

EN

E-002884/2024

Answer given by Mr Hoekstra
on behalf of the European Commission
(21.2.2025)

The Commission is aware of the matter raised by the Honourable Member, and it is in contact with the German national authorities to monitor the progress of the investigations currently underway. According to the information available to the Commission, the national authorities have reacted promptly and taken appropriate steps to carry out investigations, that are now at the jurisdiction of the State Prosecutors Office. At this time, the Commission is not aware of any fraud cases related to the use of Upstream Emission Reductions (UERs) in Austria or in any other Member States.

Under the European Climate Law¹, only domestic emission reductions or removals can be counted towards the 2030 and 2050 climate targets. This is the case also under the EU Emission Trading System (ETS)², where compliance is possible only by surrendering EU allowances. Thus, the quoted schemes do not pose a risk for the EU ETS nor for its revenues.

The use of UERs was one of the options that fuel suppliers could use to meet the 6% greenhouse gas emission intensity reduction target under Article 7a of the Fuel Quality Directive 98/70/EC (FQD). The Directive provided flexibility to Member States on whether to use that option and how to implement it, including on the setting up of national certification systems. The Commission issued a Guidance note³ on the main principles.

However, the 6% target has been removed from the FQD by the revised Renewable Energy Directive (EU) 2018/2001 (RED), which entered into force in 2023. The revised RED target no longer includes the option of using UERs in the scope. Based on the latest available reporting data⁴, UERs were reported by 15 Member States, contributing to a reduction of the greenhouse gas intensity of about 0.5% out of the total EU reduction of 5.6%.

¹ Regulation (EU) 2021/1119 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law').

² Directive 2003/87/EC establishing a system for greenhouse gas emission allowance trading within the Union.

³ https://climate.ec.europa.eu/document/download/ecd390db-ea00-48b5-bd38-4c36804e9aa6_en?filename=guidance_note_on_uer_en.pdf

⁴ Data for 2022: <https://www.eionet.europa.eu/etcs/etc-cm/products/etc-cm-report-2024-04>