

# **RED III and Updated specifications**

This document aims to provide a detailed overview of the changes related to the Revised Renewable Energy Directive EU/2018/2001 (RED III), in order to clarify the implications for Economic Operators.

In addition to the changes introduced by RED III, this document also serves as a reminder of the requirements for compliance in the Waste Sector, with the goal of clarifying the certification obligations for Economic Operators involved in the collection, treatment, or use of waste and residues.

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# **RED III UPDATES**

RED III shall apply as of 21 May 2025 and must be considered in all audits conducted from that date onward.

- The certification obligations for new operators will depend on the national transposition of RED III by each Member State.
- However, the RED III sustainability and GHG criteria will apply to all certified operators, regardless of the transposition status. RED III shall be applied from 21/05/2025 and on during all the audits carried out from this date.

#### **Old Growth Forest and Heathland**

Two new No-Go zones were added. The 1<sup>st</sup> gathering entity shall ensure that agricultural biomass does not come from "old growth forests" nor "heathlands" (in addition to primary forests, other wooded lands, highly biodiverse forest/wooded land:

- Old growth forests as defined in the country where the forest is located. In cases where no country level definition of 'old growth forests' exists, apply the following definition:

**Old Growth Forest:** "A forest stand or area consisting of native tree species that have developed, predominantly through natural processes, structures and dynamics normally associated with late-seral developmental phases in primary or undisturbed forests of the same type. Signs of former human activities may be visible, but they are gradually disappearing or too limited to significantly disturb natural processes".

- **Heathland in the geographical range of the European Union** in or after 2008. (Definition by Member state, or in absence of it: Apply definition from Copernicus Program.

**Heathland:** "Vegetation with low and closed cover, dominated by bushes, shrubs, dwarf shrubs (heather, briars, broom, gorse, laburnum etc.) and herbaceous plants, forming a climax stage of development" (Source: EU Copernicus)

<u>Important:</u> For operators using 2BS Mapping Tool, no impact from this change, since these two types of land are already considered non-sustainable in this tool.

# **Definitions of Intermediate Crops.**

The Definition of Intermediate Crops changed from taking into account the concept of **main crops** to a more restrictive definition for intercrops grown in zones **with short vegetation period**:

**RED II** 

Intermediate crops for energy purposes (CIVE)' means crops, such as catch crops and cover crops, grown before or after main crops, provided that the use of such intermediate crops does not trigger demand for additional land. For example, Food and feed crops not reaching maturity and cultivated before or after the main crop can be considered intermediate crops. This definition is pending clarified guidelines or approval from the EU Commission.

RED III

'Intermediate crops Annex IX' means crops, such as catch crops and cover crops that are grown in areas where due to a short vegetation period the production of food and feed crops is limited to one harvest and provided their use does not trigger demand for additional land, and provided the soil organic matter content is maintained. This definition is pending clarified guidelines from the EU Commission.

#### **ECCR** bonus

The definition was updated to put a limit date (2036) of the CO2 commercial consumption. RED III also imposes that the captured CO2 is used to replace fossil-derived CO2 in the production of products and services (in RED II it was optional).

RED II

Emission savings have not already been accounted for in ep can be included where they relate to biomass-derived CO2, which is captured and stored, or that replaces fossil CO2 in a commercial process.

**RED III** 

Emissions savings from CO2 capture and replacement, eccr, shall be related directly to the production of the biofuels or bioliquids to which they are attributed, and shall be limited to emissions avoided through the capture of CO2 of which the carbon originates from biomass, and which is used to replace fossilderived CO2 in the production of commercial products and services before 1 January 2036.

#### **Definitions of Waste and Residues.**

The Definition of Waste and Residues now makes reference directly to Annex IX instead of listing examples.

**RED II** 

« Wastes and residues, including treetops and branches, straw, husks, cobs and nut shells, and residues from processing, including crude glycerine (glycerine that is not refined) and bagasse shall be considered to have zero life**RED III** 

As a general rule, wastes and residues, including all wastes and residues **included in Annex IX**, shall be considered to have zero life-cycle greenhouse gas emissions up to the process of collection

cycle greenhouse gas emissions up to the process of collection. »

In RED III, raw materials <u>listed</u> in Annex IV of Implementing Regulation 2022/996 are automatically classified as waste or residues, regardless of their country of origin.

#### **Definitions of RFNBO.**

RFNBO (Renewable Fuels of Non-Biological Origin) are now defined as any biofuels or biomass fuels from non-biological origin (before the definition regarded only those used in the transport sector excluding biofuels or biogas). For example, methane made from non-biological sources will be a RFNBO (methanation of fossil off-gas from industries).

RED II RED III

'Renewable liquid and gaseous transport fuels of non-biological origin' means liquid or gaseous fuels which are used in the transport sector other than biofuels or biogas, the energy content of which is derived from renewable sources other than biomass. 'Renewable fuels of non-biological origin' means liquid or gaseous fuels, the energy content of which is derived from renewable sources other than biomass.

#### New definition: Renewable fuel

RED III introduces the term "renewable fuel" as a unified label encompassing biofuels, bioliquids, biomass fuels, and RFNBOs. This aims to simplify the terminology when referring to these types of energy sources.

**'renewable fuels'** means biofuels, bioliquids, biomass fuels and renewable fuels of non-biological origin

**Important**: Note that RCF (recycled carbon fuels) are not included in this definition.

#### New thresholds for certification

RED III introduced stricter thresholds for **installations producing and/or using biomass fuels.** It is important to note that these new thresholds must be transposed into national legislation by each Member State in order to enforce the obligation for economic operators to become certified and comply with the sustainability and GHG emission savings criteria.

#### RED II

Biomass fuels shall fulfil the sustainability and greenhouse gas emissions saving criteria, if used in installations producing electricity, heating and cooling or fuels with

- a total rated thermal input equal to or exceeding
  20 MW in the case of solid biomass fuels,
- a total rated thermal input equal to or exceeding
  2 MW in the case of gaseous biomass fuels.

#### **RED III**

Biomass fuels shall fulfil the sustainability and greenhouse gas emissions saving criteria if used:

- in the case of solid biomass fuels, in installations producing electricity, heating and cooling with a total rated thermal input equal to or exceeding 7,5 MW;
- in the case of gaseous biomass fuels, in installations producing electricity, heating and cooling with a total rated thermal input equal to or exceeding 2 MW;
- in the case of installations producing gaseous biomass fuels with the following average biomethane flow rate above 200 m3 methane equivalent/h measured at standard

conditions of temperature and pressure, namely 0 °C and 1 bar atmospheric pressure; (if biogas is composed of a mixture of methane and non-combustible other gas, for the methane flow rate, the threshold of 200m3 should be recalculated proportionally to the volumetric share of methane in the mixture).

### **New GHG saving criteria**

No changes for renewable fuels in the transport sector:

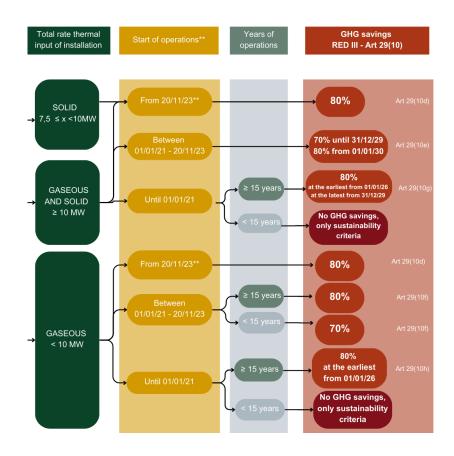
GHG saving criteria were not modified for biofuels, bioliquids and biomass fuels used in the transport sector (Article 29-10 a, b and c).

 Biomass fuels GHG saving criteria were updated (see diagram to the left).

RED III introduces GHG emission saving criteria that vary depending on:

- whether an installation has been in operation for more or less than
  15 years
- the total rate thermal input
- type of biomass fuel (solid or gaseous).
- start date of operations

Installations operating for more than 15 years are subject to stricter GHG saving requirements (80% instead of 70%).



It is **important** to note that \*\*\*until 31/12/2030, the sustainability and GHG emissions saving criteria set out in Article 29 in <u>its version in force on 29/09/2020</u> apply, **only if** support was granted before 20/11/2023 and that support was granted in the form of a long-term support for which a fixed amount has been determined at the start of the support period and provided that a correction mechanism to ensure the absence of overcompensation is in place.

The full diagram of RED III thresholds, sustainability and GHG saving criteria is available in the ANNEX at the end of this document.

Article 29-10. The greenhouse gas emission savings from the use of biofuels, bioliquids and biomass fuels taken into account for the purposes referred to in paragraph 1 shall be:

<sup>(</sup>a) at least 50 % for biofuels, biogas consumed in the transport sector, and bioliquids produced in installations in operation on or before 5 October 2015; (b) at least 60 % for biofuels, biogas consumed in the transport sector, and bioliquids produced in installations starting operation from 6 October 2015 until 31 December 2020;

<sup>(</sup>c) at least 65 % for biofuels, biogas consumed in the transport sector, and bioliquids produced in installations starting operation from 1 January 2021; (d) at least 70 % for electricity, heating and cooling production from biomass fuels used in installations starting operation from 1 January 2021 until 31 December 2025, and 80 % for installations starting operation from 1 January 2026.

#### REMINDERS FOR THE WASTE SECTOR

# Waste and Residues: Rectification about the definition of Point of Origin

As a general rule, wastes and residues including all wastes and residues included in Annex IX, shall be considered to have zero life-cycle greenhouse gas emissions up to the process of collection irrespective of whether they are processed to interim products before being transformed into the final product. In this context, the "process of collection" is the point where the waste or the residue arises in the first place (e.g. for used cooking oil this would be the restaurants or plants producing the fried products). In the case of household waste, this would be the first collector, which could be a private company or a municipality).

#### In summary:

- Self-declarations from Points of Origin must be signed by the actual waste producer (e.g. companies, municipalities, eco-organizations, etc.).
- In the case of household waste or individual waste (i.e. private persons, as opposed to companies or institutions), the first collector is considered the Point of Origin. This includes municipalities collecting household waste, eco-organizations collecting waste from individuals, or waste collection centers receiving waste from private persons.
- If the waste originates from the industrial sector (e.g. companies, factories), the economic operator generating the waste must sign the Self-Declaration.
- In the case of brokers or intermediary interfaces that facilitate the supply chain between the waste producer (Point of Origin) and the waste collector (First Gathering Point), with or without transport, these entities are considered service providers. As such, they must be included within the certification unit of the First Gathering Point. The Self-Declaration must be signed by the Point of Origin, not by the intermediary operator.
- Other service providers, such as transport companies, must also be included in the certification unit. Again, the Self-Declaration must be signed by the Point of Origin, not by the intermediary.
- The Self-Declaration may take the form of a waste management contract, preacceptance documentation for waste at a treatment facility, waste registers, or other relevant documents—provided these contain all necessary information to ensure traceability and compliance with RED requirements.
- **IMPORTANT**: Self-Declarations signed by operators other that the actual Point of Origin are not accepted.

#### Waste and Residues: GHG emissions

**Sedimentation sorting, shredding, sanitation, deconditioning and filtration** of liquid wastes and residues such as used cooking oil, or solid wastes and residues such as municipal solid waste are not GHG emissions generating processes.

However, it is important to take into account the emissions due to the transport (ETD) from the Point of Origin up to the last interface.

### **Waste and Residues: First Gathering Points**

**Sustainability Declarations issued by First Gathering Points must accompany each batch of materials delivered to the next downstream economic operator.** In the case of **waste and residues**, the definition of a *batch* can be determined by the Economic Operator, provided it aligns with the mass balance period, which must not exceed **three months**. Therefore, a batch may correspond to the total volume of materials delivered over a period of **one**, **two**, **or three months**.

## MINUTES OF THE Q&A SESSION

#### **RFNBO**

The 2BS voluntary scheme is recognised by the European Commission for all types of fuels (including renewable fuels of non-biological origin – RFNBO). However, the specifications of 2BS are not yet recognized for the production of RFNBO (a development project is planned for this purpose for the year 2025). On the other hand, trading in RFNBOs certified by other voluntary schemes is accepted and can therefore be certified.

# Self-declarations to be updated (Transition period from RED II to RED III)

Self-declarations signed before 21/05/2025 remain valid (one year from the date of signature). The transition will take place gradually upon the signing of the new self-declarations in accordance with RED III from 21/05/2025.

In France, if a First Agricultural Biomass Collection Point uses 2BSMapping Tool for the sustainability of plots, the RED II self-declaration may be accepted during the transition period, as the new prohibited areas are already classified as unsustainable in this tool.

# **Broker and Intermediary Entities**

It was recalled that the aim is to have the self-declaration of the point of origin (the physical place where the waste is created).

The self-declaration does not have to be signed by anyone other than the waste producer. In the case of traders/brokers/transporters/intermediaries who buy waste and resell it at

a First Gathering Point, these economic operators must transmit the self-declaration of the point of origin.

If they refuse to submit the self-declaration, they have the choice of being certified as First Gathering Point without storage.

They can also be integrated into the scope of certification of an existing FGP, as a service provider or logistics site (in the case of transporters). In this case, they will have to be explicitly listed on the FGP certificate, in the same way as any other logistical site. The FGP will then be responsible for monitoring the compliance of the service provider's activities with the requirements of the RED, in particular with regard to waste collection, the management of self-declarations, as well as compliance with sustainability criteria.

## Self-declaration of waste and residue points of origin

When the self-declaration takes the form of a waste management contract between the First Gathering Point and the Points of Origin, its registration by the First Gathering Point is valid for a maximum of one year.

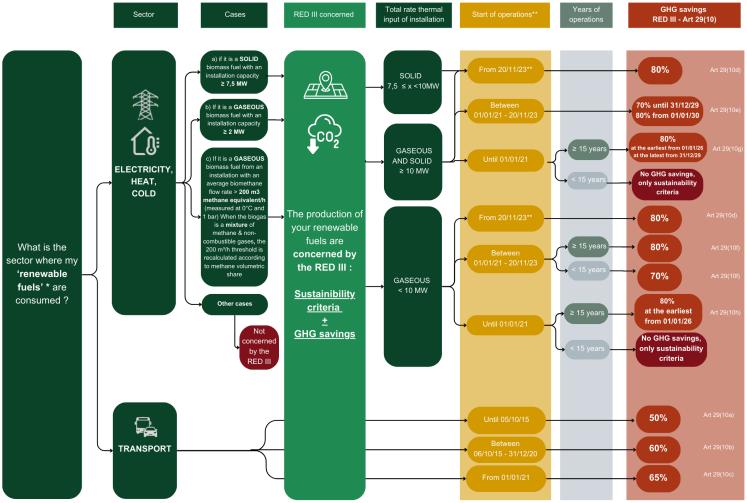
#### See 2BS-PRO-04 Chapter 5:

If a single declaration document is used for all deliveries related to an agreement or a contract, the contract number or agreement number must be indicated on the declaration document.

It is also possible to include the text of the declaration in the contract between the first gathering point and the waste producer.

The self-declaration record as such or as part of the contract is valid for a maximum of one year starting from the date of issue.

ANNEX I Date: 12/05/2025



<sup>\*</sup>biofuels, bioliquids, biomass fuels and renewable fuels of non-biological origin;

<sup>\*\*</sup>Until 31/12/2030, the sustainability and GHG emissions saving criteria set out in Article 29 in its version in force on 29/09/2020 apply, only if support was granted before 20/11/2023 and that support was granted in the form of a long-term support for which a fixed amount has been determined at the start of the support period and provided that a correction mechanism to ensure the absence of overcompensation is in place.