

RGI position on the “Fit for 55” package

RGI welcomes the initiative of the European Commission to reduce CO₂ emissions, paving the way towards climate neutrality by 2050, as set out in the European Green Deal. The revision of the “Fit for 55” package is a unique opportunity for the EU to lay the foundations for a reduction of greenhouse gas (GHG) emissions by at least 55% by 2030. This will be achieved by mobilising the right tools, identifying synergies between stakeholders and sectoral legislations, and aligning the EU energy and climate policies with its global commitments.

RGI strongly believes that a renewable-based electrification of our economy, coupled with the sustainable expansion and modernisation of EU electricity grid, is the fastest and most cost-effective way to achieve significant CO₂ emission reductions over the coming decade. An efficient, renewable and sustainable energy system is the only path to a net-zero EU. Therefore, RGI recommends that the following messages should be considered in the upcoming legislative package:

Efficiency and electrification should come first. A coherent application of the ‘efficiency first’ principle across the entire energy system in order to limit the total energy demand, alongside the realisation of the major efficiencies offered by the electrification of end-use sectors, are drivers towards a cost-effective transition of the European economy. In line with this, direct electrification should be prioritised and supported over other technologies as the most efficient and sustainable way to fuel our economies and meet our needs, phasing out fossil fuels.

Accelerated deployment of renewables should be jointly tackled with the development of the needed grid infrastructure and of flexibility services and market products. Electrification based on renewable energy sources, especially wind and solar, will bring technological innovation, resilience in the system and efficiency gains, reducing the overall GHG emissions and generation needs. A further acceleration of generation capacities for RES is fundamental in order to be able to feed demand of current and future electrified sectors without increasing system emissions. Supporting the adoption of RES for end-use sectors, while reducing the lead time for the sustainable deployment of RES and grid infrastructure, is key to fulfilling their potential. At the same time, higher RES targets will bring complexity to the management of the electricity system. Therefore, their increase requires due consideration of the grid infrastructure, storage systems and grid management instruments needed to enable their integration. Flexibility services and flexibility market products must be further developed and supported.

The electrification of buildings and mobility should be accelerated in order to achieve the 2030 target. Energy efficiency in buildings must be increased along with the rate of electrification. Regulatory and framework barriers that currently artificially prevent the electrification of heating in buildings should be fully removed. For the mobility sector, a rapid roll-out of publicly available recharging infrastructure for EVs is needed. The renovation of private and public buildings should be also supported in order to make them ready for smart charging infrastructure and actively participate in the flexibility service market. This requires appropriate metering and communication capabilities, as well as harmonised technical requirements, all of which would allow consumers and society to reap the benefits of smart charging.

Electrification will have to be complemented by the use of green molecules in hard-to-abate applications. To reach carbon-neutrality in the EU by 2050 in line with the EC Energy System Integration Strategy, and with the increasing application of the energy efficiency first principle, electrification will have to be complemented by the use of green molecules in hard-to-abate applications within sectors such as chemicals, heavy industry and heavy-duty/long-haul transport. While electrification is the most efficient and cost-effective option to make substantial gains towards climate neutrality within this decade (since it has reached a sufficient level of maturity, in terms of technology and costs), the use of green molecules, such as green hydrogen, still requires an assessment of its opportunities and challenges before policymakers take direction-setting decisions for the development of the dedicated and the enabling infrastructure (e.g., renewables, grid) to accompany its uptake.

Electrification should be unlocked through rebalancing energy taxation and levies. A level playing field between energy carriers must be ensured through taxation, thus unleashing the substantial socio-economic potentials of electrification of consumption and RES integration, while retaining the competitiveness of industries and limiting the energy bill for consumers. The development of technologies which enable the transition towards a renewable-based economy should not be hindered by double taxation.

All economic sectors should contribute to emission abatement according to their potential. Effective CO2 prices are necessary in order to give the appropriate signals to investors across different economic sectors and therefore accelerate the deployment of carbon reduction measures and technologies, which are key to reach the 2030 target.

Climate measures should be socially fair and equitable. The economic burden of climate measures should not be inflicted upon low-income households, rather complementary social policies should be put in place to speed up the climate measures.

In addition, RGI also supports the [position of the Electrification Alliance](#), of which we are member, on the “Fit for 55” package.