Spanish transposition of RED III in the transport sector

Thursday, 20<sup>th</sup> February, 2025



VICEPRESIDENCIA TERCERA DEL GOBIERNO

MINISTERIO
PARA LA TRANSICIÓN ECOLÓGICA
Y EL RETO DEMOGRÁFICO



### Current situation

- Renewable fuels objectives: Energy content vs GHG intensity
- Renewable fuels objectives: Advanced biofuels & RFNBOs
- Renewable fuels objectives: Sectorial distinction and Obligated Parties
- E-credits

INDEX

Union Database (UDB)

### **Current situation**

Spain is still in the first stages of the transposition.

Relevant parts of the transposition remain to be decided in the nearly future.

Stage 1: CPP



- EO are asked to provide their insights about the norm which is about to be developed.
- Utmost importance to guarantee the industry competitiveness

**Stage 2: Development** 



- Several departments involved in the development.
- Biofuels department, as part of the General Subdirectorate for Hydrocarbons, manages the transport sector.

Stage 3: First draft published



- Once a first draft is developed, the sector is again asked to provide their views.
- About to reach this stage.



- Renewable fuels objectives: Energy content vs GHG intensity
- Renewable fuels objectives: Advanced biofuels & RFNBOs
- Renewable fuels objectives: Sectorial distinction and Obligated Parties
- E-credits

INDEX

Union Database (UDB)

## Renewable fuels objectives: Energy content vs GHG reduction

Current situation: Objectives based on energy content.

Future: To be decided.

#### **Advantages of shifting to GHG reduction**

- Climate objectives for years 2030 and 2050 are set in GHG emissions -> Higher knowledge of transport sector contribution.
- No difference among technologies. The higher the GHG emission reduction, the better.
- Allows EO to create synergies to comply with the ETS and RED.
- Clear trend among MS to stablish the objectives based on GHG rather than energy content.
- Preferred option by the EO.

#### Advantages of maintaining energy content

- Already implemented.
- Higher knowledge of the system for both the EO and the regulator.
- No need to adapt the current framework.



- Current situation
- Renewable fuels objectives: Energy content vs GHG intensity
- Renewable fuels objectives: Advanced biofuels & RFNBOs
- Renewable fuels objectives: Sectorial distinction and Obligated Parties
- E-credits
- Union Database (UDB)

# Renewable fuels objectives: Advanced biofuels & RFNBOs

**Article 25.1.b):** the combined share of advanced biofuels and biogas produced from the feedstock listed in Part A of Annex IX and of renewable fuels of non-biological origin in the energy supplied to the transport sector is at least 1 % in 2025 and 5,5 % in 2030, of which a share of at least 1 percentage point is from renewable fuels of non-biological origin in 2030.

#### **Currently determining whether to stablish differentiated objectives for RFNBOs**

- There's already an objective for advanced biofuels.
- Based on our analysis the general objective set in RED III may be achieved solely with advanced biofuels.

#### Pathway to be defined

• Currently, the pathway to be established between the years 2025 and 2030 is being evaluated in order to ensure compliance according to the production capacities available in each year.



- Current situation
- Renewable fuels objectives: Energy content vs GHG intensity
- Renewable fuels objectives: Advanced biofuels & RFNBOs
- Renewable fuels objectives: Sectorial distinction and Obligated Parties
- E-credits
- Union Database (UDB)

# Renewable fuels objectives: Sectorial differentiation and Obligated Parties

#### Sectorial difference

- Still to be decided.
- Current targets apply only to fuel supply to road transport, although biofuels supplied to the aviation and maritime sector are considered.



- REFuelEU Aviation guarantees the existence of a binding target in the aviation sector.
- First approach: General binding objective plus sectorial indicative targets, apart from binding target set by REFuelEU. The excess in one sector may be computed in other sectors based on a flexibility mechanism.

#### **Obligated Subjects**

- Currently limited to liquid fuels suppliers.
- The scope may be extended to the one in Fuel Quality Directive (FQD).
- Analyzing the best possible approach.





- Current situation
- Renewable fuels objectives: Energy content vs GHG intensity
- Renewable fuels objectives: Advanced biofuels & RFNBOs
- Renewable fuels objectives: Sectorial distinction and Obligated Parties
- E-credits
- Union Database (UDB)

## E-credits system

A **progressive development** of the model is proposed, allowing for its continuous improvement based on feedback obtained during its implementation. For its development, it will be necessary to define the regulatory relationship and the aspects to be introduced at each stage.

**Second phase:** Private charging model is introduced.

**First phase:** Only public charging is considered. Renewable electricity is accounted for according to REDIII methodology.

**Third phase:** Alternative mechanisms to those included REDIII for accounting renewable electricity are introduced (GdO or real time *mix*).



- Current situation
- Renewable fuels objectives: Energy content vs GHG intensity
- Renewable fuels objectives: Advanced biofuels & RFNBOs
- Renewable fuels objectives: Sectorial distinction and Obligated Parties
- E-credits
- Union Database (UDB)



## **Union Database (UDB)**

**Primary objective:** Update the national platform (SICBIOS) to make it as similar to the UDB as possible. Huge differences between both platforms regarding the Value Chain.



