



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}

Article 3

Binding overall Union target for 2030

Amendment 1	
Proposal from the Commission	Proposal from Swedenergy
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%.'	No proposal, but Swedenergy would like to stress that the ETS should be the main measure for reaching the new climate targets.
<p style="text-align: center;"><i>Justification</i></p> <p><i>Swedenergys view is that ETS should be the main measure to reach the new climate targets. The new level for the share of renewable energy however is line with the development in Sweden and we don't see a need to oppose to the chosen level.</i></p>	

Sustainable supply of biomass

Amendment 2	
Proposal from the Commission	Proposal from Swedenergy
1. 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 third subparagraph. As part of the measures referred to in the first subparagraph: (a) Member States shall grant no support for: (i) the use of saw	1. 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 third subparagraph. As part of the measures referred to in the first subparagraph: (a) Member States shall grant no support for: (i) the use of saw

<p>logs, veneer logs, stumps and roots to produce energy.</p> <p>2. (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.</p>	<p>logs, veneer logs, stumps and roots to produce energy. <u>The use of stumps and roots must be limited to amounts that are justified by Member States.</u></p> <p>2. (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.</p> <p><u>Energy generated from wastes from households and industries in waste-to-energy (WtE) plants shall be regarded as waste energy provided that the wastes have gone through collection, sorting and material recovery in accordance with waste hierarchy.</u></p>
<p style="text-align: center;">Justification</p> <p>1. According to scientific reports, it is possible to remove around 20 percent of stumps and roots in Sweden without any negative impact on environment. Almost no stumps and roots are removed in Sweden today but there is a potential that could be used in the coming years.</p> <p>2. For wastes that have gone through collection, sorting and material recovery in accordance with waste hierarchy and in case there are no other option for treatment of the waste residuals than incineration, energy recovery is the best environmental friendly method and the recovered energy must be regarded as waste energy.</p>	

<p style="text-align: center;">Amendment 3</p>	
<p style="text-align: center;">Proposal from the Commission</p>	<p style="text-align: center;">Proposal from Swedenergy</p>
<p>1. No later than one year after [the entry into force of this amending Directive], the Commission shall adopt a delegated act in accordance with Article 35 on how to apply the cascading principle for biomass, in particular on how to minimise the use of quality roundwood for energy production, with a focus on support schemes and with due regard to national specificities.</p>	<p>Delete</p>
<p style="text-align: center;">Justification</p> <p>Swedenergy warns against setting up regulations governing the use of biomass. Cascading use of resources is a reasonable principle that is already applied in a good way governed by market forces in Sweden, but it is not appropriate to legislate on how to use a certain raw material. Forest value</p>	

chains differ between and within Member States. The “correct use” of raw material cannot be defined centrally by EU, and it is not possible to find any definition that would be relevant for all Member States. Any attempt to define forest biomass and industry use can severely hamper effective use of biomass as well as innovation and investments in the bioeconomy. In practice, market forces will always steer towards the material use that has the best return on investment. In a functioning market, commodity buyers will determine the value of different types of biomass, whether it is primary (cultivated crops or trees from the forest), whether it is secondary (by-products from agriculture, forestry or industry) or whether it is tertiary (waste products after use). Maintain the Risk-Based Approach as the core principle of biomass sustainability.

Article 9

Joint projects between Member States

Amendment 4	
Proposal from the Commission	Proposal from Swedenergy
1. ‘1a. By 31 December 2025, each Member State shall agree to establish 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) 2020/129425 shall be deemed to satisfy this obligation for the Member States involved.’;	Delete
<p style="text-align: center;"><i>Justification</i></p> <p><i>Swedenergy does not see the value added. Cost reduction should be the driver of joint projects, not simply obligation. As the only (?) Member State with an experience of a joint subsidy scheme, with hundreds of joint projects (with Norway it would not make sense to be obliged to do one more. To be cost-effective, the directive should provide a possibility to have joint projects but should not be an obligation.</i></p>	

Article 9

On Power Purchasing Agreements

Amendment 5	
Proposal from the Commission	Proposal from Swedenergy
<p>1. 4a. Member States shall establish a framework, which may include support schemes and 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.’;</p>	<p>Delete</p>
<p><i>Justification</i></p> <p><i>The amendment opens up for the introduction of large-scale subsidies that will undermine the EU-ETS as well as the internal European electricity market and is not in line with the Electricity Regulation which aims at limiting the effects of previous subsidy schemes. It is of fundamental importance, that this is done through measures that are in line with the functioning of a competitive and non-discriminatory market, e.g. by well specified procurement.</i></p> <p><i>Swedenergy does not believe that MS should establish support systems for enhancing the trade of PPAs. This should be an entirely market-based system.</i></p> <p><i>Furthermore, as the target is binding on Union level, national support schemes would most certain lead to an inefficient allocation of resources and distort competition within the Union.</i></p>	

Article 15

Administrative procedures, regulations and codes

Amendment 6	
Proposal from the Commission	Proposal from Swedenergy

<p>1. ‘8. 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.</p> <p>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 the volume of renewable power generation supported by renewables power purchase agreements.’</p>	<p>8. Member States shall assess the regulatory and administrative barriers to long-term renewables power purchase agreements, and shall remove unjustified barriers to, and facilitate the uptake of, such agreements. Member States shall ensure that those agreements are not subject to disproportionate or discriminatory procedures or charges.</p>
<p><i>Swedenergy does not believe that MS should establish support systems for enhancing the trade of PPAs. This should be an entirely market-based system.</i></p> <p><i>In order to strengthen a traceable and reliable system for disclosure of energy to customers we believe that trading with PPAs should be connected with GOs. Thus, we agree that GOs should be transferred to the buyer of PPAs.</i></p>	

Article 15a

Mainstreaming renewable energy in buildings

<p>Amendment 7</p>

Proposal from the Commission	Proposal from Swedenergy
<p>1. In order to promote the production and use of renewable energy in the building sector, Member States shall set an indicative target for the share of renewables 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 final consumption of energy in 2030. The national target shall be expressed in terms of share of national final energy consumption and calculated in accordance with the methodology set out in Article 7. Member States shall include their target in the updated integrated national energy and climate plans submitted pursuant to Article 14 of Regulation (EU) 2018/1999 as well as information on how they plan to achieve it.</p>	<p>Delete.</p>
<p style="text-align: center;"><i>Justification</i></p> <p><i>Swedenergy considers that subsectoral targets in general are an inefficient and costly way of achieving the overarching climate and renewables targets. Furthermore we consider the proposal to be inconsistent with art. 23 on heating and cooling. It is a too narrow scope to only cover renewable energy, since waste heat from industries is counted to fulfil annual increases of renewable energy (within certain limits). We also consider that other fossil-fuel free energy sources such as nuclear power should be counted when meeting the climate goals.</i></p>	

Article 20a

Facilitating system integration of renewable electricity

Amendment 8	
Proposal from the Commission	Proposal from Swedenergy
<p>1. 1. Member States shall require transmission system operators and 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 and as close to real time as possible but in time intervals 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</p>	<p>1. 1. Member States shall require transmission system operators and 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 and as close to real time as possible but in time</p>

<p>electricity market participants, aggregators, consumers and endusers, and it can be read by devices with electronic communication such as smart metering systems, electric vehicle recharging points, heating and cooling systems and building energy management systems.</p>	<p>intervals 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 endusers, and it can be read by devices with electronic communication such as smart metering systems, electric vehicle recharging points, heating and cooling systems and building energy management systems.</p>
<p><i>As it concerns bidding zones, this should not be applicable for DSOs, hence, these references should be deleted. Furthermore, we question the possibility to accumulate the requested information within an hour after delivery. This is particularly difficult for thermal production where the generators have no obligation to provide information on the fuel used with such resolution. However, as we think the article is inspired by electricityMap, it would be more than sufficient to retrieve and use the information from the day-ahead auction.</i></p> <p><i>Furthermore, it is unclear how the requested information can be made of use in real-time? Whereas an hourly price would give a concrete signal, it is unclear how more relative indicators as shares of RES and emission content could come to practical use. Swedenergy therefore suggest that this should be further analysed to ensure cost efficiency.</i></p>	

Article 22a

Mainstreaming renewable energy in industry

<p>Amendment 9</p>	
<p>Proposal from the Commission</p>	<p>Proposal from Swedenergy</p>
<p>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 average minimum annual increase of 1.1 percentage points by 2030.</p> <p>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.</p> <p>Member States shall ensure that the contribution of renewable fuels of non-biological origin used for final energy and non-energy purposes shall be 50 % of the hydrogen used for final energy and non-energy purposes in industry by 2030. For the</p>	<p>Delete</p>

<p>calculation of that percentage, the following rules shall apply:</p> <p>(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.</p> <p>(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.</p> <p>(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.</p>	
<p><i>Swedenergy's believes that this kind of sub-sectoral targets would raise the costs for industries, and prevent them from reaching their climate targets in the most appropriate/cost-effective way for the particular industry. Therefore this kind of targets should be avoided.</i></p> <p><i>Furthermore, how would this be applied to energy provided via networks? For industries using guarantees of origin?</i></p>	

Article 23

Mainstreaming renewable energy in heating and cooling

Amendment 10	
Proposal from the Commission	Proposal from Swedenergy
<p>2. '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 1.1 percentage points as an annual average calculated for the periods 2021 to 2025 and 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. That increase shall be of 1.5</p>	<p>We suggest deletion of last sentence in p. 1:</p> <p><i>“In addition to the minimum 1.1 percentage points annual increase 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</i></p>

<p>percentage points for Member States where waste heat and cold is used. In that case, Member States may count waste heat and cold up to 40 % of the average annual increase. In addition to the minimum 1.1 percentage points annual increase 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 amount set out in Annex 1a.’;</p>	<p><i>the amount set out in Annex 1a.’;</i>”</p> <p>Consistently we propose deletion of annex 1a.</p>
<p style="text-align: center;"><i>Justification</i></p> <p><i>Swedenergy considers that the annual increase of renewable share in heating and cooling, as proposed in Annex 1a, is calculated in an untransparent way. Since Sweden only had about 1% fossil fuels left in district heating, and about the same figures for individual heating in 2020, it will not be possible to increase the renewables share from 2020 to 2030 by 0,6% per year. Furthermore, we consider sub-sectoral targets of this kind to be an inefficient way of promoting increased use of renewable energy in the heating and cooling sector.</i></p>	

Article 24

District heating and cooling

Amendment 11	
Proposal from the Commission	Proposal from Swedenergy
<p>1. ‘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 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.’</p> <p>2. “10. A Member State shall not be required to apply paragraphs 2 and 9 where at least one of the following conditions is met:</p>	<p>Swedenergy suggests a deletion of following text in p. 1:</p> <p><i>“including information on how much energy was used to deliver one unit of heating to the customer or end-user.”</i>”</p> <p><i>Swedenergy suggests following change of art. 24.10:</i></p>

<p>(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;</p> <p>(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;</p> <p>(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].’ “</p>	<p>“A Member State shall not be required to apply paragraphs 2 to 9 where at least one of the following conditions is met:--- ”</p>
<p style="text-align: center;"><i>Justification</i></p> <p><i>We consider that it is not relevant to inform customers on grid losses since customers only pay for the actually delivered and measured heating and cooling, and there is no such provision for other energy carriers such as electricity. District heating companies already have economic incentives to have as low grid losses as possible and to regulate it this way makes no sense.</i></p>	

Article 27

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Amendment 12	
Proposal from the Commission	Proposal from Swedenergy
<p>1. Calculation rules in the transport sector and with regard to renewable fuels of non-biological origin regardless of their end use’</p>	<p>Delete</p>
<i>Justification</i>	

The additionality framework for renewable energy in transport is deleted from article 27, but article 27 now makes the provisions on the calculation of renewable fuels of non-biological origin produced from electricity apply regardless of the sector in which such fuels are consumed. The additionality principle will hamper the integration of Renewable fuels of non-biological origin, i.e. hydrogen, to the energy system and market in Europe. It will also be a massive obstruction to the development of existing renewable power production.

Article 29

Sustainability and greenhouse gas emissions saving criteria for biofuels, bioliquids and biomass fuels

Amendment 13	
Proposal from the Commission	Proposal from Swedenergy
<p>1. '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 5 MW, ...</p>	<p>Keep the criteria unchanged as defined in RED II.</p> <p>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 <u>20</u> MW, ...</p>
<p>Justification</p> <p><i>Applying sustainability criteria to small plants will mainly increase the administrative and economic burden of economic operators and likely hinder the substitution of fossil fuels with renewable fuels. In the JRC-report on forest bioenergy, the lower limit is mainly an attempt to collect more data. That can be achieved through other instruments than applying sustainability criteria to small plants.</i></p> <p><i>In Sweden, it would mean a substantial administrative burden on many smaller plants that produce heat and electricity and since many years have converted to bioenergy from waste and residues. These plants often use residues from the surrounding forests, industries, streets and parks or infrastructure projects.</i></p> <p><i>Allow the Member states to continue the implementation of the already decided criteria. By applying those criteria, the use of sustainable bioenergy can keep growing and contribute to the achieving climate goals</i></p>	

Article 29

Sustainability and greenhouse gas emissions saving criteria for biofuels, bioliquids and biomass fuels

Amendment 14	
Proposal from the Commission	Proposal from Swedenergy
1. (g) in paragraph 10, first subparagraph, point (d) is replaced by the following: ‘(d) at least 70 % for electricity, heating and cooling production from biomass fuels used in installations until 31 December 2025, and at least 80 % from 1 January 2026.’;	Keep the criteria unchanged as defined in RED II. (g) in paragraph 10, first subparagraph, point (d) is replaced by the following: ‘(d) at least 70 % for electricity, heating and cooling production from biomass fuels used in installations <i>starting operation from 1 January 2021 until 31 December 2025, and 80 % for installations starting operation from 1 January 2026</i>
<p style="text-align: center;"><i>Justification</i></p> <p><i>Retroactive requirements on installations that have been in operation since many years will damage the trust for the European and national policies, and it signals to investors that they take a risk by investing in renewables. Swedenergy believes that almost all Swedish heat and electricity plants can meet the criteria, but it brings an extra administrative and economic burden, which now also might apply to smaller installations, without no or little environmental benefits.</i></p>	

Article 29

Sustainability and greenhouse gas emissions saving criteria for biofuels, bioliquids and biomass fuels

Amendment 15

Proposal from the Commission	Proposal from Swedenergy
<ol style="list-style-type: none"> 1. (b) in paragraph 3, the following subparagraph is inserted after the first subparagraph: ‘This paragraph, with the exception of the first subparagraph, point (c), also applies to biofuels, bioliquids and biomass fuels produced from forest biomass.’; 2. (c) in paragraph 4, the following subparagraph is added: EN 46 EN ‘The first subparagraph, with the exception of points (b) and (c), and the second subparagraph also apply to biofuels, bioliquids and biomass fuels produced from forest biomass.’; 3. (d) paragraph 5 is replaced by the following: ‘5. Biofuels, bioliquids and biomass fuels produced from agricultural or forest biomass taken into account for the purposes referred to in paragraph 1, first subparagraph, points (a), (b) and (c), shall not be made from raw material obtained from land that was peatland in January 2008, unless evidence is provided that the cultivation and harvesting of that raw material does not involve drainage of previously undrained soil.’; 	<p>Keep the criteria unchanged as defined in RED II.</p>
<p style="text-align: center;"><i>Justification</i></p> <p><i>Extending the agricultural biomass land criteria to forest bioenergy can limit the use of forest bioenergy in an unintended way. The criteria were designed to avoid land use change and unwanted expansion of agricultural land into for example forest-based bioenergy or cultivation of biomass for production of biofuels. This cannot be directly applied to forest-based biomass. No-go areas for agricultural biomass must not be applied for forest-based bioenergy without justification. Moreover, the criteria should be based on relevant, understandable, and broadly accepted forest definitions. They must also be connected to the risk-based approach for forest biomass. Furthermore, no-go areas for biofuels must not be applied for solid bioenergy.</i></p> <p><i>The amendments seems to have been made to prevent the cultivation of energy crops on land that was previously forest. There is no evaluation of what this means in practice and how it affects forest legislation in Sweden or other Member States.</i></p>	

Article 29

Sustainability and greenhouse gas emissions saving criteria for biofuels, bioliquids and biomass fuels

Amendment 16

Proposal from the Commission	Proposal from Swedenergy
<ol style="list-style-type: none"> 1. 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 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.’; 2. (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 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.’; 	<p>Keep the criteria unchanged as defined in RED II.</p>
<p style="text-align: center;"><i>Justification</i></p> <p><i>Any proposed no-go areas for forest bioenergy must be based on the risk-based approach for forest biomass and existing national forest legislation.</i></p>	

Article 27

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Amendment X	
Proposal from the Commission	Proposal from Swedenergy
2.	
<i>Justification</i>	