Post-2030 Renewable Energy Framework - Consultation response April 15, 2026

Case followed by Alexandra Popova, alexandra.popova@eng-coalition.org

e-NG Coalition contribution to the Call for Evidence on the Renewable energy framework post-2030,

The e-NG Coalition welcomes the opportunity to contribute to the European Commission's consultation on the post-2030 Renewable energy framework. An updated Renewable energy framework and associated targets are needed to guide the EU towards its 2040 climate objective. In this context, the updated Renewable Energy Directive (RED) should provide a clear and enforceable post-2030 framework that sends credible demand signals and provides visibility for project developers and offtakers.

Despite strong progress, the uptake of renewables, specifically renewable fuels of non-biological origin (RFNBOs) needed to decarbonize hard to abate sectors, continues to be constrained. This can be explained by a combination of factors, notably:

- Limited price competitiveness compared to fossil alternatives;
- Lagging adoption of new renewable technologies and innovative forms of deployment; and
- Persisting bottlenecks in planning and permitting for renewable projects along with slow implementation of rules and targets at national level.

Consequently, maintaining and strengthening RFNBO binding provisions in the RED are essential to provide the long-term certainty needed to support investment in RFNBOs, including e-methane, across end-use sectors.

The e-NG Coalition respectfully recommends the Commission to:

- Review, strengthen and extend binding RFNBO sub-targets across all end-use sectors;
- Support the scale-up of RFNBOs through targeted regulatory incentives and simplified permitting;
- Prioritize Union Database (UDB) implementation and enable liquefaction by equivalence;
- Ensure a level playing field for EU RFNBO deployment by engaging in a dialogue with EU Member States regarding delayed implementation and incentivization of RFNBOs;
- Perform a targeted review of the RFNBO Delegated Acts to address structural deployment barriers.

I. The post-2030 Renewable energy framework will play a decisive role in enabling RFNBOs and e-methane

The revision of the RED is needed amongst other legislative tools to ensure that renewable energy can deliver the EU's trajectory towards a 90% reduction in greenhouse gas emissions by 2040, in a cost-efficient manner that supports EU competitiveness and energy independence through reliable, competitively priced and decarbonized energy for all users. As the backbone of the EU's Renewable energy framework, the RED will play a decisive role in shaping investment signals, technology choices and infrastructure development across the entire energy ecosystem beyond 2030.

For RFNBOs and e-methane, choices made in the post-2030 framework will have short-term and long-lasting consequences for project bankability, deployment, and Europe's global competitiveness. An ambitious, predictable and robust post-2030 regulatory framework is essential to translate the EU's long-term climate objectives into scalable projects. The post-2030 framework must therefore continue to provide clear and strengthened demand signals, targeted incentives and enabling conditions for the scale of renewable molecules critical to decarbonizing hard-to-abate sectors and strengthen energy security.

In this context, the revision of the RED should reaffirm the elements that have proven effective in driving early RFNBO and renewable fuels deployment for the past 20 years, while addressing remaining barriers linked to cost competitiveness, system integration, regulatory complexity and timely Member State implementation.

II. E-methane is essential to the EU's decarbonization strategy and diversification of energy supply

RFNBOs, and particularly e-methane, play a particularly important role in decarbonizing hard-to-abate sectors such as energy-intensive industry, long-distance and heavy-duty transport, and maritime shipping, where direct electrification is challenging.

As a fully renewable molecule with the same chemical properties as fossil natural gas, e-methane provides a unique system integration advantage as it can be used immediately and directly in existing gas infrastructure, including pipelines, storage facilities, and LNG terminals, without requiring changes to equipment or networks. This drop-in compatibility

makes it a practical and scalable solution to decarbonize gas users. It also significantly reduces immediate downstream system transition costs for H_2 users while enabling the rapid integration of renewable electricity into the energy system, and the potential to reduce congestion in the power grid, through power-to-gas pathways.

Beyond decarbonization, national and European production of e-methane would contribute to greater diversification of energy supply, the decentralization of production, and a reduction in reliance on energy imports from third countries, thereby strengthening EU energy resilience and security.

Europe is currently the leading region worldwide in terms of the number of e-methane projects. It is also the second largest projected e-methane production hub by capacity in the world, driven by projects in Finland, France, Germany, Spain and a growing number of cross-border initiatives. At a time when energy resilience and security are key priorities for the EU, e-methane is particularly well suited to contribute to these objectives, as it can rely on existing gas infrastructure, large and liquid offtake markets and established value chains.

The RED sets an overall binding EU renewables target for 2030 and establishes binding RFNBO targets to replace 42.5% of existing fossil hydrogen consumed in industry by 2030 (with an aspiration to reach 45%) and 60% by 2035. These targets, once implemented and accompanied by supportive measures can be a core demand driver for renewable molecules and are central to the investment case for RFNBOs, including e-methane.

Currently, the transport sector is the most important demand driver for RFNBOs as the RED sets a target of 5.5% advanced biofuels, biomass fuels, including a sub-target of 1% RFNBOs. Preserving clear and long-term RFNBO targets in the transport sector, while ensuring they are gradually increasing over time, similar to the approach taken in FuelEU Maritime (2023/1805/EC) is needed to further drive proven demand and support early investment decisions. Member State transpositions and initial project final investment decisions (FID) show that RFNBO uptake in transport is one of the key drivers for FIDs in practice.

Increasing explicit recognition of the role of e-methane alongside other renewable gaseous fuels and other RFNBOs within the post-2030 Renewable energy framework will therefore be essential to ensure a cost-efficient, scalable, and resilient energy transition.

III. RFNBO uptake continues to face key challenges

While the RED established binding renewable hydrogen targets for industry and a transport RFNBO sub-target, the current framework presents several structural limitations that risk undermining the investment case for RFNBOs and e-methane post-2030.

Despite strong progress, RFNBOs uptake continues to face key challenges, notably limited price competitiveness compared to fossil fuels, slow deployment of innovative technologies and persistent bottlenecks related to planning, permitting and system integration.

1. Target architecture that weakens long-term demand signals

Binding targets and mandates are central for demand certainty for RFNBOs. If such binding and long-term targets are absent, investors and project developers will lack confidence that demand for e-methane and other RFNBOs will be sustained and consistently recognized across the relevant regulatory and accounting frameworks at EU and Member State level.

What is currently missing is long-term regulatory stability and greater clarity at EU level. RefuelEU aviation provides an example of long-term and regularly scaling sub-target for RFNBOs (eSAF). A similar approach for the RED and the FuelEU Maritime regulation would ensure long-term visibility by investors. While targets that only increase every five years can create gaps in investment and delay projects that come online between target dates, Member States should be encouraged to provide more prescriptive targets in line with updated EU targets and their local circumstances: a more gradual, year-on-year increase in targets would provide a steadier demand signal, support continuous project development, and allow for more consistent market growth.

2. Lagging implementation of RED at Member State level

Delays in the transposition and practical implementation of the RED at Member State level continue to affect market development. Delays in translating EU targets into national laws reduce demand signals for project developers and investors. Incomplete implementation could contribute to project delays and slow down the emergence of a European market for e-methane and other RFNBOs and harm the European hydrogen ecosystem along with the competitiveness of European manufacturers of hydrogen derivative production.

3. Traceability, certification and accounting infrastructure not yet fully operational

The effective functioning of governance, traceability, and accounting frameworks will be critical to ensure that e-methane and RFNBOs can contribute to the EU's post-2030 objectives. To develop a market for RFNBOs, the timely full implementation of the Union Database (UDB) remains essential, alongside further regulatory clarification on the treatment of liquefaction by equivalence and its associated carbon-intensity (CI) values. In addition, the ability of Europe to position itself as a global leader when it comes to H_2 and its derivatives hinges on its ability to implement effective and transparent solutions to enable market liquidity, domestic trading, and the creation of an import/export economy.

4. Competitive disadvantages for EU projects in the global renewable fuels market

Current global developments demonstrate that other jurisdictions are deploying large-scale subsidy schemes and more flexible regulatory frameworks to accelerate renewable hydrogen and derivative deployment.

If European projects remain subject to significantly more restrictive regulatory conditions than competing projects abroad, there is a substantial risk that investment and production capacity will shift outside the EU, undermining the Union's industrial, energy security and decarbonization objectives. Decisive measures are needed to ensure the EU implements the tools required to fit its decarbonization ambitions.

5. Regulatory considerations arising from the RFNBO Delegated Acts

Since the adoption of the RFNBO Delegated Acts, a growing body of implementation experience has revealed certain structural barriers affecting project bankability, deployment timelines, and Europe's global competitiveness in renewable hydrogen and RFNBOs. Addressing these barriers without delaying implementation nor creating uncertainty will be essential to ensure that EU policy effectively translates into investment decisions and industrial deployment.

IV. The e-NG Coalition recommends the European Comission to:

1. Review, strengthen and extend binding RFNBO sub-targets across all end-use sectors

Binding sector-specific RFNBO sub-targets are core demand drivers for RFNBOs and are central to the investment case for e-methane and other RFNBOs. The post-2030 framework should preserve and strengthen these targets by setting a clear and ambitious trajectory to 2040, in particular by:

- Increasing the transport RFNBO sub-target significantly above the current 1% by 2030, by proposing a 5% sub-target by 2035 and a 10% sub-target by 2040;
- Alternatively, and where this is not possible, prolonging the use of multipliers for RFNBO solutions as foreseen by the RED and FuelEU Maritime as a way to encourage uptake compared to less sustainable alternatives;
- Introducing a new dedicated RFNBO mandate for the gas grid covering all connected end-users and enabling the decarbonization of sectors such as heating and cooling. E-methane's drop-in compatibility with existing gas infrastructure makes it a cost-effective decarbonization solution for many sectors, and its zero-rating for ETS obligated parties may encourage uptake by offtakers if associated with other incentives. In this context, a dedicated binding target would create the necessary demand signal to the deployment of e-methane for heating applications and other connected end-users such as industrial, transport and maritime offtakers.

Furthermore, a gradual, year-on-year increase in targets would provide a steady investment signal, support continuous project development, and allow for more consistent market growth.

Maintaining the current target architecture is vital for legal certainty. A shift toward a "single overarching clean energy target" without robust renewable minimum thresholds could weaken the renewable energy demand signal, increase long-term investment uncertainty, constrain the deployment of e-methane, and ultimately undermine the EU's ability to decarbonize key sectors and achieve its climate objectives. RFNBO targets in the post-2030 framework should therefore remain non-dilutable, be clearly distinguished

from low-carbon energy, and be preserved as dedicated sub-targets, even if an overarching "clean energy" target architecture is introduced.

The post-2030 framework should ensure that low-carbon hydrogen only a complementary and transitional role in specific applications, and that the revised framework does not allow low-carbon hydrogen to substitute for renewable energy in a way that dilutes RFNBO delivery, delays project pipelines, or undermines investments already taken under the current RFNBO framework.

2. **Support the scale-up of RFNBOs through targeted regulatory incentives and simplified permitting**

RFNBOs are currently underexploited and continue to require dedicated support mechanisms to reach cost-competitiveness.

In this context, the post-2030 framework should introduce targeted regulatory incentives for emerging e-methane and RFNBO technologies, alongside the establishment or expansion of EU-level subsidy and support schemes for RFNBO projects. At the same time, permitting procedures for RFNBO production and distribution projects should be streamlined.

In parallel, cross-border cooperation mechanisms should support RFNBO deployment by enabling regional optimization of renewable electricity supply, CO_2 sourcing and infrastructure use, thereby reducing overall system costs.

3. **Prioritize UDB implementation and enable liquefaction by equivalence**

The European Commission should prioritize the effective and timely implementation of the UDB, and clarify the treatment of liquefaction by equivalence and its associated CI values within EU accounting and mass-balance frameworks. Addressing these would significantly improve regulatory clarity and investment confidence, boosting in turn the development of functioning RFNBO markets. It is also important to recognize the cross-border transfer of the Guarantees of Origin, and their integration with Proofs of

Sustainability to avoid double counting, as well as clarify and explicitly harmonize the utilization of the liquefaction by equivalence in the RED.

Addressing these issues would significantly improve regulatory clarity and investment confidence across the value chain.

4. **Ensure a level playing field for EU RFNBO deployment by engaging in a dialogue with EU Member States regarding delayed implementation and incentivization of RFNBOs**

The European Commission should also ensure a level playing field between RFNBO production within the EU and production in third countries. As stated above, EU RFNBO and e-methane projects operate in a global environment where competing jurisdictions deploy large-scale subsidy schemes and more flexible regulatory frameworks to accelerate renewable hydrogen and derivative deployment.

Consequently, the post-2030 framework should explicitly enable mechanisms that help ensure regulatory level-playing field between domestic production and imports, including the treatment of electricity sourcing rules, subsidy eligibility, certification frameworks, and feed-in tariffs for RFNBOs. Maintaining a level playing field will be essential to preserve Europe's leadership in renewable fuels and to secure resilient supply chains.

5. **Perform a targeted review of the RFNBO Delegated Acts to address structural deployment barriers**

The post-2030 framework should also address specific structural barriers currently affecting the deployment of RFNBOs in Europe, while preserving the integrity of the current RFNBO framework. While the RED and the associated Delegated Acts have established an important framework for renewable hydrogen and derivatives, implementation experience indicates that certain provisions may, in practice, discourage new investment decisions.

In particular, the current rules on additionality, temporal and geographical correlation, as well as restrictions linked to electricity market design, can raise the entry threshold for

new project developers and investors. At the same time, it is essential that any consideration of adjustments to the RFNBO framework remains strictly targeted and limited in scope to preserve legal certainty for investments made under the existing rules, as well as avoids any retroactive effects that could undermine legitimate expectations and confidence in the EU regulatory framework. While environmental integrity must remain a cornerstone of EU rules, the regulatory design should allow pragmatic implementation that reflects real-world energy system conditions and supports large-scale renewable deployment.

In this context, the European Commission should consider a limited and focused review of specific elements of the RFNBO Delegated Acts considering implementation experience, without reopening the framework as a whole. Such a targeted review should aim to enable a more effective and scalable deployment of RFNBO projects in the post-2030 framework, while fully maintaining robust sustainability safeguards, regulatory predictability, and legal certainty for current and committed investments.

V. Conclusion

The post-2030 Renewable energy framework could further accelerate decarbonization while strengthening the resilience and security of the EU's energy supply. E-methane and other RFNBOs can play a meaningful role in this transition and help the EU achieve its 2040 climate objective.

In this context, the e-NG Coalition respectfully recommends that the European Commission ensure that the post-2030 framework maintains binding targets, delivers clear and durable demand signals, as well as provides the scale-up support needed for RFNBOs and e-methane deployment.

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About the e-NG Coalition: The e-NG Coalition is a collaborative alliance of pioneering companies that believe electric Natural Gas (e-NG, e-methane) has a role to play to accelerate the energy transition towards a net-zero carbon future. The Coalition promotes e-NG, builds a global market with aligned emissions accounting and certification standards, and bolsters cooperation between all stakeholders along the e-NG value chain. By aligning industry innovation with ambitious climate policies, the coalition aims to be a catalyst for meaningful progress in the energy landscape.