

Building the Future of the EU Renewable Energy Framework: 8 priorities to unlock investment and accelerate decarbonisation

Brussels, 24/09/26

FuelsEurope supports the development of a post-2030 Renewable Energy Directive (RED) that continues to provide the sustainability architecture of the EU fuels ecosystem and underpin investments in road transport decarbonisation. This framework should be delivered via a single Directive, implemented promptly by Member States to deliver investment-enabling regulatory conditions.

1. **Preserve the core sustainability architecture of the RED**, continuing its proven underpinning of renewable fuels legislation to protect sustainability performance and build investor confidence.
2. **Provide a gradual and realistic increase of the RED targets**, set out over the long-term, with enabling regulatory conditions for investments.
3. **Ensure timely RED national transpositions**, coherent with existing EU legislation with no arbitrary exclusions to avoid market fragmentation.
4. **The future revision of the RED should be coherent with the broader EU decarbonisation framework**, avoiding overlapping requirements and targets, to minimize uncertainty, inefficiency, administration, and their associated costs. The development and deployment of low-carbon fuels should be promoted and incentivised through appropriate incorporation within the wider EU decarbonisation legislative framework.
5. **Incorporate the following policy design in the future RED:**
 - Maintain Member States' choice of implementing a GHG- or energy content-based mandate;
 - Set out a minimum RED-T target for road and rail until at least 2040, taking into account different starting points in each Member State;
 - Include capped eligibility for SAF volumes supplied above the ReFuelEU Aviation mandates under the RED-T target;
 - Gradually phase-out multipliers while safeguarding existing investments;
 - Introduce supporting measures for the uptake of renewable heating fuels;
 - Continue to recognise the 'Renewable Fuels of Non-Biological Origin (RFNBO)' as an intermediate route of compliance, valid for 100% of RFNBO used by refineries;
 - Provide Member States with suitable flexibility to set feasible RFNBO transport targets out to at least 2040 that support the development of this pathway.
6. **Guarantee consistent, predictable, and pragmatic application of the RED sustainability and GHG emissions savings criteria** leading towards a more level playing field for biomass sourcing and mobilising investment in biofeedstock supply chains.
7. **Increase listed feedstocks under Annex IX**, rigorously implementing its review cycle to incorporate developments in technological and agricultural innovation, and **enable greater use of Annex IX Part B feedstocks** with limits quantitatively derived from market analysis and impact assessments. The eligibility of these feedstocks should not be differentiated by the type of end-use (e.g. aviation, shipping, road).
8. **Strengthen fraud prevention measures under the RED and linked legislation** where biofuels act as a form of compliance (e.g. ReFuelEU Aviation, FuelEU Maritime, and EU ETS), in particular:
 - Accelerating the successful roll-out of the Union Database (UDB);
 - Protecting the mass balance system as the cornerstone of EU renewable fuels policy;
 - Adding targeted fraud prevention interventions while preserving legal certainty for compliant operators.

1. PRESERVE THE RED'S PROVEN SUSTAINABILITY FRAMEWORK

The RED¹ has played an essential role in scaling renewable energy deployment in the EU since 2009. Its structure provides demand certainty, clear sustainability criteria and assurance architecture, and optionality for EU Member States to tailor their transpositions to leverage national strengths. For more than 15 years, the RED and its Member States implementations have revised and **improved the ambition in overall volumes** deployed, the **sustainability performance** of the product mix, and the **sustainability assurance** of eligible products.

The central role of the RED in defining the GHG and sustainability requirements across the EU renewable and low-carbon fuels system should be preserved and further strengthened to achieve the EU's 2040 targets and beyond. The current RED sustainability and GHG emission savings criteria must remain unchanged as the cross-sectoral foundation for biofuel investments. This framework has proven to be robust and scalable, underpinning renewable fuel-related compliance under key decarbonisation legislation such as the EU ETS, FuelEU Maritime, and ReFuelEU Aviation.

While this core sustainability role of the RED must be preserved, the future RED should be further improved by:

- i) **Accounting for recently implemented decarbonisation legislation;**
- ii) **Incorporating lessons learned from the implementation of the RED III;** and
- iii) **Better aligning with evolving scientific evidence and market realities.**

2. PROVIDE LONG-TERM INVESTMENT CERTAINTY

Industry needs legal certainty, as the capital-intensive investments required for sustainable fuels necessitate associated returns over a period of more than 20 years. Predictability can be achieved by setting pragmatic and realistic long-term targets and deadlines, and then strictly enforcing them, providing a clear and consistent compliance structure for industry to deliver. More specifically, enforcement must be effective at both 'tiers' of obligation:

- i) **EU level: ensuring Member States implement promptly** to provide clarity to industry; and
- ii) **Member State level: ensuring obligated fuel suppliers have commercial incentive to deliver** via market-enabling targets and associated penalties, including a non-blending premium (also known as a 'buy-out'), under national RED legislation.

3. ENSURE TIMELY MEMBER STATE IMPLEMENTATION CONSISTENT WITH THE DIRECTIVE

We believe Member States should have the optionality to leverage their national advantages and specificities under the RED - notably feedstock targets and whether to opt for GHG intensity- or energy content-based fuel supplier obligations. However, **this must be combined with strict adherence to the boundaries and definitions of the Directive.** National transpositions of the RED III have demonstrated that there is scope for varying interpretations of the legislative text by Member States and, in some cases, the adoption of approaches inconsistent with the Directive. **Consistency between the primary legislation and its national implementations is essential** with no arbitrary exclusions or additional requirements. Measures to help ensure this include:

¹ 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.

- i) **Consistent adherence to supporting implementing regulations**, including guidance for consistent adoption where necessary;
- ii) **Reducing the scope for varied interpretations by minimising complexity** such as the number of additional implementing regulations, instead incorporating key issues into the primary legislative text as far as possible;
- iii) **A gradual phase-out of multipliers, calibrated to safeguard existing investments** to level the playing field between decarbonisation pathways.

4. EVOLVE THE RED TO BETTER SUPPORT THE EU'S DECARBONISATION FRAMEWORK

Interactions between the RED and other elements of the EU decarbonisation acquis should be clear and complementary, preventing duplicative targets and overlapping reporting requirements that ultimately create inefficiencies. The coexistence of multiple instruments, each with its own compliance metrics, timelines and disclosure obligations, has created a significant and **unnecessary burden on obligated parties**: overlapping reporting obligations and complex, non-harmonised requirements lead to increased compliance costs, uncertainties in the interpretation, and reduced comparability of data - **the upcoming revision of the RED is an opportunity to resolve this**.

Low-carbon fuels, as introduced by the Hydrogen and Decarbonised Gas Market Package and further defined under its Delegated Regulation,² should be promoted and incentivised through appropriate incorporation within the wider EU decarbonisation legislative framework.

5. ADAPT POLICY DESIGN TO SUPPORT MARKET REALITIES

A key example is revising the transport sectoral eligibility following the implementation of sectoral obligations on aviation and maritime under ReFuelEU Aviation and FuelEU Maritime respectively. **The RED transport target obligation (RED-T) should be focused on road and rail at its core**, ensuring continued economic incentive for scaling the supply of renewable fuels into these sectors, while maintaining eligibility for aviation volumes *above* the ReFuelEU Aviation mandates. By focusing on road and rail, obligation dependencies and uncertain overlaps will be avoided, while the capped eligibility of SAF would provide incentive for its uptake beyond the existing mandates.

Maritime must be treated differently, as EU shipping is geographically concentrated and FuelEU Maritime imposes a decarbonisation obligation on ship operators (in addition to their EU ETS obligation), rather than fuel suppliers. **Taken together with lessons learned from the transposition of RED II and RED III, these differences support the conclusion that maritime should not be included under the RED-T obligation to reduce the risk of significant renewable fuel market complexity and disruption**. This holistic approach would help optimise the deployment of the renewable fuels needed to decarbonise the transport sector – in particular the harder to abate sectors recognised by the EC Climate target impact assessment.³

Renewable liquid and gaseous fuels should deliver immediate and measurable GHG reductions in the existing building stock, because many of these fuels are compatible with today's boilers, tanks and fuel distribution systems. **We call for effective and technology-neutral policy mechanisms that create long-term demand for sustainable renewable heating fuels and provide investment certainty for producers, suppliers and consumers**,

² [Commission Delegated Regulation \(EU\) 2025/2359](#).

³ [Commission Staff Working Document Impact Assessment Report Accompanying The Document Communication From The Commission: Securing our future - Europe's 2040 climate target and path to climate neutrality by 2050, DG CLIMA, 2024](#).

aligned with realistic supply and affordability constraints. This would work in parallel with electrification, providing renewable solutions for the currently more challenging to electrify use cases such as older buildings, rural areas, and colder climates.

Future RFNBO targets and methodologies should reflect the feasible pipeline of renewable electricity availability, infrastructure constraints and be accompanied by measures to ensure the competitiveness of EU industry, avoiding investment leakage. Refineries should be recognised as installations whose main purpose is to produce transport fuels, with **the refinery route continuing to be recognised as a valid transport sector compliance pathway for 100% of RFNBO hydrogen used in refinery processes** and counting towards RFNBO obligations in the RED beyond 2030 – providing regulatory certainty for green hydrogen investments.

For RFNBO eligibility, we note that greater flexibility may be introduced for compliance requirements such as additionality, temporal correlation, and geographic correlation⁴ to improve project bankability in Member States and better reflect current economic and physical system realities. **Any evolution must be combined with pragmatic 2040 transport targets to allow industry to scale-up investments** in RFNBO while protecting early adopters of this pathway and the competitiveness of EU industry.

6. MOBILISE BIOFEEDSTOCK AT SCALE

The future RED must help mobilise investment and scale the input energy and feedstocks to meet the demand for these end-uses. Innovations in agricultural and forestry management, aggregation and blending practices, and energy crop development (such as deployment of intermediate crops and crops grown on severely degraded land), combined with increased integration of green hydrogen in (bio)refineries, will all enhance biomass availability and use efficiency. Given this rapid pace of development, the limits of this scaling are not well-known, and recent authoritative studies – including by the Commission⁵ – have concluded that **Europe's domestic sustainable biomass is sufficient to meet the projected demand for biofuels across sectors.**

Therefore, rather than building from the premise that biomass feedstocks are limited, the future RED should allow the market to scale and solve for the RED targets based on:

- i) **Incentivising GHG reduction impact;**
- ii) A level playing field for **environmental and social sustainability performance;** and
- iii) **Enabling a competitive feedstock and input energy landscape** for Europe.

(Bio)refineries produce a variety of products and fuels, for both energy and non-energy end-uses, using a range of renewable inputs. Sufficient scale is needed to both supply the manufacturing and on demand for the output products. **Member State implementations that exclude specific feedstocks despite being eligible in the RED, or set different compliance rules for processes like coprocessing, must be prevented to support that required scale** – avoiding fragmentation of the European market and the resultant slowdown in investments for decarbonisation.

7. EXPAND ANNEX IX FEEDSTOCK ELIGIBILITY WITH DISCIPLINE

For biofeedstock eligibility, simplification, consistency, and a maximised Annex IX is key. For food and feed biofeedstocks, an absolute cap on deployment should be in place while

⁴ [AccelerateEU to strengthen EU energy resilience - Energy.](#)

⁵ [Development of outlook for the necessary means to build industrial capacity for drop-in advanced biofuels, Directorate General for Research and Innovation, 2024.](#)

removing the complex limitation of maintaining a national maximum share no more than one percentage point higher than the 2020 level. This would enable several European regions to better leverage their national strengths in line with sustainability and land-use criteria.

Feedstocks listed/eligible under Annex IX should be expanded by continuing to add, and not remove, Annex IX eligible feedstocks via an accelerated and more rigorously implemented review cycle, broadening the list commensurate with the latest innovations. In addition, **feedstock eligibility should not be constrained to specific end-uses**: such differentiation is often practically unfeasible (end sector deployment of a feedstock is not known when sourced and aggregated) and therefore risks providing weaker investment signals, slowing the scale-up of the advanced biofuels needed to meet the EU's decarbonisation objectives.²

8. STRENGTHEN TRANSPARENCY AND FRAUD PREVENTION

Swift, successful deployment of the Union Database (UDB) is needed to enhance traceability and minimise fraud in the biofuels supply chain. We believe that well-designed interventions to discourage and penalise fraudulent actors could help safeguard the integrity of the EU renewable and low-carbon fuels system, contingent upon the preservation of legal certainty for compliant parties. **The mass balance system, established by the original RED, and the cornerstone of EU renewable fuels policy, must also be preserved** to ensure that renewable fuel supply chains continue to be operationally efficient while maintaining environmental credibility.

The EU's future Renewable Energy Framework must deliver clear incentives and long-term certainty to mobilise investment and accelerate the scale-up of the decarbonisation solutions. Any future revision of key legislation, principally the Renewable Energy Directive (RED), should build on the strengths and successes of the current framework with evolutions based on the core objectives of supporting the competitiveness of EU industry and mobilising the investments required for decarbonisation.

FuelsEurope, the voice of the European fuel manufacturing industry. FuelsEurope represents, within the EU institutions, the interest of 40 companies manufacturing and distributing conventional and renewable fuels and products for mobility, energy & feedstocks for industrial value chains in the EU.

Contact : Alain Mathuren
T +32 2 566 91 19
alain.mathuren@fuelseurope.eu
www.fuelseurope.eu