



CEDEC

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European Parliament & Council: “Fit For 55” – state of play

Policymakers have been working full speed on the “Fit for 55” package in the last months and it finally seems that the new academic year in September will start with a nice series of “trilogues” meetings between Parliament, Council and Commission, which will conclude the legislative process on a majority of the files of the package.

Here is a summary of the most relevant files for CEDEC:

- After **EU ETS** went through a first unsuccessful vote in plenary on 8 June, rejected by Socialists and Greens because too weak and by right-wing groups because too ambitious, the file was referred back to the ENVI committee. A new compromise was [confirmed](#) by a vote in plenary on 22 June. On its side, the Council agreed on a [general approach](#) on 29 June. European Parliament and Council are now ready to start negotiations.
 - For what concerns the **Renewable Energy Directive** (REDII) and the **Energy Efficiency Directive** (EED), the ITRE committee has voted today 13 July on its position: the report on EED was approved with 50 votes in favour and 7 against, while, as illustrated here, the report on RED was approved with 54 votes in favour, 14 votes against. The Parliament will have to confirm the vote in plenary on 13 September. Member States agreed on their [general approaches](#) on these files on 27 June. If the EP vote in September goes through, it can enter in trilogue talks with the Council.
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- On the **Alternative Fuels Infrastructure Regulation** (AFIR) the responsible committee in the Parliament, TRAN, is expected to vote its position on 10 October. At the Member States side work is more advanced, with the [position finalized](#) already on 2 June.
 - For the last arrived **Energy Performance of Buildings Directive** (EPBD), MEPs have just submitted their [amendments](#) (deadline 5 July) and they will now discuss compromise amendments to form a final position. The vote on the position in ITRE is expected by late October. The file is still under discussion in the Council.

European Parliament: Gas Package draft reports

Since its publication by the Commission on 15th of December, the review of the Gas Directive and the Gas Regulation has been keeping CEDEC and policymakers very busy. CEDEC advocacy has been focusing on providing early feedback to responsible MEPs to make the EC proposal more fit for the transition of gas DSOs towards renewable and low-carbon gases, including hydrogen.

As foreseen by the legislative process, rapporteur for the [Gas Directive](#) Jens Geier (S&D – DE) and rapporteur for the [Gas Regulation](#) Jerzy Buzek (EPP – PL) have published their **draft reports** on the 22 June. Positively, both introduced important amendments to improve the Commission’s proposal.

The most relevant ones stem from the introduction by rapporteur Geier of a distinction between hydrogen network operators at distribution and at transmission level. The creation of a definition for ‘**hydrogen distribution**’ should allow for a better consideration of hydrogen uptake by gas DSOs and to adapt related unbundling rules to the distribution grid model. In addition, he introduces provisions on **local and regional heat planning** which would see a central role for all energy DSOs and allow for efficient planning to decarbonise H&C.

When it comes to the draft report on the Regulation – despite some alignment with the draft report on the Directive is still needed and will be key – the introduction of more flexible conditions for **financial transfers** between regulated grids and of a **100% tariff discount** at entry-points for renewable and low-carbon gases production, are a good starting point for negotiations.

Now, MEPs are expected to provide their amendment by today 13 July. The amendments will be up for discussion for finding compromise amendments until the official vote in the ITRE committee on 28 November 2022.

Taxonomy saga: “green light” to the complementary DA on gas and nuclear (in principle)

After over two years of intense debate, one starts wondering if the “taxonomy saga” will ever have an epilogue, but the last couple of weeks have marked a turning point. As a reminder, on 9 March 2022 the Commission has officially sent to the Parliament and the Council the “**complementary delegated act**” on taxonomy proposing the inclusion of **nuclear and gas** activities among the criteria on sustainable finance, and the co-legislators have been given **until 11 July to object** (or accept) the proposal.

Approaching the deadline, on 14 June the ECON and ENVI committees in the Parliament have adopted a motion for resolution to officially ask the Parliament to object to the complementary delegated act proposed by the EC. However, after an emotional and heated discussion that saw the faction of “we need gas and nuclear for the transition and to make it through these difficult times” opposing the faction “labelling gas and nuclear as sustainable betrays climate ambitions, gives the wrong signal to investors and favours Russia”, the EP plenary [did not object](#) to the complementary delegated act, de facto giving its green light to the EC proposal.

On the Council side, while there is no majority to object the text (meaning it passes) a group of countries led by Austria is going to [file a lawsuit](#) against the Commission.

Without objections, the Taxonomy (complementary) Delegated Act will now enter into force and apply as of 1 January 2023.

Council: Czechs take up the Presidency

On 1st of July, until end of December 2022, Czech Republic takes up the rotating Presidency of the Council under the motto “[Europe as a task: Rethink, Rebuild, Repower](#)”. The key priorities are the following:

- Managing the refugee crisis and post-war reconstruction of Ukraine
- Energy security
- Strengthening European defence capabilities and cybersecurity
- Strategic resilience of the European economy
- Resilience of democratic institutions

More info on the official website: <https://czech-presidency.consilium.europa.eu/en/>

FROM OUR MEMBERS!

EU Clean Hydrogen Alliance & “Buildings” roundtable - 2nd call for projects

The **European Clean Hydrogen Alliance** has opened a second call for **clean hydrogen projects** to be included in the project pipeline. Alliance members can submit or update existing projects [here](#) by 16 August.

At the same time, the “**Buildings**” **round table** of the Alliance, of which CEDEC is member, is seeking to update the **map on projects** showcasing role of hydrogen in buildings and at distribution level. To submit new projects to this map, please send [an email to CEDEC Secretariat](#) by 29 August.

Reading of the month

[CEDEC Annual Report 2021](#)

Upcoming meetings & Events

→ CEDEC Broadband platform: beginning September 2022 (TBC)

→ CEDEC WG GAS: beginning September 2022 (TBC)

→ CEDEC Board of Directors: 23 September 2022

→ **SAVE THE DATE – CEDEC Annual Congress: 26 October 2022**

Ongoing consultations

→ [Public consultation on CEER draft 2023 Work Programme](#) – deadline 12 August 2022