Renewable Energy Directive

Renewable energy has grown in importance in the EU in the light of new climate goals and energy security needs. The revised Renewable Energy Directive will set a target of a 42.5% share of renewables in EU energy consumption by 2030, with additional sub-targets for some sectors. A provisional agreement was reached with the Council in March 2023 and Parliament is due to vote on the text during its September 2023 plenary session.

Background

The 2018 Renewable Energy Directive (RED) set a binding target of a minimum 32% share of renewable energy sources (RES) in EU gross final energy consumption by 2030. As part of the July 2021 fit for 55 package, the European Commission proposed a revision of this directive to adapt EU legislation to the new objectives under the European Green Deal and the European Climate Law. Another revision was proposed under the REPowerEU plan of May 2022 to increase EU energy security and reduce Russian energy imports.

European Commission proposal

Under the ‘fit for 55’ package, the Commission proposed a target of a 40% RES share in EU energy consumption, which was later raised to 45% under REPowerEU. The RED revision under fit for 55 also included additional targets for transport, buildings, industry, and heating and cooling, as these are the sectors where RES integration has been slower. In addition to raising the RES target to 45%, the amendments to RED under REPowerEU included the introduction of ‘renewables go-to areas’ (locations designated as particularly suitable for renewable energy installations) and a simplification of permitting procedures, with renewable installations presumed to be of over-riding public interest.

European Parliament position

The file was referred to the Committee on Industry, Research and Energy (ITRE), which adopted its report in July 2022. Parliament adopted its position at the September 2022 plenary sitting. Trilogue negotiations with the Council concluded in March 2023. The provisional agreement between the co-legislators sets a 42.5% target for the renewables share in energy consumption. In the transport sector, Member States can choose between a 14.5% reduction in GHG intensity or ensuring an RES share of at least 29% by 2030. A combined sub-target of 5.5% is also set for advanced biofuels and renewable fuels of non-biological origin (RFNBOs) in RES supplied to the transport sector. The annual target increase in RES in industry has been set at 1.6%, with additional targets for hydrogen obtained from RFNBOs (42% by 2030 and 60% by 2035, with some exceptions). The indicative target for the RES share in the buildings sector is 49%. Heating and cooling have a national binding target of 0.8% annual RES share increase until 2026, followed by a 1.1% annual increase until 2030. Furthermore, the agreement strengthens biomass sustainability criteria and includes accelerated permitting procedures for renewable energy projects, with shorter deadlines in what will now be called ‘renewables acceleration areas’. Member States will be required to set an indicative target for innovative renewable energy technology of at least 5% of new installed renewable energy capacity by 2030, and establish a framework for cooperation on cross-border energy projects.

Coreper endorsed the final text in June 2023, and the ITRE committee also backed the agreement in June. The text will now go to plenary for Parliament to vote on the final text.

First-reading report: 2021/0218(COD); Committee responsible: ITRE; Rapporteur: Markus Pieper (EPP, Germany). For further information see our 'EU legislation in progress' briefing.