GOVERNANCE OF THE ENERGY UNION
An overview of the final regulation and of the preparation of the NECPs

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1. PURPOSE AND SCOPE OF THE PROPOSAL

A ROBUST GOVERNANCE TO MEET 4 OBJECTIVES

Meet Energy Union objectives (notably the 2030 targets)

Ensure Better Regulation and reduce administrative burden

Allow for investor certainty and predictability

Synchronise planning and reporting cycles with Paris Agreement
2. GOVERNANCE PROCESS – How does it work?

**MAIN ELEMENTS OF THE ENERGY UNION GOVERNANCE**

- **National Integrated Energy and Climate Plans (2021 to 2030)**
  (preparation well before 2020)

- **Integrated national progress reports**
  (from 2023, every two years)

- **European Commission monitoring**
  (State of the Energy Union)

Streamlining:

1 Plan
1 Report
1 Monitoring
3. INTEGRATED NATIONAL ENERGY AND CLIMATE PLANS (NECP)

NECP - BINDING TEMPLATE AND 10 YEAR PLANNING CYCLE

Section A
NATIONAL PLAN

1. Overview and Process for Establishing the Plan

Section B
ANALYTICAL BASIS

ENERGY UNION DIMENSIONS

Decarbonisation

Energy efficiency
2. National Objectives and Targets

Energy security
3. Policies and Measures

Internal market
4. Current Situation and Reference Projections

R&I and Competitiveness
5. Impact Assessment of Policies and Measures

European Commission
4. MAIN NOVELTIES FROM THE NEGOTIATION

- Binding template
- IEM dimension reinforced. Electricity infrastructure target
- Energy efficiency first, energy poverty, investment needs
- Plans to be public. Multilevel dialogue
- Strengthened political monitoring
5. LONG-TERM STRATEGIES (LTS)

EU AND NATIONAL LTS

COM to propose a Union long-term strategy by 1 April 2019

MS long-term strategies by 1 January 2020 and subsequently by 1 January 2029 and every 10 years, with voluntary 5-yearly update

NECPs to be consistent with long-term strategies

Non-binding template

Communication of long-term strategies

In accordance with Article 4 paragraph 26 of the Paris Agreement, all Parties should strive to enhance and communicate long-term low greenhouse gas emission development strategies, mindful of Article 7 noting also account their national differentiated responsibilities and respective capabilities, in the light of different national circumstances.

The COP, at its decision 1 COP 51 paragraph 35, invited Parties to communicate by 2023, to the conference of the parties, long-term low greenhouse gas emissions development strategies in accordance with Article 4 paragraph 26 of the Agreement.

Parties who wish to communicate their long-term strategy in the commitment are also invited to send their reference to 1.5.5.2023@fino.ueo.

Public consultation on the strategy for long-term EU greenhouse gas emissions reduction

The European Commission today launched a public consultation on a strategy for long-term EU greenhouse gas emissions reduction. All interested citizens and stakeholders can send their contributions by 9 October 2018.
6. TARGET ACHIEVEMENT

A RELIABLE PROCESS FOR THE ACHIEVEMENT OF ALL ENERGY UNION OBJECTIVES

**MS**
- Draft National Plans (and their updates)
- Recommendations (2019 and 2023)

**COM**
- Union measures (2019 and 2024)

**Implementation of National Plans (Progress Reports)**
- Recommendations (2021-2030)
- Union measures (checks in 2022; 2025 and 2027)
- National measures for RES
- Cooperation with MS on interconnections (2025)

**Closing "Ambition gap"**

**Closing "Delivery gap"**
7. RES AND EE GAP FILLERS

**DEDICATED INSTRUMENTS FOR THE 2030 TARGETS**

- **RES ambition gap**
  - Formula (new Annex)
  - COM can assume national contributions
  - EU measures
  - 3 reference points
  - National measures
  - 2020 baseline
  - RES financing mechanism

- **EE ambition gap**
  - COM can assume national contributions
  - EU measures
  - 3 reference points
  - Only EU measures

- **RES Delivery gap**

- **EE Delivery gap**
9. NEXT STEPS

- June
  - 4th Trilogue (conclusive)
  - CRP (debrief & endorsement; letter to EP)

- July
  - EP Joint Committee (confirmation of agreement)

- August
  - Lawyer linguist revision and translation (check of consistency & cross reference)
  - Technical working Group

- September
  - Technical working Group

- October
  - EP plenary debate & vote
  - Technical working Group

- November
  - Council formal adoption (A point)
  - Signature

- December
  - DDL draft NECPs
  - OJ publication & entry into force

- January
  - CRP (debrief & endorsement; letter to EP)

- 2018
  - June
  - July
  - September
  - October
  - November

- 2019
  - December
  - January
10. PREPARATION

PUBLIC CONSULTATION

• Public to be given early and effective opportunities to participate in the preparation of the NECP as well as the LTS

• Multilevel climate and energy dialogue
11. REGIONAL COOPERATION

Commission shall facilitate regional cooperation and provide guidance

- Develop regional approaches
- Sharing best practice
- Identification of opportunities for cooperation
- Joint drafts
- Review draft plans
- Cooperate on the implementation
12. PROGRESS WITHIN THE EU

SUMMARY OF PROGRESS MADE ACROSS THE EU IN DEVELOPING DRAFT NATIONAL PLANS

- **Institutional set up**: Almost all MS are now equipped
- **Political process**: Vast majority of MS foresee NECPs approval during Q4 2018. Some NECPs might contain gaps
- **Public consultations**: Many MS have started. Some still for Q4 2018
- **Regional cooperation**: high-level groups are discussing NECPs
- **Analytical basis**: Overall steady progress. Some foreseen delays in projections of WAM
- **NECP content**: Most MS are now fully engaged in drafting their NECP
13. WHERE TO START?

CONCRETE ACTIONS TO PREPARE THE GROUND FOR THE PREPARATION OF THE NECP

- Start internal administrative dialogues. Define responsibilities
- Assess existing strategies and plans and identify gaps
- Assess the Clean Energy Package (and its novelties)
- Assess existing PaMs and identify best practices
- Reinforce analytical tools (modelling, reporting)
- Identify and address barriers/weaknesses
- Develop an internal timeline
THANK YOU!

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