

# Post-2030 renewable energy framework

## *Eurogas Recommendations*

**The revision of the renewable energy framework for the post-2030 period represents a pivotal moment for European energy and climate policy.** It offers an opportunity not only to assess the progress achieved so far, but also to critically evaluate which elements of the current framework have delivered effective results and which continue to hinder the development of a competitive, integrated and resilient renewable energy market. This reflection is particularly important in light of the EU's growing climate ambition, including the objective of reducing greenhouse gas emissions by 90% by 2040 compared to 1990 levels.

At the same time, discussions on the post-2030 framework **should not overlook the unresolved shortcomings of the current pre-2030 regulatory architecture.** While the revision process provides an opportunity to strengthen the EU's long-term energy transition framework, several structural and regulatory barriers continue to affect the deployment of renewable energy across Member States, creating uncertainty for market actors and slowing down implementation. **Addressing these issues should therefore remain a priority in parallel with the preparation of the post-2030 framework.**

### **A technology-neutral post-2030 framework should support the deployment of renewable gases and fuels**

**Looking ahead to the post-2030 framework, the RED should adopt a more holistic and integrated approach to the strategic role of renewable gases and fuels, in supporting a resilient and cost-effective energy transition.**

While electrification will contribute to the energy transition, it is not a universal solution and cannot address all decarbonisation needs on its own, especially where direct electrification is not technically, economically or operationally viable. For instance, this is the case of hard-to-decarbonise sectors such as heavy-duty road transport, aviation, maritime transport and high-temperature industrial processes, where renewable gases play an essential complementary role.

Beyond their role in these sectors, renewable gases and fuels offer broader system benefits. While electrification requires significant investments in new infrastructure and grid expansion, renewable gases and fuels, can largely build on existing infrastructure, requiring only targeted adaptations needed in certain cases. At the same time, they can support sector coupling, provide seasonal energy storage at scale and flexibility to the electricity system, and contribute to balancing variable renewable energy sources. In this regard, the future framework should therefore better integrate renewable gases into electricity system planning, flexibility markets, capacity mechanisms and infrastructure strategies, while ensuring effective and competitive access to renewable energy for end-users. The role already played today by natural gas-fired

power plants in maintaining system stability, and the future contribution of biomethane or hydrogen-ready power plants, clearly illustrates this potential.

Strengthening the deployment of renewable gases and derivatives in Europe is also increasingly important from a Security of Supply (SoS) point of view, as domestically produced fuels can enhance energy system resilience, increase domestic energy independence and, in turn, reduce exposure to external energy dependencies.

For these reasons, **the upcoming renewable energy framework should look at renewable gases and fuels as part of a broader and technology-neutral decarbonisation framework across multiple sectors, including industry, residential heating, and transport.** EU legislation should remain technology-neutral in a way that ensures equal regulatory treatment across energy vectors (i.e., electricity, gaseous fuels, liquid fuels) and avoid favouring specific solutions for pre-determined end-uses, allowing the market to identify the most cost-effective and efficient pathways to decarbonisation. In this regard, the revised framework should establish **appropriate incentives to support the uptake of renewable gases and fuels across all relevant sectors.** The uptake of one or the other solution shall be based on the technical and economic feasibility of available technologies to maximise all decarbonisation options.

Finally, support schemes should evolve to create stable and predictable investment conditions that improve the bankability of projects, while facilitating the uptake of renewable energy by end-consumers and delivering benefits across the value chain.

## Delays and fragmentation in the RED III transposition continue creating barriers in the renewable energy market...

Eurogas welcomes the choice of a Directive for the renewable energy framework, as it provides the necessary flexibility to account for national specificities, including differing energy mixes, infrastructure readiness and preferred decarbonisation pathways.

However, the deployment of renewable energy in the EU continues to be hindered by the fragmented and delayed transposition of RED III provisions across Member States. Diverging national implementation approaches create regulatory uncertainty, increase administrative complexity for market participants and ultimately hampers the development of a truly integrated European market for renewable energy. In this context, **the timely and coherent implementation of RED III rules at national level is essential to ensure that renewable energy deployment in Europe can proceed at the pace required to meet the EU's climate and energy objectives for 2030 while also supporting affordable energy prices for consumers.**

From this perspective, **enhanced Commission's oversight and enforcement are required** to ensure timely and consistent transposition, including adherence to deadlines and consistent application of rules across Member States.

Beyond their impact on domestic markets and the diverging obligations imposed on market operators across Member States, inconsistencies in national transposition also risk undermining the effective application of

RED accounting rules, and, in turn, creating barriers to cross-border trade. The implementation and operationalisation of the Union Database for Biofuels (UDB) is a clear example of these broader challenges. The UDB has a key role to play in strengthening traceability, transparency and trust in the renewable gases market, while supporting the proper functioning of cross-border trade within the internal market. However, its deployment has faced significant operational and legal delays, further strengthening the need for greater coordination and consistency in the implementation of RED III across the EU. **Ensuring the swift and harmonised roll-out of the UDB should therefore remain a priority well before 2030.**

### ...However, simplification and coherence in the EU policy framework can boost renewables deployment while maintaining its robustness

Looking ahead to the post-2030 framework, targeted regulatory simplification building on the structure established under RED III would be welcome, particularly with regard to the readability of sustainability certification requirements under Article 29 RED. **Simplification efforts should focus on improving the clarity, readability, and coherence of the legal text, as well as reducing unnecessary administrative burden for market participants and certification systems.** However, such simplification **should not lead to deregulation, weaken existing sustainability safeguards, or introduce additional flexibility for Member States that could further fragment the internal market.**

The sustainability criteria set out in Article 29 RED remain essential to ensuring that bioenergy contributes effectively to the EU's climate and environmental objectives. Robust and credible sustainability requirements are necessary to guarantee greenhouse gas emissions reductions while safeguarding biodiversity, ecosystems, and the sustainable use of natural resources. Besides, a clear, stable, and harmonised regulatory framework is critical to provide legal certainty for market actors, support long-term investments, and maintain confidence across the bioenergy value chain.

In this context, the post-2030 framework should preserve the existing sustainability criteria while promoting greater consistency in their implementation across Member States. Significant changes to the current provisions could create regulatory uncertainty and undermine long-term investment planning. Additional EU guidance and stronger coordination at European level would help ensure a more harmonised, transparent, and efficiently functioning internal market, while facilitating compliance for operators without compromising the robustness of the sustainability framework.

Finally, **coherence across related EU legislation and policy frameworks should be ensured** in order to provide the predictability and investment certainty needed to support the continued deployment of renewable energy technologies across Europe.

## Sectoral targets should remain the main driver of renewable fuels uptake

Eurogas overall supports the current target structure under the RED, based on sector-specific renewable energy sub-targets across end-use sectors. Against this background, we set out detailed recommendations on how these sub-targets should evolve in the transport, industry, and heating and cooling sectors towards 2040.

### Transport

Eurogas considers that the current structure of the transport targets under RED III is effectively contributing to the achievement of its objectives. As these targets are progressively implemented at national level, they are providing an important investment signal for the deployment of renewable gases and their derivatives across the transport sector.

Looking ahead to 2040, Eurogas considers that **transport targets should be strengthened to reflect the EU's increased climate ambition and the continued need to drive investments in renewable fuels**. While the 2030 transport targets are functioning relatively well, there is broad recognition that **a continued upward trajectory beyond 2030 will be necessary to provide long-term regulatory certainty and support market development**.

### Industry

While the current target is functioning relatively well in the transport sector, the industry targets are unlikely to be achieved under the current framework. It is becoming evident that the European RFNBO market is not developing at the anticipated pace, resulting in extremely limited volumes available to industrial offtakers and creating significant challenges for meeting RED targets. In this context, Eurogas would welcome a more flexible and technology-neutral approach to the industry sub-target, one that reflects current market realities and supports a more pragmatic pathway for industrial decarbonisation.

In this context, we support a post-2030 **industry target that broadens the numerator to include renewable hydrogen more generally, covering both RFNBOs and biohydrogen, while adjusting the denominator by excluding the share of low-carbon hydrogen consumed by industry**. Biohydrogen should be defined as hydrogen whose energy content is derived from biomass fuels, either through electricity produced from such biomass fuels or through the direct use of biomass-derived molecules.

$$\text{Achievement of the industry subtarget} = \frac{RFNBO + H2_{bio}}{\text{Total hydrogen consumption} - H2_{LC}}$$

Building on this approach, the current industry targets, notably **the 42% share of RFNBOs by 2030 and the 60% share by 2035, should also be revised to recognise the broader range of renewable hydrogen pathways** (i.e., RFNBO and biohydrogen), while maintaining a dedicated share reserved for RFNBOs.

Beyond adjusting the industry target, broader barriers to hydrogen uptake in Europe must also be addressed, notably the lack of infrastructure linking supply and demand. In this context, **blending hydrogen into existing gas networks can stimulate early market development by supporting supply, demand, and investment, while enabling the gradual roll-out of dedicated hydrogen networks**. Until such infrastructure becomes widely available, blending should be recognised as a necessary transitional solution, particularly for industry,

to integrate early renewable hydrogen volumes in a rapid and cost-effective manner. **Certification rules should therefore ensure that blended hydrogen counts towards RED targets and ETS-related CO<sub>2</sub> savings** without any physical separation requirement at the point of consumption, which would often result in an excessive burden for offtakers.

Finally, targeted demand-side incentives, such as funding through the expected Industrial Decarbonisation Bank or CCfDs, are essential to support the fuel switch for industrial customers exposed to global competition.

### Heating & Cooling

**Article 15a of RED III currently establishes indicative targets for the consumption of renewable energy in the heating and cooling sector. Eurogas supports maintaining this approach in the post-2030 framework and the uptake of renewable molecules in the heating sector.**

At the same time, the focus on heating decarbonisation has so far been largely centred on electrification. While this will play an important role in the energy transition, its deployment may face constraints in certain Member States due to the characteristics of the existing building stock, infrastructure limitations, electricity system capacity, and affordability considerations.

Eurogas therefore supports a more technology-neutral approach to heating decarbonisation, which gives due consideration to a broader range of solutions, including renewable gases. These can play an important role, particularly as the residential sector remains one of the main end-use segments connected to gas distribution networks across many Member States. Moreover, renewable gases can be injected into existing gas infrastructure and used with currently available heating equipment, making them a viable and readily deployable alternative to fossil fuels.

For this reason, more investment signals should be created to support their uptake in the heating sector. In this respect, **both demand- and supply-side incentives, such as Carbon Contracts for Difference (CCfD), fuel switch incentives, public procurement commitments, or tax incentives, should be encouraged at both Member State and EU level.** Furthermore, **blending quotas** are being introduced by some Member States to support renewable gases integration in their energy systems. Such schemes should be designed in a way that remains consistent with the EU internal market and cross-border trade, and considering the impact on the energy market participants.

Therefore, to ensure security of supply and system resilience in heating and cooling, greater emphasis should be placed on a diversified energy mix of solutions in the heating sector, combining clean molecules with electrification.