



# NECP updates

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# Background

- **In 2020, Member States submitted their first NECPs** setting targets, objectives and contributions towards the achievement of the Energy Union and the 2030 climate and energy targets, and consistent with the long-term goals under the Paris agreement.
- **These current NECPs no longer adequately reflect the higher climate and energy ambitions** agreed under the European Green Deal and the targets agreed as part of the Fit for 55 Package, as well as the **new impetus for energy security and affordability**.
- The Commission expects **all Member States to notify updates** of their current Plan reflecting these higher ambitions and changed circumstances.

Draft updated NECPs to be submitted by June 2023, final ones by June 2024

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Unique opportunity to reflect these developments in an integrated manner

# NECP update – framework

## Article 14 of the Governance Regulation

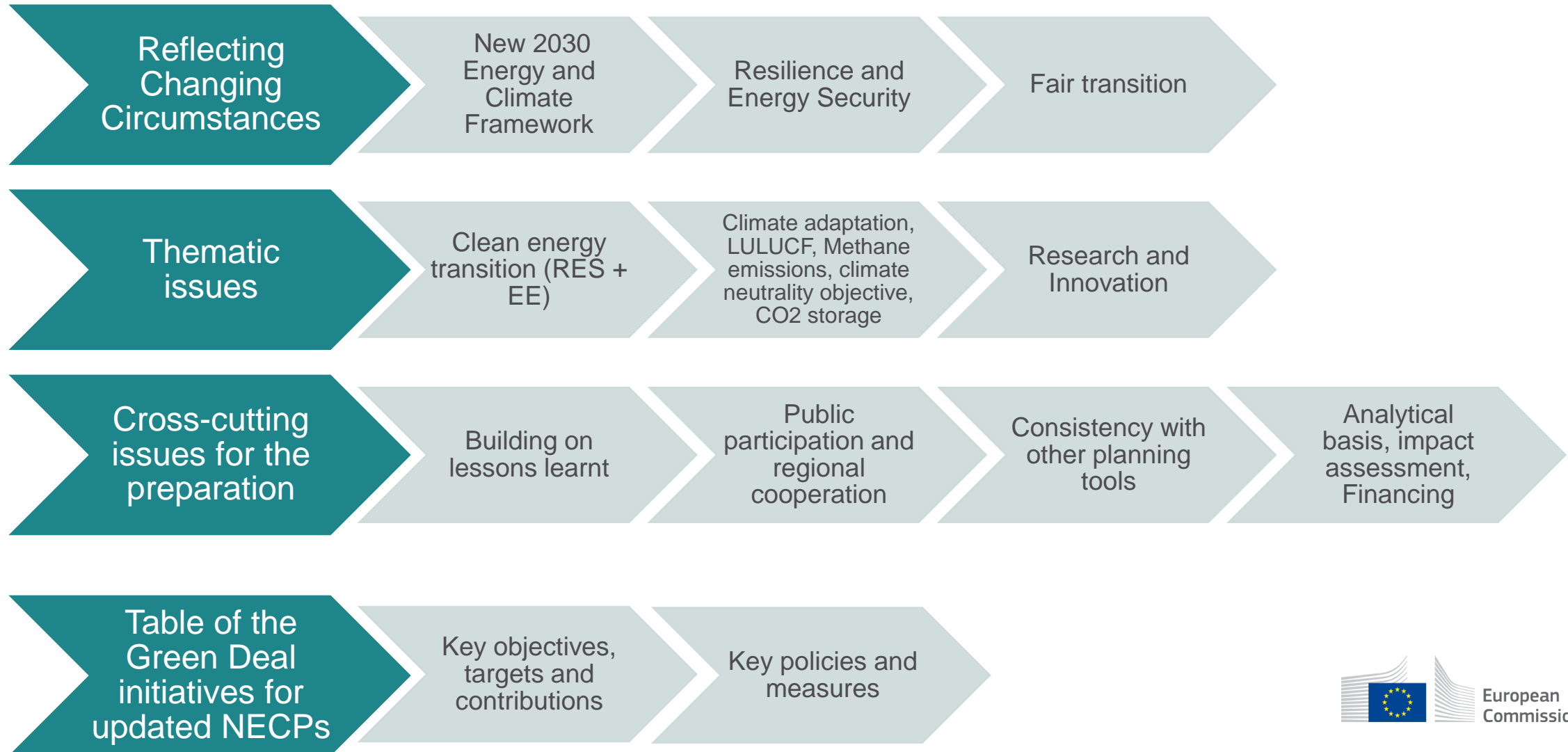
- *Member States shall **update the plans or give reasons** why not needed*
- *Member States should take the opportunity to adapt to **significant changing circumstances***
- Member States shall
  - **reflect "an equal or increased ambition"** as regards Renewable Energy and Energy Efficiency objectives, targets or contributions
  - *"take into consideration **the latest country-specific recommendations issued in the context of the European Semester** "*

# Guidance document - preparation

- **Guidance** reflects lessons learnt and main political messages in terms of ambition, scope, process
- **Commission ISG** involving all DGs (whole of Government approach)
- Joint WGs of Energy Union Committee and Climate Change Committee to enquire **Member States expectations**
- **Stakeholder Workshop** on 8 September 2022

Guidance reflect an inclusive process to address expectations and needs of Member States, stakeholders, private sector and civil society

# Guidance document - Outline



# Reflects changed circumstances - new energy policy framework

## REPowerEU

- Increased ambition for EE, RES, alternative fuels (biogas, hydrogen...)
- Storage Regulation
- Energy saving plans
- Permitting recommendation
- Save Gas for Safe Winter
- Emergency measures to address high energy prices

**European Semester** – Country Reports and CSRs

## RRP RepowerEU Chapter

**‘Fit for 55’** package of proposals (Energy Efficiency Directive, Renewable Energy Directive...)

## Hydrogen and Gas

Markets Decarbonisation Package

- Reflect raising 2030 ambitions in new and updated Policies and Measures
- Increase energy security and affordability towards a more resilient Energy Union

# Reflecting changed circumstances - new climate policy framework

- **EU Climate Law:** increased 2030 targets & 2050 climate neutrality
- **Fit for 55 package:** ETS, ESR, LULUCF, SCF, CBAM, CO2 standards cars & vans, ETD,...
- **Paris agreement** ambition cycle, Glasgow Pact for raising mitigation ambition
- **EU funding sources:**
  - Multi-annual Financial framework, Recovery and Resilience facility, Social Climate Fund, Just Transition Fund, Innovation Fund, Modernisation Fund, etc...
- **EU adaptation strategy**

# Reflects new attention to a fair transition

- **Addressing the social consequences of the transition**
  - Develop strategies and objectives to identify, measure and address social, employment and skills consequences
  - Address affordability issues, new objectives and policies and measures to tackle energy poverty
  - Mobilise new financing instruments (SCF, JTF)
  - Council Recommendation on ensuring a fair transition towards climate neutrality outlines policy packages to support a fair green transition



# Thematic issues (1/2)

- **Boost the clean energy transition:** accelerate the roll out of renewable energy and hydrogen, building on structural energy efficiency measures
- **Integrate the imperatives of climate adaptation:** improve the planning for land-use, forestry and agriculture sectors
- **Reflect the increased ambition in the revision of LULUCF Regulation:** improve information collection and monitoring for policy making
- **Tackle methane emissions:** set out targets and corresponding policies and measures, considering the objectives of the EU Methane Strategy

## Thematic issues (2/2)

- **Integrate long-term geological storage of CO<sub>2</sub>** by including the efforts planned to enable industries to capture and store inherent process emissions permanently in geological storage sites in accordance with Dir. 2009/31/EC
- **Foster the research, innovation and competitiveness dimension** by enhancing clean energy technologies R&I ecosystem, clear national R&I targets and objectives, increased cooperation between MS, continuous monitoring and creating synergies between the digital, energy and climate agenda
- **Integrate the climate-neutrality objective** by including elements that enhance coherence and consistency with the Union's climate-neutrality objective, building on the national long-term strategies

# Cross-cutting points for attention (1/3)

- **Build on lessons learnt** from the initial NECPs
  - Whole of government approach
  - Sufficient level of detail in terms of scope, timing and expected impacts
  - Synergies with integrated biennial progress reports
- **Early and inclusive public participation** in line with the Aarhus Convention
  - Multilevel energy and climate dialogue
  - Requirement: summary of the public's views or provisional views


# Cross-cutting points for attention (2/3)

- **Enhance regional cooperation** to the benefit of a coordinated response and the promotion of solidarity
  - Voluntary joint drafting of parts of the NECPs, both at territorial and sectorial level
- **Explore the full potential of synergies** and interlinkages with other planning instruments
  - Recovery and Resilience Facility
  - Just Transition Fund
  - Social Climate Fund
  - Common Agriculture Policy

# Cross-cutting points for attention (3/3)

- **Strong analytical basis**
  - Scenarios and timeframe
  - Assessing economic, social and environmental impacts
  - Integrating and modelling the contribution of circular economy to the climate transition
- **Matching investment needs** with available public and private financing
  - Good practices to estimate investment needs

# NECP draft update: state of MS submissions

<b>AT</b>	<b>BE</b>	<b>BG</b>	<b>CY</b>	<b>CZ</b>	<b>DE</b>	<b>DK</b>	<b>EE</b>	<b>EL</b>	<b>ES</b>
									
September	September / October	End July	Submitted 27 July	September	Late August	Submitted 29 June	15 August	October	Submitted 28 June
<b>FI</b>	<b>FR</b>	<b>HR</b>	<b>HU</b>	<b>IE</b>	<b>IT</b>	<b>LT</b>	<b>LU</b>	<b>LV</b>	<b>MT</b>
									
Submitted 30 June	September	Submitted 4 July	Stakeholder consultation until 15 July	October	Submitted 19 July	Submitted 26 July	Submitted 24 July		31 July
<b>NL</b>	<b>PL</b>	<b>PT</b>	<b>RO</b>	<b>SE</b>	<b>SI</b>	<b>SK</b>			
									
Submitted 29 June	October	Submitted 30 June	No data	Submitted 11 July	Submitted 29 June	23 August			

 Submitted
  Minor delays (informed by letter or informal)
  Lack of quality/content and/or announced delays

# NECP assessment: what we are looking at

- Completeness
- Level of national ambition, e.g. GHG, RES, EE
- Adequacy of planned policies and measures to achieve the targets
- Interactions between and consistency across sectors and between domestic vs. planned use of flexibilities
- Identify good practice and scope for improvement
- Possible Commission recommendations on the draft level of ambition of objectives, targets and contributions as well as on specific policies and measures of the plan
- EU level assessment of aggregated draft and final plans

# NECP assessment: Commission deliverables

- All submitted draft updated NECPs are **publicly accessible**, see [National energy and climate plans \(europa.eu\)](https://europa.eu/national-energy-climate-plans)
- The draft updated plans are being assessed by the Commission with an **EU-wide assessment** and **country-specific recommendations** to be published in December 2023
  - Communication on EU wide assessment
  - 27 sets of country-specific recommendations
  - 27 standardized Staff Working Documents using standardized language to assess submitted draft updated NECPs and substantiating the recommendations
- **Timely submissions** important for the Commission to make a sound assessment



# Next steps

- **By 31 December 2023:** Commission assesses the draft updated NECPs and may issue recommendations and specific recommendations to all 27 MS.
- **By June 2024:** MS take into consideration those recommendations and submit their final updated NECPs
- **By December 2024:** Commission assess the final updated NECPs, in particular whether the objectives, targets and contributions are sufficient for the collective achievement of EU climate and energy objectives.

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# Thank you



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