## Appendix 1 – Fit for 55 Framework: How Will the EU Seek to Reduce Emissions by 55%?

Law and Objective	Summary and Status
EU ETS Reform: Strengthening carbon pricing and expanding coverage	The EU ETS is the EU's main carbon pricing tool, covering high-emitting sectors including power generation, energy-intensive industry, and commercial aviation.  The reform sets out several changes, including strengthening the cap on emissions, accelerating the reduction of allowances, and extending the EU ETS to maritime transport.  It also introduces a separate ETS for buildings and road transport fuels, starting in 2027.  Status: Adopted in May 2023.
Revision of the Effort Sharing Regulation (ESR): Reducing emissions from transport, buildings, agriculture, and waste	The ESR sets binding annual GHG emission reduction targets for each EU Member State in sectors not covered by the EU ETS, such as road and domestic maritime transport, buildings, agriculture, and waste.  The revised ESR increases the collective emissions reduction target for these sectors to 40% by 2030 (up from 29%), with national targets based on GDP per capita and adjusted for cost-effectiveness.  Status: Adopted in April 2023.
EU CBAM: Preventing carbon leakage and ensuring fair competition	The EU CBAM aims to prevent carbon leakage by ensuring that imports of certain goods (cement, iron, steel, aluminium, fertilisers, electricity, and hydrogen) are subject to a carbon price equivalent to that paid by EU producers under the EU ETS.  This aims to level the playing field for EU industries and encourages global partners to strengthen their climate policies.  Status: Adopted in May 2023. In February 2025, the Commission proposed a set of changes to simplify the EU CBAM as part of the Omnibus I package. In June 2025, a provisional agreement was reached by the Council and Parliament negotiations.
The Methane Regulation: Cutting methane emissions in fossil fuels	The Methane Regulation enforces stricter rules on the monitoring and reporting of emissions in the energy sector, and restricts the release of methane into the atmosphere in fossil fuel plants.  Status: Adopted in May 2024.

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Revision of the LULUCF Regulation: Reaching climate goals in the land use and forestry sector	The LULUCF Regulation addressed GHG emissions and carbon removals in the land use and forestry sector.  The revised rules set an increased EU-wide target for carbon removals to be achieved by 2030.  Status: Adopted in March 2023.
Social Climate Fund: Supporting vulnerable groups in the green transition	The Social Climate Fund is designed to support vulnerable households, micro-enterprises, and transport users affected by the extension of emissions trading to buildings and road transport.  The fund will finance measures such as direct income support, energy efficiency renovations, and access to zero- and low-emission mobility, intending to ensure a socially fair transition.  Status: Adopted in April 2023.
Revision of the RED: Accelerating the uptake of renewables  See also Appendix 2 for a comparison of RED II and RED III	The revised RED increases the EU's binding target for renewable energy sources in the overall energy mix to at least 42.5% by 2030.  It also sets sector-specific sub-targets for transport, industry, and buildings, and introduces measures to simplify permitting and promote cross-border projects.  Status: Adopted in October 2023.
Revision of the EED: Boosting energy savings across the EU	The revised EED sets a binding target to reduce the EU's final energy consumption by 11.7% by 2030, as compared to 2020 projections.  It strengthens annual energy savings obligations for Member States and requires the public sector to renovate at least 3% of its buildings each year.  Status: Adopted in July 2023.
Revision of the Energy Performance of Buildings Directive (EPBD): Making buildings in the EU greener	The revision of the EPBD sets up new energy efficiency standards for new and renovated buildings in the EU, aiming to encourage property owners across the EU to renovate their buildings.  By 2030, all new buildings will be required to be zero-emission.  Status: Adopted in April 2024.

Law and Objective	Summary and Status
The Hydrogen and Decarbonised Gas Market Package: Shifting from fossil gas to renewable and low-carbon gases	The package proposes revised and new rules to lower the carbon footprint of the gas market.  The package also aims to help strengthen the security of gas supply and reduce dependency on imported fossil fuels.  Status: Adopted in May 2024.
Revised Energy Taxation Directive (ETD): Aligning the taxation of energy products with the EU's energy and climate policies	The EU is working on the revision of the ETD, aiming to ensure that the taxation of different energy products reflects their environmental impact, with the aim of encouraging businesses to make "greener" choices.  Status: At the December 2022 and December 2024 Economic and Financial Affairs Council meetings, EU finance ministers held policy debates and gave political guidance on the ETD revision. Member States will continue their discussions within the Council.
Alternative Fuels Infrastructure Regulation (AFIR): Building a network for more sustainable transport	AFIR ensures the deployment of sufficient recharging and refuelling stations for alternative fuel vehicles (e.g., hydrogen, liquefied methane) across the EU.  It mandates electric vehicle charging stations every 60 km along main roads and hydrogen refuelling stations in all urban nodes by 2030, aiming to remove infrastructure barriers to the adoption of electric and hydrogen vehicles.  Status: Adopted in July 2023.
ReFuelEU Aviation and FuelEU Maritime: Increasing the update of greener fuels	ReFuelEU Aviation and FuelEU Maritime aim to increase the uptake of sustainable fuels by aircraft and ships, to reduce their environmental impact.  Polices include requiring aircraft fuel suppliers at EU airports to gradually increase the share of sustainable fuels that they distribute, and for large vessels calling at European ports to reduce the GHG intensity of the energy used on board.  Status: The FuelEU Maritime regulation was adopted in July 2023, and the ReFuelEU Aviation in October 2023.
Revised regulation on CO2 emissions limits for new cars and vans  Strengthening CO2 emissions performance standards for vehicles	The revised regulation increases the CO2 emissions reduction targets for 2030, and sets a new target of 100% for 2035, meaning all new cars or vans placed on the market in the EU from 2035 should be zero-emissions vehicles.  The new targets aim to speed up the transition to zero- and low-emission mobility.

Law and Objective	Summary and Status
	<b>Status:</b> The amendment to the regulation on CO2 standards for new passenger cars and vans was adopted in May 2025.