its contribution to the 2030 target.

By 2030, the indicative trajectory shall reach at least the Member State's planned contribution. If a Member State expects to surpass its binding 2020 national target, its indicative trajectory may start at the level it is projected to achieve. The Member States' indicative trajectories, taken together, shall add up to the Union reference points in 2022, 2025 and 2027 and to the Union's binding target for renewable energy in 2030 as referred to in Article 3 of Directive (EU) 2018/2001. Separately from its contribution to the Union target and its indicative trajectory for the purposes of this Regulation, a Member State shall be free to indicate higher ambitions for national policy purposes.';

(3) In Article 5, paragraph 2 is replaced by the following:

'2. Member States shall collectively ensure that the sum of their contributions amounts to at least the level of the Union's binding target for renewable energy in 2030 as referred to in Article 3 of Directive (EU) 2018/2001.';

(4) In Article 29, paragraph 2 is replaced by the following:

'2. In the area of renewable energy, as part of its assessment referred to in paragraph 1, the Commission shall assess the progress made in the share of energy from renewable sources in the Union's gross final consumption on the basis of an indicative Union trajectory that starts from 20 % in 2020, reaches reference points of at least 18 % in 2022, 43 % in 2025 and 65 % in 2027 of the total increase in the share of energy from renewable sources between the Union's 2020 renewable energy target and the Union's 2030 renewable energy target, and reaches the Union's binding target for renewable energy in 2030 as referred to in Article 3 of Directive (EU) 2018/2001.';

Article 3

Amendments to Directive 98/70/EC

Directive 98/70/EC is amended as follows:

- (1) Article 1 is replaced by the following:

‘Article 1

Scope

This Directive sets, in respect of road vehicles, and non-road mobile machinery (including inland waterway vessels when not at sea), agricultural and forestry tractors, and recreational craft when not at sea, technical specifications on health and environmental grounds for fuels to be used with positive ignition and compression-ignition engines, taking account of the technical requirements of those engines.’;

(2) Article 2 is amended as follows:

(a) points 1, 2 and 3 are replaced by the following:

‘1. ‘petrol’ means any volatile mineral oil intended for the operation of internal combustion positive-ignition engines for the propulsion of vehicles and falling within CN codes 2710 12 41, 2710 12 45 and 2710 12 49;

2. ‘diesel fuels’ means gas oils falling within CN code 2710 19 43³⁵ as referred to in Regulation (EC) No 715/2007 of the European Parliament and the Council³⁶ and Regulation (EC) 595/2009 of the European Parliament and of the Council³⁷ and used for self-propelling vehicles;

³⁵ The numbering of these CN codes as specified in the Common Customs Tariff, Council Regulation (EEC) No 2658/87 of 23 July 1987 on the tariff and statistical nomenclature and on the Common Customs Tariff (OJ L 256 7.9.1987, p. 1).

³⁶ Regulation (EC) No 715/2007 of the European Parliament and of the Council of 20 June 2007 on type approval of motor vehicles with respect to emissions from light passenger and commercial vehicles (Euro 5 and Euro 6) [...] (OJ L 171, 29.6.2007, p. 1).

³⁷ Regulation (EC) No 595/2009 of the European Parliament and of the Council of 18 June 2009 on type-approval of motor vehicles and engines with respect to emissions from heavy duty vehicles (Euro VI) [...] and amending Regulation (EC) No 715/2007 and Directive 2007/46/EC and repealing Directives 80/1269/EEC, 2005/55/EC and 2005/78/EC (OJ L 188, 18.7.2009, p. 1);

‘3. ‘gas oils intended for use by non-road mobile machinery (including inland waterway vessels), agricultural and forestry tractors, and recreational craft’ means any petroleum-derived liquid, falling within CN codes 27101943³⁸, referred to in Directive 2013/53/EU of the European Parliament and of the Council³⁹, Regulation (EU) 167/2013 of the European Parliament and of the Council⁴⁰ and Regulation (EU) 2016/1628 of the European Parliament and of the Council⁴¹ and intended for use in compression ignition engines.’;

(b) points 8 and 9 are replaced by the following:

‘8. ‘supplier’ means ‘fuel supplier’ as defined in Article 2, first paragraph, point (38) of Directive (EU) 2018/2001 of the European Parliament and of the Council⁴²;

‘9. ‘biofuels’ means ‘biofuels’ as defined in Article 2, first paragraph, point (33) of Directive (EU) 2018/2001[...]’;

³⁸ The numbering of these CN codes as specified in the Common Customs Tariff, Council Regulation (EEC) No 2658/87 of 23 July 1987 on the tariff and statistical nomenclature and on the Common Customs Tariff (OJ L 256 7.9.1987, p. 1).

³⁹ Directive 2013/53/EU of the European Parliament and of the Council of 20 November 2013 on recreational craft and personal watercraft and repealing Directive 94/25/EC (OJ L 354, 28.12.2013, p.90).

⁴⁰ Regulation (EU) No 167/2013 of the European Parliament and of the Council of 5.02.2013 on the approval and market surveillance of agricultural and forestry vehicles, (OJ L 060 of 2.3.2013, p. 1).

⁴¹ Regulation (EU) 2016/1628 of the European Parliament and of the Council of 14 September 2016 on requirements relating to gaseous and particulate pollutant emission limits and type-approval for internal combustion engines for non-road mobile machinery, amending Regulations (EU) No 1024/2012 and (EU) No 167/2013, and amending and repealing Directive 97/68/EC, (OJ L 354 of 28.12.2013, p.53).

⁴² Directive (EU) 2018/2001 of the European Parliament and of the Council on the promotion of the use of energy from renewable sources, (OJ L 328 of 21.12.2018, p. 82.)

(3) Article 4 is amended as follows:

(a) In paragraph 1, the second subparagraph is replaced by the following:

‘Member States shall require suppliers to ensure the placing on the market of diesel with a fatty acid methyl ester (FAME) content of up to 7%.’

(b) Paragraph 2 is replaced by the following:

‘2, Member States shall ensure that the maximum permissible sulphur content of gas oils intended for use by non-road mobile machinery (including inland waterway vessels), agricultural and forestry tractors and recreational craft is 10 mg/kg. Member States shall ensure that liquid fuels other than those gas oils may be used in inland waterway vessels and recreational craft only if the sulphur content of those liquid fuels does not exceed the maximum permissible content of those gas oils.’;

(4) Articles 7a to 7e are deleted.

(5) Article 9 is amended as follows:

(a) in paragraph 1, points (g), (h), (i) and (k) are deleted;

(b) paragraph 2 is deleted;

(6) Annexes I, II, IV and V are amended in accordance with Annex I to this Directive.

Article 4

Transitional provisions

- (1) Member States shall ensure that the data collected and reported to the authority designated by the Member State with respect to the year [OP[...]: replace by calendar year during which the repeal takes effect] or a part thereof in accordance with Article 7a(1), third subparagraph, and Article 7a(7) of Directive 98/70/EC, which are deleted by Article 3(4) of this Directive, are submitted to the Commission.
- (2) The Commission shall include the data referred to in paragraph 1 of this Article in any report it is obliged to submit under Directive 98/70/EC.

Article 5

Transposition

1. Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with this Directive by 31 December 2024 at the latest. They shall forthwith communicate to the Commission the text of those provisions.

When Member States adopt those provisions, they shall contain a reference to this Directive or be accompanied by such a reference on the occasion of their official publication. Member States shall determine how such reference is to be made.

2. Member States shall communicate to the Commission the text of the main provisions of national law which they adopt in the field covered by this Directive.

Article 6

Repeal

Council Directive (EU) 2015/652⁴³ is repealed with effect from [OJ: replace by calendar year during which the repeal takes effect].

Article 7

Entry into force

This Directive shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

This Directive is addressed to the Member States.

Done at Brussels,

For the European Parliament

For the Council

The President

The President

⁴³ Council Directive (EU) 2015/652 of 20 April 2015 laying down calculation methods and reporting requirements pursuant to Directive 98/70/EC of the European Parliament and of the Council relating to the quality of petrol and diesel fuels, OJ L 107, 25.4.2015, p. 26–67

The Annexes to Directive (EU) 2018/2001 are amended as follows:

- (1)** in Annex I, the final row in the table is deleted;
- (2)** the following Annex 1a is inserted:

‘ANNEX 1a

ANNUAL NATIONAL HEATING AND COOLING SHARES OF ENERGY FROM RENEWABLE SOURCES IN GROSS FINAL CONSUMPTION OF ENERGY FOR 2020-2030

	<u>[...]</u> <u>Additional top ups to Article 23(1) (in percentage points) for the period 2021-2025⁴⁴</u>	<u>Additional top ups to Article 23(1) (in percentage points) for the period 2026-2030⁴⁵</u>	<u>Resulting shares including top ups without waste heat and cold (in percentage points) [...]</u>
Belgium	0,6 [...]	<u>0,3</u>	1,4 [...]
Bulgaria	<u>0,6 [...]</u>	<u>0,3</u>	1,4 [...]

⁴⁴ **The flexibilities of Article 23 (2) (b) and (c) where taken into account when calculating the top ups and resulting shares.**

⁴⁵ **The flexibilities of Article 23 (2) (b) and (c) where taken into account when calculating the top ups and resulting shares.**

Czech Republic	<u>0,6</u> [...]	<u>0,3</u>	1,4[...]
Denmark	<u>1</u> [...]	<u>0,85</u>	1,4[...]
Germany	<u>0,7</u> [...]	<u>0,4</u>	1,5[...]
Estonia	<u>1,1</u> [...]	<u>0,95</u>	1,5[...]
Ireland	<u>2,1</u> [...]	<u>1,8</u>	2,9[...]
Greece	<u>1,2</u> [...]	<u>0,9</u>	2,0[...]
Spain	<u>0,6</u> [...]	<u>0,3</u>	1,4[...]
France	<u>1</u> [...]	<u>0,7</u>	1,8[...]
Croatia	<u>0,6</u> [...]	<u>0,3</u>	1,4[...]
Italy	<u>0,8</u> [...]	<u>0,5</u>	1,6[...]
Cyprus	<u>0,8</u> [...]	<u>0,5</u>	1,6[...]
Latvia	<u>0,6</u> [...]	<u>0,45</u>	1,0[...]
Lithuania	<u>1,6</u> [...]	<u>1,45</u>	2,0[...]
Luxembourg	<u>1,9</u> [...]	<u>1,6</u>	2,7[...]
Hungary	<u>0,7</u> [...]	<u>0,4</u>	1,5[...]
Malta	<u>0,7</u> [...]	<u>0,4</u>	1,5[...]
Netherlands	<u>0,6</u> [...]	<u>0,3</u>	1,4[...]
Austria	<u>0,7</u> [...]	<u>0,4</u>	1,5[...]

Poland	<u>0,7</u> [...]	<u>0,4</u>	1,5[...]
Portugal	<u>0,6</u> [...]	<u>0,3</u>	1,4[...]
Romania	<u>0,6</u> [...]	<u>0,3</u>	1,4[...]
Slovenia	<u>0,6</u> [...]	<u>0,3</u>	1,4[...]
Slovakia	<u>0,6</u> [...]	<u>0,3</u>	1,4[...]
Finland	<u>0,4</u> [...]	<u>0,25</u>	0,8[...]
Sweden	<u>0,6</u> [...]	<u>0,6</u>	0,6[...]

(3) Annex III is replaced by the following:

ENERGY CONTENT OF FUELS

Fuel	Energy content by weight (lower calorific value, MJ/kg)	Energy content by volume (lower calorific value, MJ/l)
FUELS FROM BIOMASS AND/OR BIOMASS PROCESSING OPERATIONS		
Bio-Propane	46	24
Pure vegetable oil (oil produced from oil plants through pressing, extraction or comparable procedures, crude or refined but chemically unmodified)	37	34

Biodiesel - fatty acid methyl ester (methyl-ester produced from oil of biomass origin)	37	33
Biodiesel - fatty acid ethyl ester (ethyl-ester produced from oil of biomass origin)	38	34
Biogas that can be purified to natural gas quality	50	—
Hydrotreated (thermochemically treated with hydrogen) oil of biomass origin, to be used for replacement of diesel	44	34
Hydrotreated (thermochemically treated with hydrogen) oil of biomass origin, to be used for replacement of petrol	45	30
Hydrotreated (thermochemically treated with hydrogen) oil of biomass origin, to be used for replacement of jet fuel	44	34
Hydrotreated oil (thermochemically treated with hydrogen) of biomass origin, to be used for replacement of liquefied petroleum gas	46	24
Co-processed oil (processed in a refinery simultaneously with fossil fuel) of biomass or pyrolysed biomass origin to be used for replacement of diesel	43	36

Co-processed oil (processed in a refinery simultaneously with fossil fuel) of biomass or pyrolysed biomass origin, to be used to replace petrol	44	32
Co-processed oil (processed in a refinery simultaneously with fossil fuel) of biomass or pyrolysed biomass origin, to be used to replace jet fuel	43	33
Co-processed oil (processed in a refinery simultaneously with fossil fuel) of biomass or pyrolysed biomass origin, to be used to replace liquefied petroleum gas	46	23
RENEWABLE FUELS THAT CAN BE PRODUCED FROM VARIOUS RENEWABLE SOURCES, INCLUDING BIOMASS		
Methanol from renewable sources	20	16
Ethanol from renewable sources	27	21
Propanol from renewable sources	31	25
Butanol from renewable sources	33	27
Fischer-Tropsch diesel (a synthetic hydrocarbon or mixture of synthetic hydrocarbons to be used for replacement of diesel)	44	34

Fischer-Tropsch petrol (a synthetic hydrocarbon or mixture of synthetic hydrocarbons produced from biomass, to be used for replacement of petrol)	44	33
Fischer-Tropsch jet fuel (a synthetic hydrocarbon or mixture of synthetic hydrocarbons produced from biomass, to be used for replacement of jet fuel)	44	33
Fischer-Tropsch liquefied petroleum gas (a synthetic hydrocarbon or mixture of synthetic hydrocarbons, to be used for replacement of liquefied petroleum gas)	46	24
DME (dimethylether)	28	19
Hydrogen from renewable sources	120	—
ETBE (ethyl-tertio-butyl-ether produced on the basis of ethanol)	36 (of which [...] 33 % from renewable sources)	27 (of which [...] 33 % from renewable sources)
MTBE (methyl-tertio-butyl-ether produced on the basis of methanol)	35 (of which 22 % from renewable sources)	26 (of which 22 % from renewable sources)
TAE (tertiary-amyl-ethyl-ether produced on the basis of ethanol)	38 (of which 29 % from renewable sources)	29 (of which 29 % from renewable sources)

TAME (tertiary-amyl-methyl-ether produced on the basis of methanol)	36 (of which 18 % from renewable sources)	28 (of which 18 % from renewable sources)
THxEE (tertiary-hexyl-ethyl-ether produced on the basis of ethanol)	38 (of which 25 % from renewable sources)	30 (of which 25 % from renewable sources)
THxME (tertiary-hexyl-methyl-ether produced on the basis of methanol)	38 of which 14 % from renewable sources)	30 (of which 14 % from renewable sources)
NON-RENEWABLE FUELS		
Petrol	43	32
Diesel	43	36
<u>Jet Fuel</u>	[...]43[...]	[...]34[...]
Hydrogen from non-renewable sources	120	—

(4) Annex IV is amended as follows:

a) the title is replaced by the following:

**‘TRAINING AND CERTIFICATION OF INSTALLERS AND DESIGNERS OF
RENEWABLE ENERGY INSTALLATIONS’**

- b) the introductory sentence and the first point are replaced by the following:

‘The certification schemes and training programmes referred to in Article 18(3) shall be based on the following criteria:

1. The certification process shall be transparent and clearly defined by the Member States or by the administrative body that they appoint.’;

- c) The following points 1a and 1b are inserted:

‘1a. The certificates issued by certification bodies shall be clearly defined and easy to identify for workers and professionals seeking certification.

1b. The certification process shall enable installers to **acquire the necessary theoretical and practical knowledge and guarantee the existence of skills needed to put in place high quality installations that operate reliably.**’;

- d) Points 2 and 3 are replaced by the following:

‘2. Installers of **systems using** biomass, heat pump, shallow geothermal, solar photovoltaic and solar thermal energy shall be certified by an accredited training programme or training provider.’

3. The accreditation of the training programme or provider shall be effected by Member States or by the administrative body that they appoint. The accrediting body shall ensure that the training programme offered by the training provider has continuity and regional or national coverage.

The training provider shall have adequate technical facilities to provide practical training, including sufficient laboratory equipment or corresponding facilities to provide practical training.

The training provider shall offer, in addition to the basic training, shorter refresher and upskilling courses organised in training modules allowing installers and designers to add new competences, widen and diversify their skills across several technologies and their combinations. The training provider shall ensure adaptation of training to new renewable technologies in the context of buildings, industry and agriculture. Training providers shall recognise acquired relevant skills.

The training programmes and modules shall be designed to enable life-long learning in renewable installations and be compatible with vocational training for first time job seekers and adults seeking reskilling or new employment.

The training programmes shall be designed in order to facilitate acquiring qualification in different technologies and solutions and avoid limited specialisation in a specific brand or technology. The training provider may be the manufacturer of the equipment or system, institutes or associations.’;

e) In point 6(c) the following points (iv) and (v) are added :

‘(iv) an understanding of feasibility and design studies;

(v) an understanding of drilling, in the case of geothermal heat pumps.’;

(5) In Annex V, part C is amended as follows:

[...]

[...]

a[...] points 5 and 6 are replaced by the following:

‘5. Emissions from the extraction or cultivation of raw materials, eec, shall, include emissions from the extraction or cultivation process itself; from the collection, drying and storage of raw materials; from waste and leakages; and from the production of chemicals or products used in extraction or cultivation. Capture of CO₂ in the cultivation of raw materials shall be excluded. If available, the disaggregated default values for soil N₂O emissions set out in Part D shall be applied in the calculation. It is allowed to calculate averages based on local farming practices based on data of a group of farms, as an alternative to using actual values.’;

6. For the purposes of the calculation referred to in point 1(a), greenhouse gas emissions savings from improved agriculture management, esca, such as shifting to reduced or zero-tillage, improved crops **and crop**/rotation, the use of cover crops, including crop residue management, and the use of organic soil improver (e.g. compost, manure fermentation digestate), shall be taken into account only if they do not risk to negatively affect biodiversity. Further, solid and verifiable evidence shall be provided that the soil carbon has increased or that it is reasonable to expect to have increased over the period in which the raw materials concerned were cultivated while taking into account the emissions where such practices lead to increased fertiliser and herbicide use⁴⁶.’;

b) [...]

⁴⁶ Measurements of soil carbon can constitute such evidence, e.g. by a first measurement in advance of the cultivation and subsequent ones at regular intervals several years apart. In such a case, before the second measurement is available, increase in soil carbon would be estimated on the basis of representative experiments or soil models. From the second measurement onwards, the measurements would constitute the basis for determining the existence of an increase in soil carbon and its magnitude.

c) point 18 is replaced by the following:‘

18. For the purposes of the calculations referred to in point 17, the emissions to be divided shall be $e_{ec} + e_l + e_{sca} +$ those fractions of e_p , e_{td} , **and** e_{ccs} [...] **and e_{ccr}** that take place up to and including the process step at which a co-product is produced. If any allocation to co-products has taken place at an earlier process step in the life-cycle, the fraction of those emissions assigned in the last such process step to the intermediate fuel product shall be used for those purposes instead of the total of those emissions. In the case of **biofuels** [...] and **bioliquids** [...], all co-products that do not fall under the scope of point 7 shall be taken into account for the purposes of that calculation. [...] Co-products that have a negative energy content shall be considered to have an energy content of zero for the purposes of the calculation. **As general rule, [...]**wastes and residues including all wastes and residues included in Annex IX shall be considered to have zero life-cycle greenhouse gas emissions up to the process of collection of those materials irrespectively of whether they are processed to interim products before being transformed into the final product. **No emissions shall be allocated to wastes and residues. However, for the purpose of determining the emissions of production of biofuels and bioliquids residues stemming from the processing of food and feed crops** [...] that are not included in Annex IX and fit for use in the food or feed [...] **chain** shall be **treated in the same way as co-products.** [...] In the case of biomass fuels produced in refineries, other than the combination of processing plants with boilers or cogeneration units providing heat and/or electricity to the processing plant, the unit of analysis for the purposes of the calculation referred to in point 17 shall be the refinery’;

(6) In Annex VI, part B is amended as follows:

[...]

[...]

a[...] points 5 and 6 are replaced by the following:

‘5. Emissions from the extraction or cultivation of raw materials, eec, shall, include emissions from the extraction or cultivation process itself; from the collection, drying and storage of raw materials; from waste and leakages; and from the production of chemicals or products used in extraction or cultivation. Capture of CO₂ in the cultivation of raw materials shall be excluded. If available, the disaggregated default values for soil N₂O emissions set out in Part D shall be applied in the calculation. It is allowed to calculate averages based on local farming practises based on data of a group of farms, as an alternative to using actual values.’

6. For the purposes of the calculation referred to in point 1(a), greenhouse gas emissions savings from improved agriculture management, esca, such as shifting to reduced or zero-tillage, improved crop/rotation, the use of cover crops, including crop residue management, and the use of organic soil improver (e.g. compost, manure fermentation digestate), shall be taken into account only if they do not risk to negatively affect biodiversity. Further, solid and verifiable evidence shall be provided that the soil carbon has increased or that it is reasonable to expect to have increased over the period in which the raw materials concerned were cultivated while taking into account the emissions where such practices lead to increased fertiliser and herbicide use⁴⁷;

b) [...]

⁴⁷ Measurements of soil carbon can constitute such evidence, e.g. by a first measurement in advance of the cultivation and subsequent ones at regular intervals several years apart. In such a case, before the second measurement is available, increase in soil carbon would be estimated on the basis of representative experiments or soil models. From the second measurement onwards, the measurements would constitute the basis for determining the existence of an increase in soil carbon and its magnitude.

- c) point 18 is replaced by the following:

‘18. For the purposes of the calculations referred to in point 17, the emissions to be divided shall be $e_{ec} + e_l + e_{sca}$ + those fractions of e_p , e_{td} , **and** e_{ccs} [...] **and e_{ccr}** that take place up to and including the process step at which a co-product is produced. If any allocation to co-products has taken place at an earlier process step in the life-cycle, the fraction of those emissions assigned in the last such process step to the intermediate fuel product shall be used for those purposes instead of the total of those emissions.

In the case of biogas and biomethane, all co-products that do not fall under the scope of point **17** shall be taken into account for the purposes of that calculation. [...] Co-products that have a negative energy content shall be considered to have an energy content of zero for the purposes of the calculation. **As general rule**, [...] **wastes and residues including all wastes and residues included in Annex IX shall be considered to have zero life-cycle greenhouse gas emissions up to the process of collection of those materials irrespectively of whether they are processed to interim products before being transformed into the final product. No emissions shall be allocated to wastes and residues. However, for the purpose of determining the emissions of production of biofuels and bioliquids residues stemming from the processing of food and feed crops [...] that are not included in Annex IX and fit for use in the food or feed [...] chain shall be treated in the same way as co-products.** [...] In the case of biomass fuels produced in refineries, other than the combination of processing plants with boilers or cogeneration units providing heat and/or electricity to the processing plant, the unit of analysis for the purposes of the calculation referred to in point 17 shall be the refinery’;

(7) in Annex VII, in the definition of ‘ Q_{usable} ’, the reference to Article 7(4) is replaced by a reference to Article 7(3).

(8) Annex IX is amended as follows:

(a) in Part A, the introductory phrase is replaced by the following:

‘Feedstocks for the production of biogas for transport and advanced biofuels:’

(b) In Part B, the introductory phrase is replaced by the following:

‘Feedstocks for the production of biofuels and biogas for transport, the contribution of which towards the greenhouse gas emissions reduction target established in Article 25(1), first subparagraph, point (a), shall be limited[...];’

Annexes I, II, IV and V to Directive 98/70/EC are amended as follows:

(1) Annex I is amended as follows:

(a) the text of footnote 1 is replaced by the following:

‘(1) Test methods shall be those specified in EN 228:2012+A1:2017. Member States may adopt the analytical method specified in replacement EN 228:2012+A1:2017 standard if it can be shown to give at least the same accuracy and at least the same level of precision as the analytical method it replaces.’ ;

(b) the text of footnote 2 is replaced by the following:

‘(2) the values quoted in the specification are ‘true values’. In the establishment of their limit values, the terms of EN ISO 4259-1:2017/A1:2021 ‘Petroleum and related products — Precision of measurement methods and results – Part 1: Determination of precision data in relation to methods of test’ have been applied and in fixing a minimum value, a minimum difference of 2R above zero has been taken into account (R = reproducibility). The results of individual measurements shall be interpreted on the basis of the criteria described in EN ISO 4259-2:2017/A1:2019.’;

(c) the text of footnote 6 is replaced by the following:

‘(6) Other mono-alcohols and ethers with a final boiling point no higher than that stated in EN 228:2012 +A1:2017.’

(2) Annex II is amended as follows:

(a) in the last line of the table, ‘FAME content – EN 14078, the entry in the last column ‘Limits’ ‘Maximum’, ‘7,0’ is replaced by ‘10.0’;

(b) the text of footnote 1 is replaced by the following:

‘(1) Test methods shall be those specified in EN 590:2013+A1:2017. Member States may adopt the analytical method specified in replacement EN 590:2013+A1:2017 standard if it can be shown to give at least the same accuracy and at least the same level of precision as the analytical method it replaces.’;

(c) the text of footnote 2 is replaced by the following:

‘(2) The values quoted in the specification are ‘true values’. In the establishment of their limit values, the terms of EN ISO 4259-1:2017/A1:2021 ‘Petroleum and related products — Precision or measurement methods and results – Part 1: Determination of precision data in relation to methods of test’ have been applied and in fixing a minimum value, a minimum difference of 2R above zero has been taken into account (R = reproducibility). The results of individual measurements shall be interpreted on the basis of the criteria described in EN ISO 4259-2:2017/A1:2019.’;

(3) Annexes IV and V are deleted.

