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INFORMATION NOTE

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State of play on the implementation of the Fit for 55 legislation
- Information from the Commission

In view of the Transport, Telecommunications and Energy Council on 15 October 2024, delegations will find in Annex an information note from the Commission on the above-mentioned subject.

STATE OF PLAY ON THE IMPLEMENTATION OF THE FIT-FOR-55 LEGISLATION

Information note from the European Commission

This note aims to update Member States on the state of play of the implementation of the energy related Fit-for-55 legislation and highlight areas where further progress is necessary.

As the last years have shown, secure supplies of clean and affordable energy are critical for European competitiveness, security and our decarbonisation efforts towards 2030 and to climate neutrality by mid-century. To achieve this, we must stay the course on the goals set out in the European Green Deal and must implement the legislation already agreed.

In 2023 and 2024, with the adoption of the **Fit for 55 package**, the co-legislators decided on the policy framework needed for the achievement of its 2030 climate and energy targets. In line with the Political Guidelines for the next Commission mandate, priority must be given to **ensuring implementation of this ambitious framework**, in the simplest, fairest and most cost-efficient way. All Member States must therefore step-up efforts to ensure swift and effective transposition and implementation of the EU legislative framework in view of collectively ensuring that the EU delivers on its 2030 targets. Important in this respect is also Member States' submission of their missing final updated National Energy and Climate Plans, which were due in June 2024. The Commission stands ready to assist Member States in their transposition and implementation efforts.

Renewable Energy Directive

Following the entry into force of the revision of the Renewable Energy Directive (RED) in November 2023, Member States are now working on its transposition and implementation. The general transposition deadline is May 2025.

Transposition of (most) **permitting provisions** was due by 1 July 2024. The Commission launched an **initiative to support timely transposition in the Member States (Accele-RES)**¹ already in October 2023, including bilateral meetings with Member States to discuss transposition progress and to identify challenging areas where the Commission can offer support. Despite these fruitful discussions, as of 3 October 2024 only one Member State – Denmark – has declared full transposition of the permitting measures. Some Member States notified partial transposition.

Without a **step change in the speed and simplification of permitting**, the EU's renewable energy goals for 2030 will be impossible to achieve. Moreover, as identified by the Single Market Enforcement Taskforce, **insufficient staff and capacities of public administrations to deliver permits** remains a key issue on the path to full implementation of the RED. The Commission continuously invites Member States to reinforce such capacities.

The Commission urges those Member States who missed the transposition deadline to take actions without further delays. The Commission will explore any legal options to ensure a swift transposition in view of supporting the delivery of the 2030 targets on the ground.

Alongside, to further facilitate transposition and implementation of the RED provisions that will be due by May 2025, the Commission published on 2 September 2024 **three guidance documents** on specific provisions of the revised directive, related to **energy system integration** (Article 20a)², **industry** (Article 22a and 22b)³ and **heating and cooling** (Article 15a, 23 and 24)⁴. The Commission has also been continuously engaging with Member States in different fora, and notably the Concerted Action on Renewable Energy Sources to support the transposition work.

¹ European Wind Power Action Plan, COM/2023/669 final. To enhance visibility and predictability for the whole value chain, an EU-wide renewables auctions platform was launched as part of the package, with the aim of consolidating information on planned renewable energy auctions in all EU Countries.

² C (2024) 5041: Guidance on Article 20a on sector integration of renewable electricity of Directive (EU) 2018/2001 on the promotion of energy from renewable sources, as amended by Directive (EU) 2023/2413.

³ C (2024) 5042: Guidance on the targets for the consumption of renewable fuels of non-biological origin in the industry and transport sectors laid down in Articles 22a, 22b and 25 of Directive (EU) 2018/2001 on the promotion of energy from renewable sources, as amended by Directive (EU) 2023/241

⁴ C (2024) 5043: Guidance on heating and cooling aspects in Articles 15a, 22a, 23 and 24 of Directive (EU) 2018/2001 on the promotion of energy from renewable sources, as amended by Directive (EU) 2023/2413.

Energy Efficiency Directive

Following the entry into force of the recast Energy Efficiency Directive (EED) in October 2023, Member States are currently working on the transposition due by 10 October 2025. The Commission is supporting Member States in their transposition and implementation efforts, notably by providing dedicated guidance and explaining the new provisions and their practical implementation in multiple formats (e.g., EED Experts Group, Concerted Action on the EED, bilateral meetings with the Member States and dedicated missions to the capitals).

Between the end of 2023 and 2024, **nine Recommendations and related Guidance documents** were adopted by the Commission on the most relevant Articles in the EED, namely concerning the **energy efficiency first principle**⁵, the **energy efficiency target**⁶, the **public sector**⁷, **energy saving obligations**⁸, **energy audits** and **energy management systems**⁹, **consumer related issues**¹⁰, **heating and cooling**¹¹ as well as **energy services**¹² and **financing**¹³.

In addition, the implementation of the provisions on **data centres** is progressing. After the publication of the Delegated Regulation (EU) 2024/1364, the Commission deployed the foreseen European database and is currently working with the Member States and data centre operators to accomplish the first annual reporting.

⁵ Commission Recommendation (EU) 2024/2143 setting out guidelines for the interpretation of Article 3 of Directive (EU) 2023/1791 as regards the energy efficiency first principle.

⁶ Commission Recommendation (EU) 2024/1722 setting out guidelines for the interpretation of Article 4 of Directive (EU) 2023/1791 as regards energy efficiency targets and national contributions.

⁷ Commission Recommendation (EU) 2024/1716 setting out guidelines for the interpretation of Articles 5, 6 and 7 of Directive (EU) 2023/1791 as regards energy consumption in the public sector, renovation of public buildings and public procurement.

⁸ Commission Recommendation (EU) 2024/1590 on transposing Articles 8, 9 and 10 on the energy saving obligation's provisions of the Directive (EU) 2023/1791.

⁹ Commission Recommendation (EU) 2024/2002 setting out guidelines for the interpretation of Article 11 of Directive (EU) 2023/1791 as regards energy management systems and energy audits.

¹⁰ Commission Recommendation (C/2024/6331/2) setting out guidelines for the interpretation of Articles 21, 22 and 24 of Directive (EU) 2023/1791 of the European Parliament and of the Council as regards the consumer related provisions.

¹¹ Commission Recommendation (EU) 2024/2395 setting out guidelines for the interpretation of Article 26 of Directive (EU) 2023/1791 of the European Parliament and of the Council as regards the heating and cooling supply.

¹² Commission Recommendation (C/2024/6330) setting out guidelines for the interpretation of Article 29 of Directive (EU) 2023/1791 of the European Parliament and of the Council as regards energy services.

¹³ Commission Recommendation (C/2023/8558) on transposing Article 30 on national energy efficiency funds, financing and technical support of the Directive (EU) 2023/1791.

Work is also progressing on the **European Energy Efficiency Financing Coalition**. Financial Institutions are expressing their interest in joining the Coalition, the secretariat is being set up and national hubs are progressively being created.

Energy Performance of Buildings Directive

The Commission is also engaging in the rapid and effective implementation of the revised Energy Performance of Buildings Directive (EPBD) which entered into force in May 2024. The directive has a general transposition deadline in May 2026, and an early transposition deadline on 1 January 2025 for Article 17(15) on phasing out financial incentives for boilers powered by fossil fuels. A swift and effective implementation of the revised EPBD is key to increase renovation rates and integrate renewable energy in buildings, since national measures currently remain insufficient to reach a decarbonised building stock by 2050.

To support the transposition and implementation of the directive by Member States, the Commission is developing **guidance** on all new and substantially modified provisions of the recast EPBD, on: i) **Phasing out financial incentives for boilers powered by fossil fuels** (planned for Q4 2024), ii) **Building renovation and enabling framework** (planned for Q2 2025), iii) **Technical provisions** (Articles 7, 10, 11, 13, 14, 16, 23-27, Annex I) (planned for Q2/Q3 2025), and iv) **Fire safety in buildings** (planned for 2026).

In parallel, Member States need to start developing their first **draft national building renovation plans due by December 2025**. The Commission engages actively with Member States, both in the context of regular meetings of the Energy Performance of Buildings committee, the expert group on the EPBD and the Concerted Action on EPBD, as well as in bilateral meetings. The Commission stands ready to assist Member States in this process, inter alia by providing templates.

The Commission shall adopt seven secondary legal acts. This includes a delegated act with a **framework for calculating life-cycle Global Warming Potential** and a delegated act establishing a **portfolio framework for voluntary use by financial institutions**.

Hydrogen and Gas Markets Decarbonisation Package

In August 2024, the recast Gas Directive and the recast Gas Regulation entered into force. The new rules strengthen the role of renewable gases in the natural gas system and create a new regulatory framework for dedicated hydrogen infrastructure and markets. The Gas Regulation will be applicable as of February 2025. Member States will have to transpose the Gas Directive into national legislation by August 2026.

The package contains several empowerments for Delegated and Implementing Acts. The **Delegated Act on assessing greenhouse gas emissions savings from low-carbon fuels**¹⁴ shall be adopted by August 2025. The development of **Network Codes for hydrogen** containing more detailed, technical rules is linked to the creation of the European Network of Network Operators for Hydrogen (ENNOH), the new entity representing hydrogen network operators at EU-level, and will commence after 2026.

Methane regulation

The Regulation (EU) 2024/1787 on the reduction of methane emissions in the energy sector ('the EU Methane Regulation') entered into force in August 2024.

Member States' authorities will be crucial for the implementation and enforcement of the EU Methane Regulation. Member States have until 5 February 2025 to **notify the Commission of the names and contact details of their competent authorities**. Following those notifications, a network of competent authorities should be set up to foster cooperation, with the necessary arrangements for exchanging information and best practices and to allow for consultations.

The Commission is empowered to adopt several delegated and implementing acts as set out in the EU Methane Regulation. Adoption of the different acts is set to begin in early 2025 and will continue through 2026. These acts include: (i) an implementing act requesting European standardisation organisations to develop industry standards, (ii) an implementing act with the reporting templates for oil, gas and coal methane emissions, (iii) an implementing act setting the minimum detection limits, detection techniques and leak thresholds and (iv) an implementing act setting out requirements concerning evidence to be provided with regards to regulatory equivalence.

¹⁴ Public consultation launched on 27 September 2024 on the Methodology to determine the greenhouse gas (GHG) emission savings of low-carbon fuels: [Methodology to determine the greenhouse gas \(GHG\) emission savings of low-carbon fuels \(europa.eu\)](https://european-council.europa.eu/media/en/press-communications/infographic/asset-detail/Methodology-to-determine-the-greenhouse-gas-(GHG)-emission-savings-of-low-carbon-fuels).

Electricity Market Design and REMIT

In July 2024, the new Electricity Market Design reform entered into force, comprising changes to the Electricity Directive, the Electricity Regulation, the ACER Regulation, and the Wholesale Energy Market Integrity and Transparency (REMIT) Regulation. The reform introduced changes to the market design aimed at better protecting consumers, enhancing stability and predictability of the costs of energy, accelerating the integration of renewables and improving market monitoring and surveillance. With the first transposition deadline for the amendments concerning the Electricity Directive being 17 January 2025, Member States are encouraged to swiftly and effectively transpose and implement this reform. Earlier in 2024, the Commission has engaged in a multilateral meeting as well as bilateral meetings with Member States to discuss technical aspects of the transposition this year, and to assist Member States in the transposition process. The Commission services remain available for technical discussions. Furthermore, efforts to transpose and implement the 2019 Electricity Directive (Directive (EU) 2019/944) are still required by some Member States.

In the next months, the Commission services will dedicate efforts to the work related to the **revision and development of electricity network codes and guidelines**, namely the **new network code on demand response**, the **revision of the capacity allocation and congestion management guideline** as well as the **revision of the forward capacity allocation guideline**. The Commission services will also assess the possibilities to streamline and simplify the process of assessing capacity mechanisms and come forward with a proposal in this regard as appropriate. In the context of the implementation of the electricity market design reform, the Commission closely follows the work towards periodic flexibility assessments done at Member State levels and based on a European methodology.

Equally, in the coming months the Commission services will focus on preparing the secondary legislation set out in the REMIT Regulation, prioritising **the amendment of the rules on data reporting** and the adoption of procedures for **authorising the entities through which reporting is conducted**.