



Final Evaluation Report

Support for the Evaluation of Regulation (EU)
2018/1999 on the Governance of the Energy Union
and Climate Action

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2018/1999 on the Governance of the Energy Union
and Climate Action

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Abstract

The study, initiated in June 2023, evaluates the Regulation on the Governance of the Energy Union and Climate Action. It assesses the Regulation's implementation since 2018, focusing on effectiveness, efficiency, relevance, coherence, and EU added value. The research, led by ICF and partners, employed mixed methods, including desk research, stakeholder consultations, and case studies across seven Member States.

Findings indicate that while the Regulation improved planning and reporting quality, it did not ensure timely submission of National Energy and Climate Plans (NECPs) and Long-term Strategies (LTSs). The quality of reported information has improved, but inconsistencies and gaps remain, particularly in the completeness of NECPs and LTSs. The Regulation has partially streamlined planning and reporting processes but has not achieved full harmonization with other EU and international obligations.

The Regulation's direct impact on stimulating spending and investment is unclear, and regional cooperation could be further encouraged. Multi-level and multi-stakeholder dialogues have not always been effectively established. The Regulation's compliance mechanism, largely based on non-binding recommendations, has not always sufficiently ensured implementation.

Overall, the Regulation has added value by enhancing the consistency of national energy and climate policies and their planning. However, it faces challenges in ensuring accountability, addressing socio-economic issues, and aligning with recent legislative developments and global crises.

Abrégé

L'étude, débutée en juin 2023, évalue le règlement sur la gouvernance de l'union de l'énergie et de l'action pour le climat. Elle évalue la mise en œuvre du règlement depuis 2018, en se concentrant sur l'efficacité, l'efficience, la pertinence, la cohérence et la valeur ajoutée par l'UE. La recherche, menée par ICF et ses partenaires, a utilisé une méthodologie mixte comprenant des recherches documentaires, des consultations avec les parties prenantes et des études de cas dans sept États membres.

Les résultats indiquent que si le règlement a amélioré la qualité de la planification et des rapports d'informations, il n'a pas garanti la présentation en temps voulu des plans nationaux pour l'énergie et le climat (PNEC) et des stratégies à long terme (SLT). La qualité des informations communiquées s'est améliorée, mais des incohérences et des lacunes subsistent, notamment en ce qui concerne l'exhaustivité des PNEC et des SLT. Le règlement a partiellement rationalisé les processus de planification et de rapport d'informations, mais n'a pas permis une harmonisation totale avec d'autres obligations européennes et internationales.

L'impact direct du règlement sur la stimulation des dépenses et des investissements n'est pas clair et la coopération régionale pourrait être davantage encouragée. Les dialogues multi-niveaux et multi-parties n'ont pas toujours été établis de manière efficace. Le mécanisme de conformité du règlement, largement basé sur des recommandations non contraignantes, n'a pas toujours garanti une mise en œuvre suffisante.

Dans l'ensemble, le règlement a apporté une valeur ajoutée en renforçant la cohérence des politiques nationales en matière d'énergie et de climat, ainsi que leur planification. Toutefois, il doit relever des défis en matière de responsabilité, de traitement des questions socio-économiques et d'alignement sur les évolutions législatives récentes et les crises mondiales.

Executive summary

Introduction

This study was launched by the European Commission Directorates-General for Energy (DG ENER) and Climate Action (DG CLIMA) in June 2023 to support the European Commission's evaluation of Regulation (EU) 2018/1999 on the Governance of the Energy Union and Climate Action (Governance Regulation or Regulation). This Final Evaluation Report presents the results of the research, including the answers to each evaluation question, informed by mixed-methods research conducted between June 2023 and February 2024. The research was led by researchers from ICF and project partners Fraunhofer, Aether, Institute for European Energy and Climate Policy (IEECP) and Cambridge Econometrics.

Purpose and scope of the evaluation

The objective of this study is to support the European Commission in conducting an evaluation of the Governance Regulation with a view to aiding its preparation of a report to the European Parliament and the Council in line with Article 45 of the Regulation. The study assessed how the Regulation has been implemented since 2018 (ex-post evaluation) based on the five core Better Regulation criteria: effectiveness, efficiency, relevance, coherence, and European Union (EU) added value.

Methodological approach

The study draws on desk research, a mapping of legal obligations pertaining to the Regulation, and a multidimensional stakeholder consultation comprising a Call for Evidence (CfE), telephone interviews with key stakeholders, targeted online surveys (covering Member States authorities, industry, and third sector stakeholders), and a stakeholder event organised by the European Commission in Brussels.

The CfE was conducted by the European Commission during July and August 2023 and received 54 replies, from non-governmental organisations (NGOs) (18), environmental organisations (4), EU citizens (9), business associations (7), companies/businesses (5), public authorities (6), academia/research institutions (3) and others (2). The targeted surveys were conducted by ICF and received 70 replies, from national authorities (33), third-sector stakeholders (20), and industry organisations (17). Forty-four semi-structured interviews (including 10 scoping interviews) were carried out with key stakeholders as part of the main interview programme, with a further 36 interviews serving as input to the case studies. The case studies explore the Governance Regulation in greater depth in seven Member States (Belgium, Denmark, France, Germany, Malta, Romania, and Poland), particularly its costs and benefits. The study also draws from the findings of a stakeholder event organised by DG ENER and DG CLIMA in January 2024, involving approximately 120 representatives from Member States' national authorities, industry organisations and civil society organisations.

The information from these various strands of research was collated, synthesised, analysed and triangulated to draw robust conclusions to the evaluation questions. Much consideration was given to the pre-existing situation in the Member States before the Regulation entered into force in 2018. Evidence was collected to establish the extent to which the Regulation can be considered more effective, relevant, coherent, and/or efficient against this baseline, and the extent to which it provides EU added value.

Findings of the evaluation per evaluation criteria

Effectiveness

Although the Regulation improved planning across the Energy Union's five dimensions and enhanced the quality of reported information, it did not ensure the timely submission of national energy and climate plans (NECPs) (chapter 2 of the Regulation) and long-term strategies (LTSs) (chapter 3). Member States also took different approaches to reporting

information in accordance with their reporting obligations (chapter 4 of the Regulation). Additionally, some NECPs were insufficiently detailed.

Quality of information reported

Compared to the baseline, the Governance Regulation contributed to improving the transparency, quality, and effectiveness of the reporting requirements. Most stakeholders surveyed (55 %) indicated that the Governance Regulation has contributed to more complete, reliable, and accessible data, at least partially. However, the effects of the Regulation have been less noticeable in Member States with (reportedly) strong pre-existing frameworks for the EU reporting of climate policy.

The Governance Regulation lays down the rules on the NECPs, including their procedural aspects (process) involving the EU Member States and the EU Commission. Although the Regulation enhanced the quality of planning, some gaps and issues of NECP completeness remain, as confirmed by the 2023 EU-wide assessment of the draft updated NECPs. Individual Member States have taken different approaches to reporting information in their NECPs, impacting the consistency of the information. Some NECPs also omit mandatory content.

The entry into force of the Governance Regulation marked a significant evolution from the framework established by Regulation (EU) No 525/2013 (Monitoring Mechanism Regulation, MMR). Previously, strategies for energy, climate mitigation and climate adaptation were fragmented. The Regulation sets out the obligations and processes for the Member States and the European Commission to prepare and submit their national long-term strategies. While the Regulation has helped to ensure that LTSs reflect the five dimensions of the Energy Union, divergent national planning traditions have negatively impacted their completeness. Overall, a lack of sufficient quantitative data and sector-specific information was noted.

The Governance Regulation requires Member States to produce biennial progress reports on the implementation of their NECPs (from 15 March 2023 onwards) to track progress across the five dimensions of the Energy Union. Enforcement has only been partially effective however, leaving significant data gaps.

EU Member States are required to report their national policies and measures (PaMs) related to GHG emissions reduction. This reporting can then serve as a repository for PaMs. Further improvements are needed, however. In 2023, Member States reported a substantial increase in single PaMs compared to the previous year, reflecting the implementation of NECPs. However, the provision of quantitative information remains challenging: indicators for PaMs were reported by 17 Member States, but often lacked quantitative data. While qualitative data improved, indicators, costs, benefits, and emission savings were underreported. Overall, enhancing completeness and transparency is crucial for effective climate policy evaluation and planning.

The completeness of mandatory reporting on projections of anthropogenic GHG emissions by sources and removals by sinks under Article 18(1)(b) of the Regulation did not significantly change for most Member States between 2019 – prior to the entry into force of the Regulation – and 2021, based on available data from the European Environmental Agency (EEA). All Member States submitted the mandatory ‘with existing measures’ (WEM) scenario and related parameters. However, in 2021, eight Member States did not provide information on the sensitivity analysis for their projections. Member States’ have only recently developed (or are in the process of developing) monitoring and evaluation frameworks for adaptation reporting. These frameworks operate within national adaptation strategies or plans but rarely consider synergies with Energy Union dimensions. Only 13 Member States have reported clear progress in implementing actions for each adaptation goal, according to the State of the Energy Union 2023 Report.

In 2023, Member States provided only limited information on integrated reporting on renewable energy (Article 20 of the Regulation), and the information that was provided is not easily comparable.

The 2023 NECPs also fail to provide information on energy efficiency, particularly the exemplary role of public bodies' buildings (Article 5 of Directive 2012/27/EU (Energy Efficiency Directive, EED). By contrast, under the Energy Audit Obligation (Article 8 of the EED), only two Member States did not report information on the number of large companies for 2021. Some energy audit information for 2020 was missing, with only 13 Member States reporting both the number of large companies and the energy audits carried out.

On integrated reporting on research, innovation and competitiveness (Article 25 of the Regulation), three Member States did not report information on the financing of PaMs, while those that did report often provided incomplete or inconsistent data. This lack of proper reporting on investment needs and funding sources fails to accurately identify funding needs and gaps, which is central to sound strategic planning and implementation. It also makes it impossible to assess the effectiveness of public support and its impact on public finances.

On the annual reporting on the 2020 targets, gaps remain in the information provided in 2020 target reports, including missing data from past annual reports. Member States' different reporting approaches make it challenging to assess overall target achievement. Some Member States introduced new measures in their 2020 target reports to accelerate progress.

Timeliness of information

The Governance Regulation has not guaranteed the timely submission of draft National Energy and Climate Progress Reports (NECPRs). However, it is unclear whether delays were caused by the Governance Regulation or by practices and/or procedural bottlenecks at Member State level.

There were also significant delays in the submission of LTSs, in turn causing lags and inefficiencies in the Commission's EU-wide assessment of the LTSs. Delays to the submission of LTSs seem to reflect, at least partly, a lack of administrative capacity at national level.

Biennial progress reports and their follow up (NECPRs and reporting obligations stemming from Article 17 of the Governance Regulation) were submitted either on time or with a small delay, which did not impact the effectiveness of the Governance Regulation.

Prior to 2021, PaMs were not yet reported on the basis of the Regulation. However, the timeliness of information on PaMs remained stable between 2017 and 2019, improved in 2021, then decreased in 2023. Information reported on projections of anthropogenic GHG emissions by sources and removals by sinks improved in 2019 compared to 2017, but deteriorated in 2021.

(Public) accessibility of information

The Governance Regulation has increased (public) accessibility of information somewhat. Stakeholders have highlighted limitations to public accessibility of information, especially as the information is complex and not in an easy-to-use format. However, it remains unclear whether these issues are linked to the Governance Regulation or, more likely, to implementation issues and/or national traditions across the EU.

Planning processes and implementation of plans

The Governance Regulation has been effective in promoting better planning processes. It helped to streamline planning processes across the energy and climate domains, with increased cooperation among different ministries/authorities at national level. While the Governance Regulation enhanced planning, NECPs are not always aligned with national planning processes and, in such cases, are mainly developed to meet the EU obligation.

In a number of cases, national planning traditions may have negatively impacted the completeness of LTSs, with Member States not reporting all mandatory content or failing to do so coherently with their NECPs. Similarly, LTSs are partly outdated (no mandatory need to update them) and do not necessarily serve as the basis for NECP development.

Stakeholders underlined the lack of attention paid to LTSs, including the lack of a close monitoring process of LTSs after their adoption.

The national authorities consulted agreed that the Governance Regulation contributed to the adoption or implementation of PaMs to meet national energy and climate objectives and targets. However, some factors negatively affected both the planning processes and the effective implementation of plans and reports (e.g. lack of provisions within the Governance Regulation to ensure coherence between NECPs and LTSs).

Compliance

The Governance Regulation has been only partially effective in responding to ambition or implementation deficits. One of the main factors underpinning implementation deficits is that the Regulation's compliance mechanism is based primarily on recommendations, which have no binding force.

Stimulating spending and investment

Consultations provided limited feedback on the Regulation's impact on stimulating targeted spending and investments and on creating increased predictability for investors. Nevertheless, stakeholders recognised that the Regulation provides a stable framework for clean energy businesses, which some indicated is crucial for long-term investment and development in the sector.

The Commission's assessments show that NECPs lacked detail on investment needs and funding sources – this was confirmed by industry stakeholders.

Stakeholders were not always aware of the situation before the Governance Regulation or were unable to link or attribute specific trends in spending and investment to the Regulation.

Ensuring regional cooperation

Both the 2019 EU-wide assessment of draft NECPs and the 2020 EU-wide assessment of final NECPs indicated the need to enhance regional cooperation efforts. The 2020 assessment found that while Member States understood and described the need for regional cooperation, with some making use of existing regional forums, the full potential of regional cooperation was untapped. The 2023 Commission's assessment of progress towards the objectives of the Energy Union and Climate Action revealed that most Member States reported progress in implementing regional cooperation, with advances in at least one of their regional cooperation initiatives or projects. However, the 2023 EU-wide assessment of the draft NECPs confirmed that regional cooperation is evident to a limited extent across the Member States and is confined to specific areas (e.g. bilateral agreements on the security of gas supply).

Ensuring adequate multi-level and multi-stakeholder dialogue and consultation

The evidence found that while Articles 10 and 11 of the Governance Regulation are perceived as a step forward, the Regulation has not been particularly successful in ensuring adequate multi-level and multi-stakeholder dialogue and consultation. Several Member States failed to establish mechanisms of sufficient quality.

Efficiency

The efficiency analysis showed mixed results. The Regulation has streamlined some aspects of energy policy planning and reporting, leading some Member States to realise savings in time and/or resources. However, several Member States experienced an increased administrative burden. It is difficult to disentangle the workload created by the Regulation from that generated by organisational aspects of national administrations (including limited coordination between those involved in reporting obligations at a national level), the evolution of national/EU legislative frameworks, and reporting obligations already in place.

Recognised improvements introduced by the Governance Regulation include higher coherence of planning and reporting timelines and procedures, increased transparency and predictability, better cross-border coordination, enhanced cooperation between national authorities, and better-established processes, policies, and procedures. Although the benefits have not yet fully materialised, many stakeholders (especially within national authorities) reported that the Regulation is pushing national administrations to work together more closely and establish new coordination procedures.

Stakeholders (especially national authorities) also acknowledged an ongoing learning curve: while the initial reporting cycles were relatively complex, the process is expected to become easier and less burdensome over time.

While the Regulation has partially streamlined planning, reporting and monitoring processes, it has not achieved complete harmonisation and full alignment with the timing of other EU and international obligations, as indicated by the mixed stakeholder feedback and survey responses. Stakeholders noted that the five-year timeframe for strategic decisions in the energy sector is insufficient, as significant shifts in energy systems typically require longer-term planning. The timetables for some obligations (e.g. preparing NECPs and NECPRs in close succession) makes it more difficult to draw lessons from previous planning cycles. Some annual reporting obligations (especially those under Article 26 of the Regulation) strain the resources of both Member States and EU institutions. The biggest challenge in respect of international obligations is that both the United Nation Framework Convention on Climate Change (UNFCCC) and the EU frameworks on GHG emissions include biennial reporting obligations, but in different years (even years for UNFCCC/Biennial Transparency Report (BTR) and odd years for NECPRs).

The Regulation introduced common templates for NECPs and NECPRs, as well as introducing (ReportENER) or strengthening (Reportnet) digital platforms. Stakeholders expressed mixed views about the time and/or resource savings of these common templates and platforms. On the one hand, stakeholders referred to the cost of reformulating data and information before uploading it and emphasised the lack of a tool for compiling and sharing comprehensive answers from different authorities within each reporting country. They also noted inadequate connections and differences in formats between the two platforms. On the other hand, some cost/burden reductions have been achieved, as the platforms provide additional clarity about the information and data that should be collected and submitted. They also remove the need for Member States to develop their own national tools and enable several users to access information simultaneously. Some stakeholders noted that the two platforms play a role in standardising reporting and systematising data collection, as well as facilitating availability and comparability of information.

Coherence

The Regulation has improved the coherence of planning and reporting obligations that were previously scattered across energy, climate, and other Energy Union-related legislation and policy areas. However, persistent inconsistencies affect both the internal and external coherence of the Regulation.

Issues with internal coherence mostly stem from the complexity of integrating many obligations into a single legal framework and the related legal changes that have occurred since the Regulation was adopted in 2018.

External coherence issues largely relate to the EU-level instruments introduced and/or updated after 2018, notably the various policies developed under the European Green Deal. For instance, the recast EED includes many new elements for a stronger governance that are not currently incorporated nor streamlined into the Regulation. Similarly, the revised Directive (EU) 2018/2001 (Renewable Energy Directive, RED) introduced new elements that are not reflected in the Regulation. In addition, there is scope for further alignment with other planning/reporting obligations, such as the UNFCCC reporting cycle.

Relevance

The Governance Regulation's core objective of providing a governance structure that enables and pushes Member States to commit and deliver on ambitious energy and climate targets remains relevant. Indeed, it has become more relevant, given the growing need for climate action and the increasingly complex needs that Member States' energy and climate policies must address. As the outlook for climate change and its associated impacts is both worsening and becoming more clear-cut, the core objective of the Governance Regulation – to enable and support climate action and the Energy Union – is more relevant than ever.

Since the Governance Regulation was adopted in 2018, the EU energy and climate acquis has undergone important developments, notably the 'Fit for 55' package. As a primarily procedural framework that does not itself set specific targets, this has not rendered the Governance Regulation obsolete. However, certain issues reflected in recent legislation need to be better addressed in the outputs delivered under the Regulation, including NECPs.

The Regulation does not adequately address some of the issues that have become more prominent following Russia's war of aggression against Ukraine, such as energy security and the need for a competitive clean energy industry. The energy supply crisis and the COVID-19 pandemic highlighted social and economic challenges that need to be addressed if climate change and just transition goals are to be met in the long term. Feedback from stakeholders suggests that socioeconomic issues, such as energy poverty and labour shortages, are not adequately addressed by the Regulation. That inadequacy is exacerbated by the lack of robust macroeconomic assessments of the measures included in NECPs.

EU added value

The Regulation has enhanced the consistency of national energy and climate policies and planning, although the impact varies across Member States, in part due to pre-existing national processes. Stakeholders stressed that coordination with sub-national actors could be strengthened.

The Regulation's planning and reporting obligations have given rise to additional information at EU and national level. By requiring Member States to publish reports and data they did not previously collect or report, the Regulation has increased the availability of information and enabled stakeholders, including Member State authorities and the European Commission, to access other Member States' plans and assessments. Crucially, it has improved the management of energy and climate data in the EU, promoting a clearer and more open setting for sharing information and making decisions. Nevertheless, stakeholders highlighted issues with timely submission, quality (completeness), accessibility and transparency of data.

There were contrasting views on the added value of the Regulation in ensuring accountability and access to justice, with some stakeholders (mainly national authorities) highlighting positive effects and others (mainly third sector stakeholders) highlighting the significant improvements still needed.

Résumé

Introduction

Cette étude a été commandée par la DG ENER et la DG CLIMA en juin 2023 pour informer l'évaluation par la Commission européenne du règlement (UE) 2018/1999 sur la gouvernance de l'Union de l'énergie et de l'action pour le climat (en abrégé, le « règlement sur la gouvernance » ou « règlement »). Ce rapport d'évaluation final présente les résultats de la recherche et inclut les réponses à chacune des questions d'évaluation. Le rapport a été alimenté par une recherche suivant une méthodologie mixte, conduite entre juin 2023

et février 2024. Cette recherche a été menée par des chercheurs d'ICF et ses partenaires sur le projet: Fraunhofer, Aether, IEECP et Cambridge Econometrics.

Objectif et champ d'évaluation

L'objectif de cette étude était de soutenir la Commission européenne dans la conduite d'une évaluation du règlement sur la gouvernance en vue de l'aider à préparer son rapport au Parlement européen et au Conseil conformément à l'article 45 du règlement. L'étude a évalué la manière dont le règlement a été mis en œuvre depuis 2018 (c'est-à-dire une évaluation *ex post*) sur la base des cinq critères fondamentaux du programme d'amélioration de la réglementation, à savoir l'efficacité, l'efficience, la pertinence, la cohérence et la valeur ajoutée de l'UE.

Approche méthodologique

L'étude s'appuie sur des recherches documentaires, un inventaire des obligations légales relatives au règlement et une consultation multidimensionnelle des parties prenantes comprenant un appel à contribution, des entretiens téléphoniques avec les principales parties prenantes, des enquêtes en ligne ciblées (couvrant les autorités des États membres, les acteurs économiques et les parties prenantes du troisième secteur), ainsi qu'un atelier organisé à Bruxelles par la Commission européenne à l'intention des parties prenantes.

L'appel à contribution a été mené par la Commission européenne en juillet et août 2023 et a reçu 54 réponses d'ONG (18), d'organisations environnementales (4), de citoyens de l'UE (9), d'associations d'entreprises (7), de sociétés/entreprises (5), d'autorités publiques (6), d'universités/institutions de recherche (3) et d'autres acteurs (2). Les enquêtes ciblées ont été menées par ICF et ont reçu 70 réponses d'autorités nationales (33), de parties prenantes du troisième secteur (20) et d'organisations des secteurs économiques (17). Quarante-quatre (44) entretiens semi-structurés (dont 10 entretiens de cadrage) ont également été menés avec les principales parties prenantes dans le cadre du programme d'entretiens principal, et 36 autres entretiens ont été menés pour alimenter les études de cas. Les études de cas explorent plus en détail la situation dans sept États membres (Belgique, Danemark, France, Allemagne, Malte, Roumanie et Pologne) et se concentrent particulièrement sur les coûts et les avantages liés au règlement sur la gouvernance. L'étude s'appuie également sur les conclusions d'une discussion organisée par les DG ENER et CLIMA en janvier 2024, à laquelle ont participé environ 120 représentants des autorités nationales des États membres, d'organisations des secteurs économiques et d'organisations de la société civile.

Les informations issues de ces différents axes de recherche ont été rassemblées, synthétisées, analysées et confrontées afin de tirer des conclusions solides aux questions d'évaluation. Au cours de ce processus, une attention particulière a été accordée à la situation de base, c'est-à-dire à la situation préexistante dans les États membres avant l'entrée en vigueur du règlement en 2018. Sur cette base, des éléments probants ont été recueillis pour déterminer dans quelle mesure le règlement peut être considéré comme plus efficace, plus pertinent, plus cohérent et/ou plus efficient et dans quelle mesure il apporte une valeur ajoutée.

Résultats par critère d'évaluation

Efficacité

Bien que le règlement ait amélioré la planification à travers les cinq dimensions de l'Union de l'énergie, ainsi que la qualité des informations communiquées, il n'a pas garanti la présentation en temps utile des plans nationaux en matière d'énergie et de climat (PNEC) (chapitre 2 du règlement) et des stratégies à long terme (SLT) (chapitre 3). Les États membres ont également adopté des approches différentes afin de répondre à leurs

obligations de rapport d'informations prévues au chapitre 4 du règlement. En outre, certains PNEC se sont avérés être insuffisamment détaillés.

Qualité des informations communiquées

Dans l'ensemble, par rapport à la situation de base, le règlement sur la gouvernance a contribué à améliorer la transparence, la qualité et l'efficacité des exigences en matière de rapport d'informations sur plusieurs aspects qui n'étaient pas efficaces auparavant ou qui étaient excessivement dispersés dans des obligations hétérogènes. À cet égard, la plupart des parties prenantes interrogées (55 %) ont indiqué que le règlement sur la gouvernance avait contribué à rendre les données communiquées plus complètes, plus fiables et plus accessibles, du moins en partie. Néanmoins, dans les États membres disposant (semble-t-il) de cadres préexistants solides pour l'établissement de rapports sur les politiques climatiques de l'UE, déjà en place avant l'entrée en vigueur du règlement sur la gouvernance, les effets du règlement ont été moins perceptibles.

Le règlement sur la gouvernance définit les règles relatives aux plans nationaux intégrés en matière d'énergie et de climat (PNEC), y compris leurs aspects formels (de procédure) impliquant les États membres de l'UE et la Commission européenne. Bien que le règlement ait amélioré la qualité de la planification, il subsiste des lacunes et des problèmes liés à l'exhaustivité des PNEC, comme l'a confirmé en 2023 l'évaluation à travers les États membres des projets de PNEC mis à jour. En outre, les États membres ont adopté des approches différentes en matière de rapport d'informations dans leurs PNEC, avec pour conséquence une incohérence des informations contenues dans les PNEC. Certains PNEC omettent également des informations obligatoires.

L'entrée en vigueur du règlement sur la gouvernance (règlement (UE) 2018/1999) a marqué une évolution significative par rapport au cadre établi via le mécanisme de surveillance et de déclaration (règlement (UE) n° 525/2013). Avant l'entrée en vigueur du règlement sur la gouvernance, les stratégies en matière d'énergie, d'atténuation du changement climatique et d'adaptation au changement climatique étaient fragmentées. Le règlement définit les obligations et les processus permettant aux États membres et à la Commission européenne de préparer et de soumettre leurs stratégies à long terme. Si le règlement a contribué à faire en sorte que les stratégies de développement à long terme tiennent compte des cinq dimensions de l'union de l'énergie, des traditions nationales divergentes en matière de planification ont eu une incidence négative sur leur exhaustivité. Dans l'ensemble, le manque de données quantitatives suffisantes et d'informations spécifiques aux secteurs a également été constaté.

En outre, le règlement sur la gouvernance exige des États membres qu'ils produisent des rapports d'avancement biennuels sur la mise en œuvre de leurs PNEC, à partir du 15 mars 2023, afin de suivre les progrès réalisés dans les cinq dimensions de l'union de l'énergie. En ce qui concerne les rapports d'avancement bisannuels et leur suivi, la mise en œuvre n'a été que partiellement efficace, laissant subsister d'importantes lacunes en matière de données disponibles.

Les États membres de l'UE sont tenus de rendre compte de leurs politiques et mesures nationales en matière de réduction des émissions de gaz à effet de serre (GES). Le potentiel de ce rapport réside dans le fait qu'il sert de référentiel pour les politiques et mesures nationales, mais d'autres améliorations sont nécessaires. En 2023, les États membres ont déclaré une augmentation substantielle des politiques et mesures nationales, reflétant la mise en œuvre des PNEC, par rapport à l'année précédente. Toutefois, la fourniture d'informations quantitatives reste difficile. Si les données qualitatives se sont améliorées, les indicateurs, les coûts, les avantages et les réductions d'émissions n'ont pas été suffisamment communiqués. Les indicateurs relatifs aux politiques et mesures nationales ont été communiqués par 17 États membres, mais les données quantitatives faisaient

souvent défaut. Dans l'ensemble, il est essentiel d'améliorer l'exhaustivité et la transparence pour une évaluation et une planification efficaces de la politique climatique.

L'exhaustivité des déclarations obligatoires en matière de projections relatives aux émissions anthropiques de gaz à effet de serre par les sources et à l'absorption par les puits de gaz à effets de serre, au titre de l'article 18, paragraphe 1, point b), n'a pas changé de manière significative pour la plupart des États membres entre 2019 – avant l'entrée en vigueur du règlement – et 2021, sur la base des données disponibles auprès de l'Agence européenne pour l'environnement (AEE). Toutefois, en 2021, huit États membres n'ont pas fourni d'informations sur l'analyse de sensibilité de leurs projections. En ce qui concerne les rapports sur l'adaptation, les cadres de suivi et d'évaluation des États membres n'ont été élaborés que récemment ou sont encore en cours d'élaboration. Ces cadres s'inscrivent dans les stratégies ou plans nationaux d'adaptation, mais prennent rarement en compte les synergies entre les dimensions de l'union de l'énergie. Selon le rapport de 2023 sur l'état de l'union de l'énergie, seuls treize États membres ont fait état de progrès clairs dans la mise en œuvre de mesures d'adaptation pour chaque objectif d'adaptation.

En ce qui concerne les rapports intégrés sur les énergies renouvelables (article 20), les États membres n'ont fourni qu'un nombre limité d'informations en 2023, et celles qui ont été fournies ne sont pas facilement comparables.

Les rapports nationaux d'avancement énergie-climat de 2023 ne fournissent pas non plus d'informations sur l'efficacité énergétique, notamment en ce qui concerne le rôle exemplaire des bâtiments des organismes publics (article 5 de la directive sur l'efficacité énergétique (DEE)). En revanche, en ce qui concerne l'obligation d'audit énergétique (article 8 de la DEE), seuls deux États membres n'ont pas communiqué d'informations sur le nombre de grandes entreprises pour 2021. En ce qui concerne les audits énergétiques, certaines informations manquaient pour 2020, étant donné que seuls 13 États membres avaient communiqué à la fois le nombre de grandes entreprises et les audits énergétiques réalisés.

Pour ce qui est du rapport intégré sur la recherche, l'innovation et la compétitivité (article 25), trois États membres n'ont pas communiqué d'informations sur le financement de leurs politiques et mesures nationales, tandis que les informations fournies par les États membres qui ont communiqué des données sont souvent incomplètes ou incohérentes. Cette absence d'informations appropriées sur les besoins d'investissement et les sources de financement est problématique car elle ne permet pas d'identifier avec précision les besoins et les lacunes en matière de financement, ce qui est essentiel pour une planification et une mise en œuvre stratégiques robustes. Il est également impossible d'évaluer l'efficacité de l'aide publique et son impact sur les finances publiques.

En ce qui concerne les rapports annuels sur les objectifs spécifique de 2020 (article 27), des lacunes subsistent dans les informations fournies, y compris des données manquantes dans les rapports annuels précédents. Les différences d'approche entre les États membres en matière d'établissement de leurs rapports rendent difficile l'évaluation de la réalisation globale des objectifs. Certains États membres ont introduit de nouvelles mesures dans leurs rapports sur les objectifs spécifiques de 2020 afin d'accélérer leurs progrès.

Mise à disposition des informations en temps voulu

Le règlement sur la gouvernance n'a pas garanti la présentation en temps utile des projets de PNEC. Cependant, il n'est pas clair si les retards ont été causés par le règlement ou par des pratiques et/ou des points de blocages procéduraux dans les États membres.

Des retards importants ont également été enregistrés dans la présentation des SLT, ce qui a entraîné des retards et un manque d'efficacité dans le processus d'évaluation des SLT par la Commission à l'échelle de l'UE. Les retards dans la présentation des SLT semblent

avoir été causés, au moins en partie, par un manque de ressources administratives au niveau national.

Les rapports d'avancement biennuels et leur suivi (obligations découlant de l'article 17 du règlement) ont été soumis soit à temps, soit avec un léger retard, ce qui n'a pas eu d'incidence sur l'efficacité du règlement sur la gouvernance.

Avant 2021, les politiques et mesures nationales n'étaient pas déclarés sur la base du règlement sur la gouvernance. Néanmoins, le respect des délais dans la communication des informations relatives aux politiques et mesures nationales est resté stable entre 2017 et 2019, a connu une amélioration en 2021 avant de se dégrader en 2023. La communication en temps voulu des informations sur les projections des émissions anthropiques de gaz à effet de serre par les sources et des absorptions par les puits de gaz à effets de serre s'est améliorée en 2019 par rapport à 2017, avant de se détériorer en 2021.

Accessibilité de l'information (par le public)

Le règlement sur la gouvernance a amélioré dans une certaine mesure l'accessibilité (publique) de l'information. Les parties prenantes ont souligné les limites de l'accessibilité du public à l'information, en particulier parce que celle-ci reste complexe et fournie dans un format qui n'est pas facile à utiliser. Toutefois, il n'est pas clair si ces problèmes sont liés au règlement sur la gouvernance en tant que tel ou, ce qui est plus probable, à des problèmes de mise en œuvre et/ou à des traditions nationales différentes au sein de l'UE.

Processus de planification et mise en œuvre des plans

Le règlement sur la gouvernance a permis de promouvoir de meilleurs processus de planification. Par exemple, il a contribué à rationaliser les processus de planification dans les domaines de l'énergie et du climat, avec une coopération accrue entre les différents ministères/autorités au niveau national. En ce qui concerne les PNEC en particulier, bien que le règlement sur la gouvernance ait amélioré la planification dans une certaine mesure, les PNEC ne sont pas toujours alignés sur les processus de planification nationaux et, dans ces cas, ils sont principalement élaborés pour répondre à une obligation de l'UE.

Dans un certain nombre de cas, les traditions nationales en matière de planification ont pu avoir un impact négatif sur l'exhaustivité des SLT, les États membres ne communiquant pas tout le contenu obligatoire ou ne le faisant pas de manière cohérente avec leurs PNEC. De même, les SLT sont en partie obsolètes – en raison de l'absence d'obligation de les mettre à jour – et ne servent pas nécessairement de base à l'élaboration des PNEC. Les parties prenantes ont également souligné le manque d'attention accordée aux SLT, notamment l'absence d'un processus de suivi étroit des SLT après leur adoption, comme c'est le cas pour les PNEC.

En ce qui concerne la mise en œuvre, les autorités nationales consultées ont convenu que le règlement sur la gouvernance a contribué à l'adoption ou à la mise en œuvre de politiques et de mesures visant à atteindre les objectifs nationaux en matière d'énergie et de climat. Dans le même temps, certains facteurs ont eu une incidence négative sur les processus de planification et sur la mise en œuvre effective des plans et des rapports (par exemple, l'absence de dispositions dans le règlement pour assurer la cohérence entre les PNEC et les SLT).

Conformité

Le règlement sur la gouvernance n'a été que partiellement efficace pour répondre à des manques d'ambition ou des lacunes de mise en œuvre. L'un des principaux facteurs

expliquant les déficits de mise en œuvre est que le mécanisme de conformité du règlement repose principalement sur des recommandations, qui n'ont pas de force contraignante.

Stimuler les dépenses et les investissements

Les consultations n'ont fourni qu'un retour d'information limité sur l'impact du règlement sur la stimulation de dépenses et d'investissements ciblés et sur la création d'une prévisibilité accrue pour les investisseurs. Néanmoins, les parties prenantes ont reconnu que le règlement fournit un cadre stable pour les entreprises d'énergies propres, ce qui, selon certains, est crucial pour l'investissement et le développement à long terme dans le secteur.

Les évaluations de la Commission montrent que les PNEC manquent de détails sur les besoins d'investissement et les sources de financement, ce qui a été confirmé par les parties prenantes des secteurs économiques.

Les parties prenantes consultées n'étaient pas toujours au courant de la situation antérieure au règlement sur la gouvernance ou n'étaient pas en mesure de relier ou d'attribuer des tendances spécifiques au règlement en matière de dépenses et d'investissements.

Coopération régionale

Tant l'évaluation des projets de PNEC des États membres en 2019 que l'évaluation des PNEC finaux des États membres en 2020 ont indiqué qu'il était nécessaire de renforcer les efforts de coopération régionale. L'évaluation de 2020 a révélé que, bien que les États membres aient correctement compris et décrit la nécessité d'une coopération régionale – certains d'entre eux ayant recours aux forums régionaux existants – le potentiel de la coopération régionale n'a pas encore été pleinement exploité. L'évaluation par la Commission des progrès accomplis dans la réalisation des objectifs de l'union de l'énergie et de l'action climatique en 2023 a révélé que la plupart des États membres ont fait état de progrès dans la mise en œuvre de la coopération régionale, avec la plupart d'entre eux faisant état d'avancées dans au moins une de leurs initiatives ou un de leurs projets de coopération régionale. En outre, l'évaluation des projets de PNEC à l'échelle de l'UE en 2023 confirme que la coopération régionale n'est assurée que dans une mesure limitée dans les États membres, et qu'elle se limite à des domaines spécifiques (par exemple, les accords bilatéraux sur la sécurité de l'approvisionnement en gaz).

Garantie d'un dialogue et d'une consultation multiniveaux adéquats impliquant une diversité de parties prenantes

Les données disponibles montrent que, bien que l'introduction des articles 10 et 11 du règlement sur la gouvernance soit perçue comme un progrès, le règlement n'a pas particulièrement réussi à garantir un dialogue et une consultation adéquats à plusieurs niveaux et entre plusieurs parties prenantes, notamment dû au fait que plusieurs États membres n'ont pas réussi à mettre en place des mécanismes de qualité suffisante.

Efficience

L'analyse d'efficience donne des résultats mitigés. Le règlement a rationalisé certains aspects de la planification de la politique énergétique et du rapport d'informations, ce qui a permis à certains États membres de réaliser des économies de temps et/ou de ressources. Toutefois, plusieurs États membres ont également connu une augmentation de la charge administrative. Il est cependant difficile de distinguer la charge de travail créée par le règlement de celle générée par les aspects organisationnels des administrations nationales (y compris la coordination limitée entre les personnes impliquées dans les obligations de rapport au niveau national), de l'évolution des cadres

législatifs nationaux/de l'UE et des obligations de rapport applicables indépendamment du règlement.

Les améliorations reconnues comme introduites par le règlement sur la gouvernance comprennent une plus grande cohérence des calendriers et des procédures de planification et d'établissement de rapports, une transparence et une prévisibilité accrues, une meilleure coordination transfrontalière, une coopération renforcée entre les autorités nationales, ainsi que des processus, des politiques et des procédures mieux établis. Même si les avantages ne se sont pas encore pleinement concrétisés, de nombreuses parties prenantes (en particulier au sein des autorités nationales) considèrent que le règlement pousse les administrations nationales à collaborer plus étroitement et à mettre en place de nouvelles procédures de coordination.

Les parties prenantes (en particulier les autorités nationales) ont également reconnu l'existence d'une « courbe d'apprentissage » continue: si les premiers cycles de déclaration d'informations étaient relativement complexes, le processus devrait devenir plus facile et moins contraignant au fil du temps.

Si le règlement a partiellement rationalisé les processus de planification, de rapport d'informations et de suivi, il n'a pas permis une harmonisation complète et un alignement total sur le calendrier des autres obligations européennes et internationales, comme l'indiquent les réactions partagées des parties prenantes et les réponses à l'enquête. Les parties prenantes ont également fait remarquer qu'un délai de cinq ans pour les décisions stratégiques dans le secteur de l'énergie est insuffisant, car les changements significatifs dans les systèmes énergétiques nécessitent généralement une planification à plus long terme. En outre, les calendriers de certaines obligations (telles que la préparation des PNEC et des rapports d'avancement dans une succession rapprochée) ont rendu plus difficile l'apprentissage de leçons sur la base des cycles de planification précédents. En outre, certaines obligations en matière de communication d'informations annuelle (en particulier celles prévues à l'article 26) pèsent sur les ressources des États membres et des institutions de l'UE. En ce qui concerne les obligations internationales, la principale difficulté réside dans le fait que les cadres de la convention-cadre des Nations unies sur les changements climatiques (CCNUCC) et de l'UE sur les émissions de GES prévoient toutes deux des obligations de déclaration biannuelle, mais à des dates différentes (années paires pour la CCNUCC et le rapport biannuel de transparence (BTR), et années impaires pour le rapport biannuel d'avancement en application du règlement sur la gouvernance).

Le règlement a introduit des modèles communs pour les PNEC et les rapports d'avancement et a introduit (dans le cas de ReportENER) et renforcé (dans le cas de Reportnet) des plateformes numériques. Des avis partagés ont été exprimés sur les gains de temps et/ou de ressources que représentent ces modèles et plateformes communs. D'une part, les parties prenantes ont évoqué la nécessité de reformuler les données et les informations avant de les télécharger et ont noté que cela avait entraîné une augmentation des coûts. Elles ont également souligné l'absence d'un outil permettant de compiler et de partager des réponses complètes provenant de différentes autorités au sein de chaque pays déclarant, et ont mentionné une connexion inadéquate entre les deux plateformes, ainsi que des différences de formats.

D'autre part, certaines réductions de coûts et de charge administrative ont été réalisées, par exemple parce que ces plateformes apportent une plus grande clarté sur les informations et les données qui doivent être collectées et soumises. Elles évitent également aux États membres de devoir développer leurs propres outils nationaux et permettent à plusieurs utilisateurs d'accéder simultanément aux informations. Certaines parties prenantes ont également indiqué que les deux plateformes jouent un rôle dans la standardisation des informations communiquées et la systématisation de la collecte des données, et facilitent la disponibilité et la comparabilité des informations.

Cohérence

Le règlement a amélioré la cohérence des obligations en matière de planification et de rapport d'informations qui étaient auparavant dispersées dans divers textes législatifs de l'UE dans les domaines de l'énergie, du climat et d'autres domaines politiques liés à l'union de l'énergie. Il reste cependant quelques incohérences qui affectent la cohérence interne et externe du règlement.

Les problèmes de cohérence interne sont principalement dus à la complexité de l'intégration de nombreuses obligations dans un cadre juridique unique, ainsi qu'aux changements juridiques connexes intervenus depuis l'adoption du règlement en 2018.

Les questions de cohérence externe sont principalement liées à plusieurs instruments au niveau de l'UE qui ont été introduits et/ou mis à jour après 2018, notamment les diverses politiques développées dans le cadre du Pacte vert pour l'Europe. Par exemple, la refonte de la directive sur l'efficacité énergétique (DEE) comprend de nombreux nouveaux éléments pour une gouvernance plus forte qui ne sont pas actuellement incorporés ou rationalisés dans le règlement sur la gouvernance. De même, la directive révisée sur les énergies renouvelables (RED) a introduit de nouveaux éléments qui ne sont pas reflétés dans le règlement. En outre, il est possible d'aligner davantage d'autres obligations en matière de planification/déclaration, telles que le cycle de rapport de la CCNUCC, sur celles du règlement.

Valeur ajoutée de l'UE

Le règlement a renforcé la cohérence des politiques nationales en matière d'énergie et de climat, ainsi que leur planification, bien que l'impact ait varié d'un État membre à l'autre, en partie en raison de la diversité des processus nationaux antérieurs au règlement. Les parties prenantes ont également souligné que la coordination avec les acteurs infranationaux est un domaine dans lequel la valeur ajoutée du règlement pourrait être davantage renforcée.

Les obligations de planification et de rapport d'informations prévues par le règlement ont donné lieu à des données supplémentaires au niveau de l'UE et au niveau national. En exigeant des États membres qu'ils publient des rapports et des données qu'ils ne collectaient ou ne communiquaient pas auparavant, le règlement a accru la disponibilité des informations et a également apporté une valeur ajoutée en permettant aux parties prenantes, y compris les autorités des États membres et la Commission européenne, d'accéder aux plans et aux évaluations d'autres États membres. De plus, le règlement a clairement amélioré la gestion des données relatives à l'énergie et au climat dans l'UE, en favorisant un cadre plus clair et plus ouvert pour le partage d'informations et la prise de décisions. Néanmoins, les parties prenantes ont souligné les problèmes liés à la soumission en temps voulu, à la qualité (en termes d'exhaustivité), à l'accessibilité et à la transparence des données communiquées.

Les avis divergent sur la valeur ajoutée du règlement en termes de responsabilité et d'accès à la justice, certaines parties prenantes (principalement les autorités nationales) soulignant les effets positifs et d'autres (principalement les parties prenantes du troisième secteur) considérant que des améliorations significatives sont encore nécessaires dans ce domaine.

Pertinence

L'objectif principal du règlement sur la gouvernance, qui est de fournir une structure de gouvernance permettant aux États membres de s'engager à atteindre des objectifs ambitieux en matière d'énergie et de climat et les incitant à le faire, reste pertinent et l'est même devenu davantage compte tenu de la nécessité croissante d'agir pour le climat et

des besoins de plus en plus complexes auxquels les politiques énergétiques et climatiques des États membres doivent répondre. Alors que les perspectives du changement climatique et de ses conséquences s'aggravent et se précisent, l'objectif principal du règlement sur la gouvernance – permettre et soutenir l'action climatique et l'union de l'énergie – est plus que jamais d'actualité.

Depuis l'adoption du règlement sur la gouvernance en 2018, l'acquis de l'UE en matière d'énergie et de climat a connu d'importantes évolutions, notamment le paquet « Ajustement à l'objectif 55 ». En tant que cadre principalement procédural qui ne fixe pas lui-même d'objectifs spécifiques, cela n'a pas rendu le règlement sur la gouvernance obsolète en tant qu'instrument. Toutefois, certaines questions reflétées dans la législation récente doivent être mieux prises en compte dans les résultats obtenus au titre du règlement, y compris les PNIEC.

Enfin, le règlement n'aborde pas de manière adéquate certaines des questions qui sont devenues plus importantes à la suite de l'agression russe contre l'Ukraine, telles que la sécurité énergétique et la nécessité d'une industrie compétitive des énergies propres. La crise de l'approvisionnement énergétique et la pandémie de COVID-19 ont toutes deux mis en évidence les défis sociaux et économiques qui doivent être relevés pour atteindre les objectifs du changement climatique et d'une transition équitable à long terme. Les réactions des parties prenantes suggèrent que les questions socio-économiques, telles que la précarité énergétique et les pénuries de main-d'œuvre, ne sont pas traitées de manière adéquate par le règlement. Cette insuffisance est exacerbée par l'absence d'évaluations macroéconomiques solides des mesures incluses dans les PNIEC.

List of abbreviations and acronyms

BRP(s)	Building Renovation Plan(s)
BTR	Biennial transparency report
CAP	Common Agricultural Policy
CBAM	Carbon Border Adjustment Mechanism
CCS	Carbon capture and storage
CfE	Call for Evidence
COP	Conference of the Parties of the United Nations Framework Convention on Climate Change
CRF	Common reporting format
CSP(s)	Common Agricultural Policy Strategic Plan(s)
CSR(s)	Country-specific recommendation(s)
DG(s)	Directorate(s)-General
DG CLIMA	Directorate-General for Climate Action
DG ENER	Directorate-General for Energy
DNSH	Do no significant harm principle
EEA	European Environment Agency
EED	Energy Efficiency Directive (Directive 2012/27/EU)
EEF	Energy efficiency first principle
Eionet	European Environment Information and Observation Network
EPBD	Energy Performance of Buildings Directive (Directive 2010/31/EU)
EQ(s)	Evaluation question(s)
ESD	Effort Sharing Decision (Decision No 406/2009/EC)
ESR	Effort Sharing Regulation (Regulation (EU) 2023/857)
ESTAT	Eurostat
ETC(s)	European Topic Centre(s)
ETC/CME	European Topic Centre – Climate change Mitigation and Energy
ETS	Emissions Trading System
EU	European Union

EUR	Euro
FEC	Final energy consumption
FTE	Full-time equivalent
GHG	Greenhouse gas
HFC(s)	Hydrofluorocarbon(s)
IA	Impact assessment
IPCC	Intergovernmental Panel on Climate Change
IT	Information technology
IWG(s)	Implementation Working Group(s)
JTF	Just Transition Fund
KII(s)	Key informant interview(s)
KPI(s)	Key performance indicator(s)
LTRS(s)	Long-Term Renovation Strategy(ies)
LTS(s)	Long-Term Strategy(ies)
LULUCF	Land Use, Land Use Change and Forestry
MMR	Monitoring Mechanism Regulation (Regulation (EU) No 525/2013)
MRV	Monitoring, reporting and verification
NCA(s)	National competent authority(ies)
NDC	Nationally determined contributions
NECP	National Energy and Climate Plan
NECPR(s)	National Energy and Climate Progress Report(s)
NEEAP(s)	National Energy Efficiency Action Plan(s)
NGO(s)	Non-governmental organisation(s)
NZIA	Net Zero Industry Act
PaM(s)	Policies and measure(s)
PEC	Primary energy consumption
PFC(s)	Perfluorocarbon(s)
PV	Photovoltaics

QA	Quality assurance
QC	Quality control
R&I	Research and innovation
RDI	Research, development and innovation
RED	Renewable Energy Directive (Directive (EU) 2018/2001)
REFM	Renewable Energy Financing Mechanism
RES	Renewable energy sources
RFNBOs	Renewable fuels of non-biological origin
RRF	Recovery and Resilience Facility
RRP(s)	Recovery and Resilience Plan(s)
SEA	Strategic environmental assessment
SECAP(s)	Social, Environmental and Climate Assessment Plan(s)
SET	Strategic Energy Technology
SDG(s)	Sustainable Development Goal(s)
SWD	Staff Working Document
TFEU	Treaty on the Functioning of the European Union
TSO(s)	Transmission System Operator(s)
UN	United Nations
UNFCCC	United Nation Framework Convention on Climate Change
WAM	'With additional measures' scenario
WEM	'With existing measures' scenario
WOM	'Without measures' scenario

EU Member States

AT	Austria	EL	Greece	LV	Latvia
BE	Belgium	FI	Finland	MT	Malta
BG	Bulgaria	FR	France	NL	Netherlands
CY	Cyprus	HR	Croatia	PL	Poland

CZ	Czechia	HU	Hungary	PT	Portugal
DE	Germany	IE	Ireland	RO	Romania
DK	Denmark	IT	Italy	SE	Sweden
EE	Estonia	LT	Lithuania	SI	Slovenia
ES	Spain	LU	Luxembourg	SK	Slovakia

Third countries

CH	Switzerland
IS	Iceland
NO	Norway
UK	United Kingdom
US	United States of America

1 INTRODUCTION

This is the Final Evaluation Report of the study providing Support in the Evaluation of Regulation (EU) 2018/1999 on the Governance of the Energy Union and Climate Action, an assignment undertaken by ICF SA (ICF) in collaboration with Fraunhofer ISI, Cambridge Econometrics, Institute for European Energy and Climate Policy (IEECP) and Aether, and on behalf of the European Commission Directorates-General for Energy (DG ENER) and Climate Action (DG CLIMA). The Study was launched by DG ENER and DG CLIMA on 16 June 2023, under Framework Contract CLIMA.A4/FRA/2019/0011, with the specific contract No ENER/A1/2022-379/SI2.897173.

This Final Evaluation Report presents the results of the evaluation. It summarises the methodological approach, obstacles encountered and/or overcome, and limitations of the research. It draws on the results of desk research, multi-strand stakeholder consultation, a comprehensive mapping of legal obligations pertaining to the Governance Regulation, and in-depth case studies in seven Member States. The report provides answers to each of the evaluation questions.

This Final Evaluation Report is informed by:

- In-depth desk research between June 2023 and February 2024, which covered a wide variety of sources from across the 27 European Union Member States (EU-27) and beyond.
- In-depth analysis of the responses to the Call for Evidence (CfE) conducted by the European Commission between July and August 2023 (see Annex 6).
- Online targeted surveys of Member State authorities, industry and third sector organisations by ICF between October and November 2023 (see Annex 6).
- Targeted telephone/video interviews with key stakeholders during the study inception phase, main interview programme, and in support of the case studies (see Annex 6).
- Findings from the case studies on seven Member States (Belgium, Denmark, France, Germany, Malta, Romania, Poland) (see Annex 5).
- Feedback from the stakeholder event conducted by the European Commission in Brussels on 11 January 2024 (see Annex 6).

This Final Evaluation Report is structured as follows:

- **Section 1** Introduction: Explains the context, purpose, and scope of the evaluation.
- **Section 2** Methodological approach to the evaluation: Explains the methodological approach, obstacles encountered and/or overcome, and limitations of the data collection and analysis.
- **Section 3** What was the expected outcome of the Governance Regulation?: Articulates the expected outcomes of the Governance Regulation. It is underpinned by an intervention logic diagram and also presents the baseline for the evaluation.
- **Section 4** How has the situation evolved over the evaluation period?: Describes the main policy and other (e.g. geopolitical) developments that occurred over the evaluation period and may have influenced, directly or indirectly, the functioning of the Governance Regulation and thus the evaluation findings.
- **Section 5** Findings of the evaluation: Explains the findings of the evaluation, drawing on all data collection and consultation activities carried out.
- **Section 6** Conclusions and lessons learned: Presents the main conclusions from the study, as well as lessons from the evaluation of the Governance Regulation.

The following documents are annexed to this Final Evaluation Report:

- **Annex 1:** Methodological approach and limitations
- **Annex 2:** Short summary on the feedback to the CfE

- **Annex 3:** Detailed method of the efficiency analysis
- **Annex 4:** Evaluation framework
- **Annex 5:** Case studies
- **Annex 6:** Synopsis Report
- **Annex 7:** Classification of obligations from energy and climate acquis included in the Governance Regulation (baseline)

The annexes are provided separately and submitted jointly with this Final Evaluation Report.

1.1 Background and context

On 24 October 2014, the European Council endorsed a 2030 Climate and Energy Framework for the Union¹, establishing four EU-level targets:

a reduction of at least 40 % in gross economy-wide greenhouse gas (GHG) emissions;
an indicative target of improvement in energy efficiency of at least 27 %, to be reviewed by 2020 with a view to increasing the level to 30 %;
a share of renewable energy consumed in the Union of at least 27 %; and
electricity interconnection of at least 15 %.

On 25 February 2015, the European Commission published its Strategy for a European Energy Union², a key priority of the Juncker Commission (2014-2019). The Energy Union Strategy aimed to build an Energy Union that gives EU consumers, including households and businesses, secure, sustainable, competitive, and affordable energy.

On 5 October 2016, the European Council published its Decision (EU) 2016/1841 on the conclusion, on behalf of the European Union, of the Paris Agreement adopted under the United Nations Framework Convention on Climate Change (UNFCCC),³ paving the way for the adoption of the Governance of the Energy Union and Climate Action Regulation (Regulation (EU) 2018/1999, Governance Regulation),⁴ in 2018.

The Governance Regulation aimed to ensure that the Energy Union Strategy is implemented in a coordinated and coherent manner across its five dimensions. It also sought to ensure that the EU achieves its objectives, in particular the targets of the 2030 Climate and Energy Framework and the Paris Agreement on climate change.

Alongside the adoption of the Governance Regulation, the recast Directive 2018/2001/EC (Renewable Energy Directive, RED) introduced a new and binding renewable energy target for the Union for 2030 of at least 32 %, including a provision for a review with a view to increasing the Union-level target by 2023. Since that time, and since the adoption of the Governance Regulation in 2018, the European and global energy and climate policy landscape has undergone a significant transformation (Figure 1). The shifts partly stem

¹ European Council, 2030 Climate and Energy Policy Framework, EUCO 169/14, 2014, <https://data.consilium.europa.eu/doc/document/ST-169-2014-INIT/en/pdf>

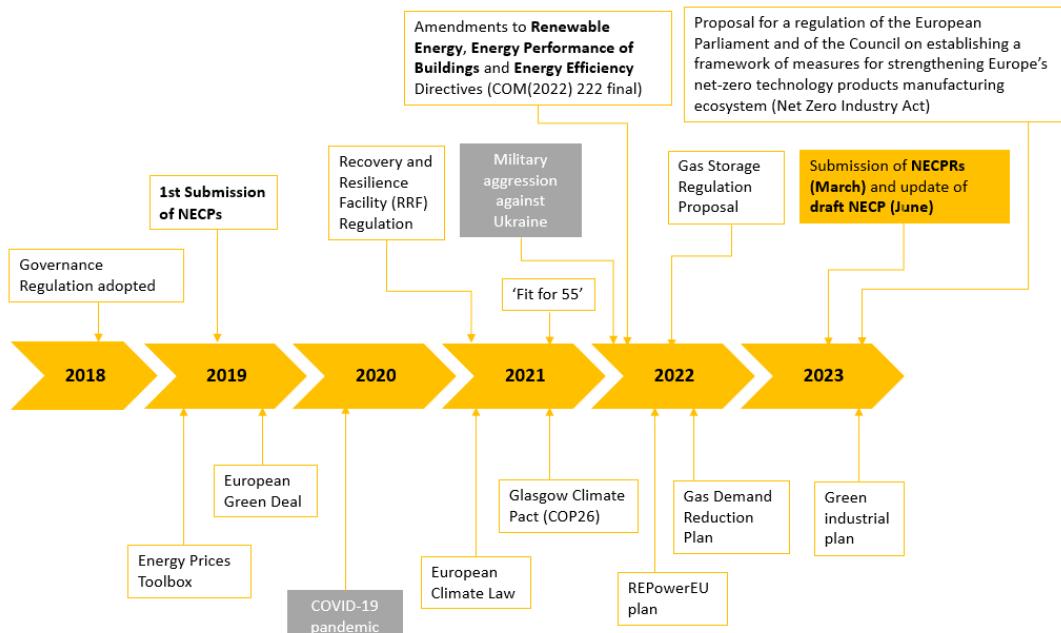
² Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee, the Committee of the Regions and the European Investment Bank, A Framework Strategy for a Resilient Energy Union with a Forward-looking Climate Change Policy, COM/2015/080, https://energy.ec.europa.eu/topics/energy-strategy/energy-union_en?redir=1

³ Council Decision (EU) 2016/1841 on the conclusion, on behalf of the European Union, of the Paris Agreement adopted under the United Nations Framework Convention on Climate Change, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32016D1841>

⁴ Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action, amending Regulations (EC) No 663/2009 and (EC) No 715/2009 of the European Parliament and of the Council, Directives 94/22/EC, 98/70/EC, 2009/73/EC, 2013/1/EU, 2012/27/EU and 2013/30/EU of the European Parliament and of the Council, Council Directives 2009/119/EC and (EU) 2015/652 and repealing Regulation (EU) No 525/2013 of the European Parliament and of the Council, <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32018R1999>

from the unprecedented crisis situations of the COVID-19 pandemic and Russia's war of aggression against Ukraine, as well as policy developments independent of these factors, including the European Green Deal and its new policies and regulations, such as the Fit for 55 package and the European Climate Law.

Figure 1. Legislative timeline following the adoption of the Governance Regulation



Source: ICF, based on COM(2022) 547⁵ and 2022/C 495/02⁶.

Russia's war of aggression against Ukraine and manipulation of fuel supplies and prices contributed to a significant rise in energy prices across the EU. The energy price peak (in August 2022) led to a significant increase in the cost of living for citizens and reduced the global competitiveness of EU industry⁷. Coordinated action by the EU, including Regulation (EU) 2023/435 (REPowerEU)⁸ and emergency legislative initiatives under Article 122 of the Treaty on the Functioning of the European Union (TFEU) adopted in 2022 helped to mitigate the effects of the energy crisis for households and industry⁹. At the same time, the temporary spike in energy prices highlighted the need for effective crisis response and supply diversification across the energy sector. This reinforced the significance of the Governance Regulation as the cornerstone for coordinated energy and climate action at EU level through the National Energy and Climate Plans (NECPs).

The Governance Regulation has been amended by several acts since its adoption in 2018. In 2021, Regulation (EU) 2021/1119 (European Climate Law) amended the Governance

⁵ Report from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, State of the Energy Union, COM(2022), 547 final, <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52022DC0547&from=en>

⁶ Commission Notice on the Guidance to Member States for the update of the 2021-2030 national energy and climate plans, 2022/C 495/02, [https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52022XC1229\(02\)](https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52022XC1229(02))

⁷ Report from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, State of the Energy Union Report COM(2023), 650 final, https://eur-lex.europa.eu/resource.html?uri=cellar:b27b8b93-725d-11ee-9220-01aa75ed71a1.0001.02/DOC_1&format=PDF

⁸ Regulation (EU) 2023/435

⁹ Report from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, State of the Energy Union Report COM(2023), 650 final https://eur-lex.europa.eu/resource.html?uri=cellar:b27b8b93-725d-11ee-9220-01aa75ed71a1.0001.02/DOC_1&format=PDF

Regulation to include the climate-neutrality objective in the relevant provisions and give the Commission a mandate to prepare a methodology for reporting on the phase-out of energy subsidies, notably for fossil fuels. The Governance Regulation was also updated by the Fit for 55 amendments of Regulation (EU) 2018/842 (Effort Sharing Regulation, ESR), Regulation (EU) No 2018/841 (Land Use, Land Use Change and Forestry, LULUCF) and RED to align it with changed ESR and LULUCF review processes. Finally, the Union's energy efficiency targets in the Governance Regulation were amended by Decision (EU) 2019/504, following the withdrawal of the United Kingdom (UK) and Northern Ireland from the EU¹⁰.

According to Article 1(1)(c) of the Governance Regulation, one of its objectives is to ensure the timeliness, transparency, accuracy, consistency, comparability, and completeness of reporting by the Union and its Member States to the UNFCCC and Paris Agreement Secretariat. Chapter 4 of the Governance Regulation provides specific rules on reporting, including biennial progress reports and their follow-up (section 1) and annual reporting (section 2). Such reporting needs to be robust, objective and based on the most up-to-date and scientifically and technically sound data. The goal of these reporting exercises is to allow the European Commission to assess whether the Union is on track to meet its goals, including the 2030 climate targets and the 2050 climate-neutrality objective. The reporting also seeks to enable the EU to fulfil its international reporting obligations under the UNFCCC and Paris Agreement.

The Energy Union covers five core dimensions: energy security; internal energy market; energy efficiency; decarbonisation; and research, innovation and competitiveness. When the Governance Regulation was first conceived, its primary focus was on addressing issues of energy efficiency, renewable energy, and decarbonisation. Developments have led to a broadening of policy focus in the EU to include issues such as the security of the EU's energy supply, EU competitiveness, and the just transition. A review of the Governance Regulation and its functioning is especially important in view of these developments. Other important developments to be considered in the review include the Net Zero Industry Act (NZIA)¹¹, the Hydrogen Bank¹², and the European Critical Raw Materials Act¹³. Additional elements include:

- Ensuring coherence between the European Green Deal, including the European Climate Law and the Governance Regulation.
- Improving synergies between the Governance Regulation, climate adaptation and environmental policies (e.g. Zero Pollution Action Plan, the Circular Economy Action Plan, the Biodiversity Strategy, the Forest Strategy).
- Ensuring appropriate coverage of all aspects of the transition in the Governance Regulation, including just transition, security of energy supply and internal energy market.
- The role of the land-use and technological sectors in emissions and removals.
- Ensuring the provision of robust and detailed information on the investment needs to achieve the objectives and targets of the NECPs and the sources of their financing, as the implementation of the NECPs will be increasingly important approaching 2030.

¹⁰ As these were expressed as absolute values of energy consumption, they had to be adjusted for the changed scope.

¹¹ Net Zero Industry Act, https://single-market-economy.ec.europa.eu/publications/net-zero-industry-act_en

¹² Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on the European Hydrogen Bank, COM/2023/156 final, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52023DC0156&qid=1689756932873>

¹³ European Critical Raw Materials Act, https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/european-green-deal/green-deal-industrial-plan/european-critical-rare-materials-act_en

- Member States' provision of robust macro-economic impacts of their NECPs, given the relevance of the energy and climate transition and its impact on public finances.
- Future-proofing the Governance Regulation to make it fit for purpose from a 2040 and 2050 policy perspective and beyond, including ensuring alignment with Paris Agreement developments.
- Rationalising the administrative burden associated with planning, reporting and monitoring obligations.

1.2 Purpose and scope of the evaluation

The objective of this study is to support the European Commission in conducting an evaluation of the Governance Regulation. The study findings are expected to inform the report submitted by the Commission to the European Parliament and Council, as per Article 45 of the Governance Regulation. The scope of the study is broader than the review clause of Article 45 so as to ensure alignment of the evaluation with Better Regulation criteria.

The study analyses how the Governance Regulation has been implemented since 2018 (ex-post evaluation), based on the Better Regulation criteria of effectiveness, efficiency, relevance, coherence, and EU added value¹⁴. In terms of geographical scope, the study focuses on the EU-27. Although the climate element of the Governance Regulation also applies to Norway and Iceland, they were not included in the data collection or consultation processes¹⁵.

2 METHODOLOGICAL APPROACH TO THE EVALUATION

The research for this report was conducted between July 2023 and February 2024. It comprised: comprehensive desk research; legal mapping of planning, reporting and monitoring obligations stemming from the Governance Regulation; CfE (by the Commission); an online survey of national authorities, industry representatives and third sector organisations (led by ICF); telephone interviews (led by ICF); and a stakeholder event in Brussels (organised by the Commission). A more detailed explanation of the methodological approach to the evaluation is given in Annexes 1, 3 and 5, while an intervention logic for the Governance Regulation is provided in section 3.1.

3 WHAT WAS THE EXPECTED OUTCOME OF THE GOVERNANCE REGULATION?

3.1 Intervention logic of the Governance Regulation

Figure 2 summarises the reasons the Governance Regulation was proposed and adopted (intervention logic). It shows how the Governance Regulation was expected to work, the needs it sought to address, and its main objectives. It also describes the broader policy context of the Governance Regulation, including other EU energy and climate-related policies and legislation, EU legislation and policy in related domains, and relevant international obligations. Figure 2 shows the logical and causal relationships between the resources (inputs) and activities required to implement the Governance Regulation, and the outputs, results, and longer-term impacts of performing the activities. It also shows the external factors that may have influenced how the Regulation worked in practice.

¹⁴ https://commission.europa.eu/system/files/2023-02/br_toolbox-nov_2021_en.pdf

¹⁵ Switzerland reports (voluntarily) the same part of the Governance Regulation reported by Norway and Iceland. In addition, the countries of the Energy Community have an adapted Governance Regulation. Although not included in the analysis, the Governance Regulation indirectly affects these countries.

The general objectives of the Governance Regulation were defined by the European Commission's in its Impact Assessment (IA) accompanying the proposal for the Governance Regulation (SWD(2016) 394 final)¹⁶. These can be summarised as follows:

To ensure a coordinated and coherent implementation of the Energy Union Strategy across its five dimensions, as well as the collective achievement of Energy Union objectives through a combination of EU and national measures;

To establish a functional (dynamic, reliable and transparent) governance process between the Commission and Member States;

To minimise administrative burden and achieve a simplification and integration of planning, reporting and monitoring obligations for Member States and the Commission, while maintaining benefits of such obligations, including their quality of information and transparency;

To ensure EU compliance with its international climate obligations, especially those deriving from the UNFCCC and the Paris Agreement.

Article 1 sets out the specific objectives of the Governance Regulation:

- To implement strategies and measures designed to meet the objectives and targets of the Energy Union and the long-term Union GHG emissions commitments consistent with the Paris Agreement, and for the first 10-year period, from 2021 to 2030, in particular the Union's 2030 targets for energy and climate;
- To stimulate cooperation between Member States, including, where appropriate, at regional level, designed to achieve the objectives and targets of the Energy Union;
- To ensure the timeliness, transparency, accuracy, consistency, comparability and completeness of reporting by the Union and its Member States to the UNFCCC and Paris Agreement Secretariat;
- To contribute to greater regulatory and investor certainty and help to take full advantage of opportunities for economic development, investment stimulation, job creation and social cohesion.

Inputs can be understood as the technical, financial, and human resources used by all stakeholders to implement the Governance Regulation. This includes the resources used by the European Commission to establish the energy and climate governance process at EU level, such as providing technical support and guidance to Member States, issuing implementing acts and guidelines on reporting requirements under the Regulation, drafting country-specific recommendations (CSRs) on draft NECPs, cooperating with the European Environment Agency (EEA), hosting and maintaining the online platform (e-platform), and overseeing the workings of the Climate Change and Energy Union Committees.

Inputs also include the technical, financial and human resources used by the Member States to meet their planning and reporting obligations (e.g. for the purpose of preparing, adopting, notifying and assessing NECPs; establishing multi-level climate and energy dialogues at national level).

The activities describe the (tangible) day-to-day actions taken by stakeholders to implement the provisions of the Governance Regulation:

- Member State actions to establish integrated NECPs (chapter 2) and LTSs (chapter 3);

¹⁶ European Commission, Impact Assessment accompanying the document Proposal for a Regulation of the European Parliament and the Council on the Governance of the Energy Union, amending Directive 94/22/EC, Directive 98/70/EC, Directive 2009/31/EC, Regulation (EC) No 663/2009, Regulation (EC) No 715/2009, Directive 2009/73/EC, Council Directive 2009/119/EC, Directive 2010/31/EU, Directive 2012/27/EU, Directive 2013/30/EU and Council Directive (EU) 2015/652 and repealing Regulation (EU) No 525/2013, SWD(2016) 394 final, <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:52016SC0394&from=FR>

- Member State actions to report to the European Commission and UNFCCC on the implementation of their plans, policies and measures (PaMs) (chapter 4);
- European Commission actions to monitor progress towards meeting the agreed objectives and targets at EU and Member State level (chapter 5);
- European Commission and Member State actions to establish GHG inventory systems (Chapter 6);
- Member State actions to cooperate with each other and with the European Commission (Chapter 7).

Stemming from the activities, the outputs of the Governance Regulation include the various planning, reporting, and monitoring documents and information, including the NECPs and LTSs, the NECPRs, integrated reporting on GHG PaMs and projections.

Results refer to the Regulation's expected immediate effects, including:

- More and better quality quantitative data/statistics, as well as complementary qualitative information;
- Transparency on planned measures, investments, policies, market trends;
- Greater regulatory certainty, predictability;
- Timely transparency on implementation by Member States;
- More efficient reporting processes, easier reuse, and integration;
- Improved coordination/planning/communication/knowledge-sharing between Member States, the Commission, and other stakeholders.

Outcomes capture the Regulation's expected medium-term effects, including:

- Coherence and adequacy of PaMs at Union and national level;
- Improved capacity to track progress towards targets and take appropriate measures on time;
- Better compliance with legislation;
- More evidence-based national and EU policies;
- Improved investor confidence, increased investment, and more efficient public support.

At the end of the logic chain are the expected impacts of the intervention, which should align with the initial needs. The impacts considered in the intervention logic are:

- Contribution to the achievement of the five objectives of the Energy Union:

1. Energy security;
2. Internal energy market;
3. Energy efficiency;
4. Decarbonisation;
5. Research, innovation, and competitiveness.

- Contribution to the Union's GHG emission reduction objectives and targets, consistent with the Paris Agreement, as well as its renewable energy and energy efficiency targets.

The intervention logic also refers to three categories of other interventions relevant to the Governance Regulation:

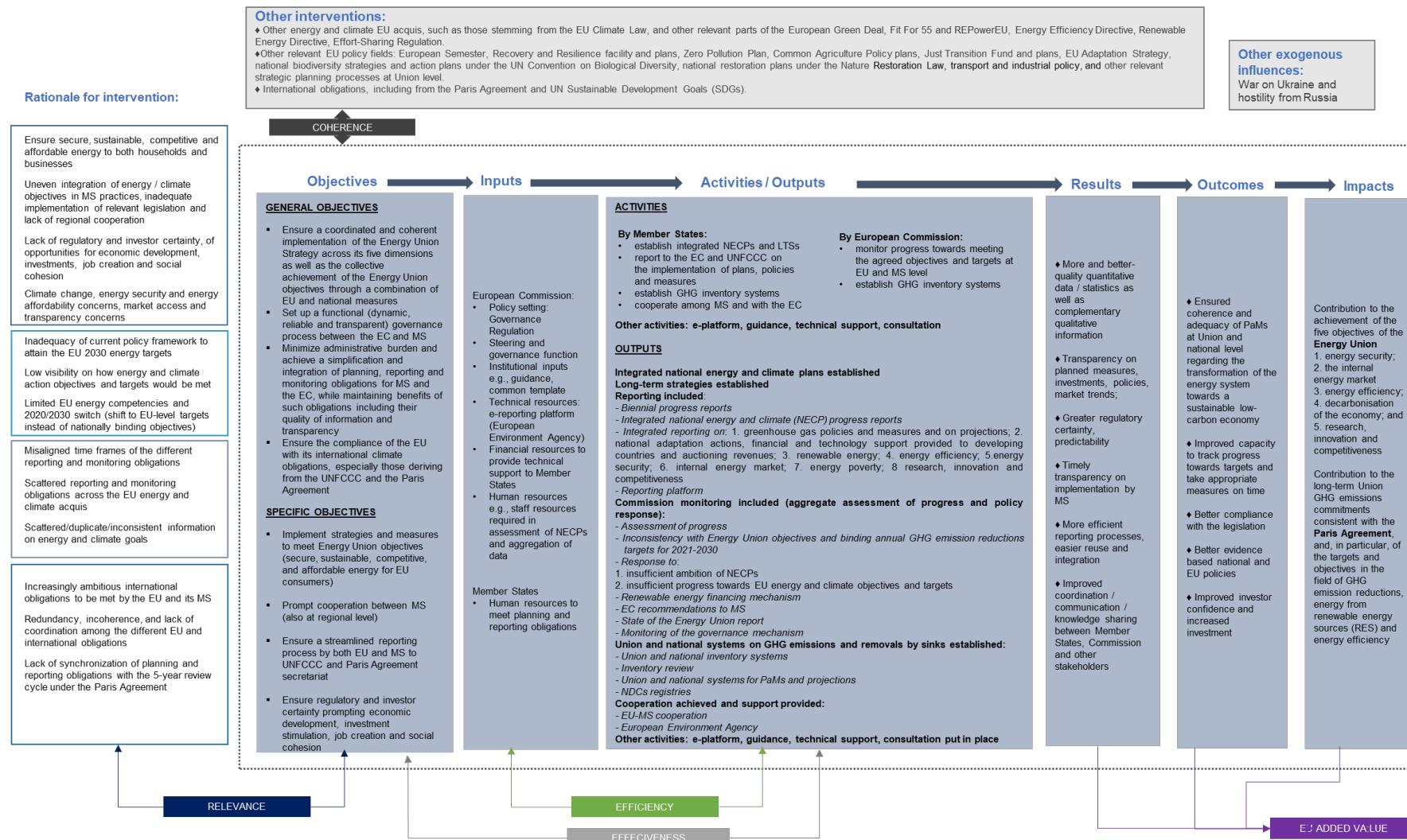
- Other EU energy and climate acquis, such as obligations stemming from the European Climate Law and other relevant parts of the European Green Deal, the Fit For 55 legislative package, REPowerEU, the EED and RED, and the ESR.
- Other relevant EU policy fields: the European Semester, Recovery and Resilience Facility (RRF) and national Recovery and Resilience Plans (RRPs), Zero Pollution Plan (including air quality plans), Circular Economy Action Plan, Biodiversity Strategy, Forest Strategy, Common Agriculture Policy (CAP) Strategic Plans, Just Transition

Fund (JTF) and Plans, EU Adaptation Strategy, transport and industrial policy, and other relevant strategic planning processes. In the future, national biodiversity strategies and action plans under the UN Convention on Biological Diversity and national restoration plans under the Nature Restoration Law may also be relevant.

- International obligations, including those stemming from the Paris Agreement and UN Sustainable Development Goals (SDGs).

The Governance Regulation policy context is also influenced by certain exogenous factors, such as Russia's war of aggression against Ukraine and the ensuing energy crisis, that could impact its ability to achieve its stated objectives.

Figure 2. Intervention logic for the Governance Regulation



Source: ICF elaboration.

3.2 Baseline for the evaluation

Defining the baseline is a crucial step in any policy evaluation, as the benchmark or reference point against which the effectiveness, efficiency, relevance, coherence, and EU added value of the intervention is assessed. Comparing changes against this baseline is an important step in determining (or eliminating) any causal relationships between the intervention and observed outcomes and impacts.

In this evaluation, the baseline is the situation immediately before the Governance Regulation entered into force. Establishing the baseline requires information on key indicators and metrics that reflect the situation before the start of the initiative (Better Regulation Toolbox, Tool #60). It then assesses the intervention against this baseline and the key points of comparison relevant to the evaluation criteria and questions.

As the Governance Regulation sought (among other things) to rationalise and streamline planning and reporting obligations in pre-existing legislation, a key step in defining the baseline was to identify the legislation that preceded the Regulation.

The analysis of the energy and climate acquis carried out when the Commission prepared its Governance Regulation proposal¹⁷ formed the starting point for developing the baseline (see Annex 7). The analysis encompassed 20 different pieces of legislation for the energy acquis and one piece of legislation for the climate acquis (Regulation (EU) No 525/2013 (Monitoring Mechanism Regulation, MMR)). With a few exceptions, all obligations that were indicated for integration made their way into the Governance Regulation, while those indicated for repeal were repealed from sectoral legislation and removed from the EU energy and climate acquis. Finally, obligations recommended to be kept separate were maintained as independent obligations, in either general or sectoral legislation.

Of the 76 obligations the Commission identified as relevant for the Governance Regulation, 54 concern obligations included in energy legislation (from 20 different pieces of legislation) and 22 in climate legislation (all from the MMR).

Overall, 68 of the 76 obligations were classified, as follows:

- 15 planning obligations (all energy-related);
- 29 reporting obligations (16 energy-related; 13 climate-related);
- 2 planning and reporting obligations (one energy-related; one climate-related);
- 22 monitoring obligations (all energy acquis).

The remaining eight obligations under the climate acquis cannot be assigned to either planning and/or reporting and/or monitoring types and are instead classified as 'others'¹⁸. Within the 54 energy-related obligations, 22 target the Commission and 26 the Member States. Four of the remaining obligations target transmission systems operators (TSOs) in relation to the Electricity Directive, the Gas Directive, the Network Access for Cross-Border Electricity Exchanges Regulation, and the Network Access for Natural Gas Transmission Regulation. The final two obligations target the European Network of Transition Operators for Energy (ENTSO-E), in relation to Network Access for Cross-Border Electricity Exchanges

¹⁷ European Commission, Impact Assessment accompanying the document Proposal for a Regulation of the European Parliament and the Council on the Governance of the Energy Union, amending Directive 94/22/EC, Directive 98/70/EC, Directive 2009/31/EC, Regulation (EC) No 663/2009, Regulation (EC) No 715/2009, Directive 2009/73/EC, Council Directive 2009/119/EC, Directive 2010/31/EU, Directive 2012/27/EU, Directive 2013/30/EU and Council Directive (EU) 2015/652 and repealing Regulation (EU) No 525/2013, SWD(2016) 394 final, <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:52016SC0394&from=FR>

¹⁸ These eight 'other' obligations vary in nature, encompassing: obligations related to the procedures for completing emission estimates to compile the Union inventory (gap filling); obligations on the review of GHG inventories for the purposes of Decision No 406/2009/EU (Effort Sharing Decision, ESD) and on addressing the effects of recalculations in the ESD; and more 'organisational' provisions on cooperation between Member States and the Union, and the role of the European Environment Agency and Climate Change Committee to assist the Commission.

Regulation, and the European Network of Transition Operators for Gas (ENTSO-G), in relation to the Network Access for Natural Gas Transmission Regulation, respectively. Of the 54 relevant energy-related obligations (a sub-set of the 76 obligations in scope), 18 were integrated into the Governance Regulation, most (13) related to energy efficiency, while the remaining four related to decarbonisation and the internal energy market. The same number of obligations (18) were repealed, most relating to the internal energy market (11) and energy efficiency (four). Other obligations (11) were kept separate but still reflected in the Governance Regulation, primarily as part of the internal energy market dimension (five), but also within the energy security (three) and energy efficiency (one) dimensions.

The 22 relevant obligations contained in climate legislation (from the MMR) all fall under the decarbonisation dimension. All but one were integrated into the Governance Regulation. Of the 22, eight target Member States, five the Commission (one of which is the EEA), and eight target both Member States and the Commission. The remaining obligation refers to the Climate Change Committee to assist the Commission and cannot be attributed to any of the stakeholders listed above. Before the introduction of the Governance Regulation, there were 54 obligations ⁱ in energy legislation (from 20 different pieces of legislation). According to the Fitness Check of 2016, this landscape of EU energy policy was characterised by a highly fragmented system of planning and reporting, with numerous co-existing obligations, each designed for specific aspects of the EU energy policy *acquis*, leading to inefficiencies and inconsistencies¹⁹. The Governance Regulation did not intend to repeal/impact most of the pieces of legislation identified as relevant, but, rather, to streamline a large part of the planning, reporting and monitoring obligations in such legislation.

Annex 7 summarises the obligations (both as part of the energy *acquis* and the MMR) that were integrated into the Governance Regulation and indicates the corresponding provisions of the Regulation. It also indicates whether the legal basis for the original obligations has since been amended.

Correct identification of the legislation and related reporting obligations in the baseline is particularly important for the effectiveness criterion (e.g. to assess any improvement in the timeliness and quality of the information available) and the efficiency criterion (to understand whether any streamlining and/or simplification of reporting has been achieved, leading to reduced costs and administrative burden).

3.2.1 Integrated NECPs

Before the Governance Regulation and the introduction of NECPs, there were various separate planning and reporting mechanisms. These included National Renewable Energy Action Plans (NREAPs), introduced by the RED, which required Member States to outline strategies and measures to meet their 2020 renewable energy targets, and National Energy Efficiency Action Plans (NEEAPs), introduced by the EED, which required Member States to report progress towards their national energy efficiency targets. The mechanism for monitoring GHGs, introduced by the MMR, also required Member States to report GHG emissions. By introducing NECPs, the EU sought to integrate reporting on renewable energy and energy efficiency, with reporting on broader objectives encompassing adaptation to climate change (previously reported by most Member States in their national adaptation strategies²⁰), energy security, energy markets, research and innovation and competitiveness. These various reporting requirements followed different timelines, which did not help their alignment on targets, scenarios or progress reviews.

For example, there may have been instances where different plans (e.g. NREAPs, NEEAPs) were developed based on different scenarios and with different assumptions about

¹⁹ Williams, R., Veenstra, E., Rademaekers, K., Svatikova, K., Baroni, L., *Fitness Check Evaluation in the EU Energy acquis and Impact Assessment of Planning, Reporting and Monitoring for the Energy Union*, Trinomics B.V., 2016.

²⁰ As of 2018, 25 Member States had developed a national adaptation strategy.

population and economic growth. Nevertheless, each was supposed to contribute to the ESD (reductions in GHG emissions in non-Emissions Trading Scheme (ETS) sectors), and to 2020 climate targets more generally, thereby ensuring a minimum degree of consistency. The concept of 'energy poverty' was mostly related to the Electricity Directive. The Energy Efficiency First (EEF) principle was not included (not yet defined, nor required).

On the planning side, there was no iterative process (i.e. the submission of plans by Member States to the European Commission was not followed by Commission recommendations to Member States). Nevertheless, the European Commission did assess plans and its assessments sometimes included recommendations on energy efficiency, or highlighted good practices, although Member States were not required to follow-up or act on these. A key initiative to achieve the 2020 energy efficiency targets was the creation of a dedicated Task Force in July 2018²¹. In parallel, most of the bilateral exchanges between the Commission and Member States related to the assessment of the transposition of relevant directives and to notifications of their various provisions. Most of this communication was not public.

The concept of integrated NECPs containing information about the five dimensions of the Energy Union reflects each dimension's role in a broader framework, where it contributes to common 'umbrella' objectives and targets and forms part of a common scenario.

One potential drawback of the NECPs compared to the separate plans is that they may not offer the same level of detail for some dimensions. The requirements for each dimension set in the NECP template (Annex I to the Governance Regulation) reflect the main planning elements, but do not require comprehensive strategies for each element to be described. For example, NECP section 3.2 requires Member States to report 'planned policies, measures and programmes to achieve the indicative national energy efficiency contributions for 2030 as well as other objectives'. This implicitly covers the main measures in all end-use sectors, as indicative national energy efficiency contributions relate to the whole final energy consumption (FEC). However, the elements listed in section 3.2 correspond to reporting obligations in relation to energy efficiency (e.g. EED energy savings obligation or LTRSs). In practice, NECPs do not always set out sectoral measures and may not provide a clear view of whether the strategy on energy efficiency is comprehensive and well balanced. Previously, most NEEAPs presented measures per sector, with an additional part on cross-cutting measures.

In the NECP template, energy poverty is included in the parts related to the energy market. However, the assessment of energy poverty (section 2.4.4) is also relevant to other dimensions, and the measures to tackle energy poverty (section 3.4.4) often include a combination of measures related to energy markets (e.g. social tariffs), energy efficiency (dedicated renovation programmes, etc.) and renewable energy sources (RES) (e.g. schemes to ensure that energy-poor households benefit from on-site solar photovoltaic (PV)). Some measures can cut across various dimensions of the Energy Union (e.g. energy advice on choosing appropriate energy tariffs, as well as energy savings tips).

The Governance Regulation introduced and defined the EEF principle, which prioritises energy efficiency measures over other ways of meeting energy demand. This principle is meant to contribute to 'the interlinkages between the five dimensions of the Energy Union (Article 3(3)(a)). Since the introduction of the Governance Regulation, Member States must take the EEF principle into account when developing and reporting national PaMs in their NECPs. References to the EEF principle are now included in most (if not all) related EU legislation, including the recast EED, with related provisions (Article 27) about energy

²¹ 'In order to better assess the growing energy consumption trend and identify a possible way forward, in July 2018 the European Commission set up a Task Force on mobilising efforts to reach the EU energy efficiency targets for 2020' (Report from the Commission to the European Parliament and the Council, 2018 assessment of the progress made by Member States towards the national energy efficiency targets for 2020 and towards the implementation of the Energy Efficiency Directive as required by Article 24(3) of the Energy Efficiency Directive 2012/27/EU, COM(2019) 224 final, p. 3, <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52019DC0224>).

efficiency on the supply-side, including requirements for national regulatory authorities and the Transmission and Distribution System Operators. The EEF principle of the Governance Regulation relates only to demand-side measures.

The process of drawing up NECPs (and NECP updates) includes iteration: Member States submit a draft, which is assessed by the Commission, leading to recommendations for each individual Member State, which then leads to a final version. The Commission's assessments and recommendations are public, as is information on whether and how Member States have addressed the CSRs (NECP updates). This increases transparency.

3.2.2 Long-term strategies

The entry into force of the Governance Regulation marked a significant evolution from the framework established by the MMR. Previously, there was no EU-wide obligation for Member States to prepare national LTSs on energy or on climate change mitigation and adaptation. The Paris Agreement, however, invited (but did not oblige) countries to prepare long-term low GHG emission development strategies (LT-LEDS). The Governance Regulation enhanced the requirements for integrated national planning and reporting, explicitly incorporating long-term strategies for GHG emissions reduction and adaptation to climate change with those for energy.

In mandating Member States to prepare and submit LTSs with a perspective of at least 30 years, the Governance Regulation introduced a wider forward-looking vision. These strategies should outline national objectives and visions for reducing GHG emissions and increasing removals towards 2050, aligning with the EU's long-term goal of achieving a climate-neutral economy and integrating with renewable energy and energy efficiency goals.

3.2.3 Biennial Reporting (Articles 17 to 25 of the Governance Regulation)

This section describes the evolution of key reporting obligations included in the Governance Regulation.

3.2.3.1 Integrated national energy and climate progress reports (*Article 17 of the Governance Regulation*)

Before the Governance Regulation, the EU's 2020 climate and energy package set targets for GHG emission reductions, renewable energy and energy efficiency, but relied on different instruments for monitoring progress in each area. For instance, the RED and the EED each imposed their own reporting requirements on Member States.

The MMR consolidated EU climate reporting obligations and required Member States to report GHG emissions and other relevant information, but did not integrate this reporting with progress on energy targets in a single framework.

Prior to the Governance Regulation, Member States were required to submit various national plans and strategies covering renewable energy, energy efficiency, and GHG emissions reductions. These submissions were often not fully coordinated or integrated, leading to potential overlaps, gaps, or inconsistencies in reporting.

3.2.3.2 Integrated reporting on GHG PaMs and projections (*Article 18 of the Governance Regulation*)

Before the Governance Regulation, the EU framework for reporting on GHG PaMs, as well as projections (under the MMR), provided a detailed and structured approach to climate reporting, but was less integrated with energy policy objectives. The Regulation enhanced this framework by integrating GHG reporting into a comprehensive and coordinated planning and reporting process. It introduced a more holistic approach, integrating reporting on GHG PaMs with the broader framework of the Energy Union's objectives. Like the MMR (Article 13(3) and 14(4) MMR), the Governance Regulation (Article 18) emphasises transparency, requiring Member States to make their national GHG projections and assessments of the costs and effects of national PaMs available to the public electronically.

3.2.3.3 Integrated reporting on national adaptation actions, financial and technology support provided to developing countries and auctioning revenues (Article 19 of the Governance Regulation)

Before the Governance Regulation, reporting on national adaptation actions, financial and technological support to developing countries, and the use of auctioning revenues took place under different frameworks and obligations at both EU and international level. The Regulation streamlined these reporting requirements into a more cohesive framework, improving transparency, coordination, and the effectiveness of EU climate action efforts:

- National adaptation actions - adaptation reporting: Before the Governance Regulation, the EU Adaptation Strategy encouraged Member States to adopt national adaptation strategies and plans. From March 2015, the MMR also required Member States to report on national adaptation planning and strategies every four years and provided a brief list of report topics (e.g. flooding, sea level rise, extreme temperatures, droughts, and other extreme weather events). In comparison, the Governance Regulation requires Member States to report on their national climate change adaptation and planning strategies every two years (from 2021) and provides more detailed instructions on the information that should be reported (Annex VIII). Prior to the Regulation, reporting on adaptation measures was more fragmented and primarily shared through various networks and platforms, like the Climate-ADAPT platform, without a standardised reporting framework.
- Financial and technology support to developing countries - international climate finance reporting: EU Member States have long been committed to supporting developing countries in their climate mitigation and adaptation efforts, including financial and technology support. This commitment aligns with international agreements, such as the UNFCCC and the Paris Agreement. Member States reported their climate finance contributions through biennial reports and strategies submitted to the UNFCCC, but under the MMR (Article 16) there was less coordination and guidance on this reporting at EU level.
- Auctioning revenues - EU ETS and auctioning revenues: Directive 2003/87/EC (EU ETS) provides that a significant portion of allowances should be auctioned by Member States. The Directive suggests that Member States use that revenue to finance climate and energy-related projects, including activities related to reducing GHG emissions, adapting to climate change, and providing financial and technological support to third countries. However, detailed and integrated reporting on the use of auctioning revenues at EU level was not explicitly outlined until the Governance Regulation.

3.2.4 Annual reporting

3.2.4.1 Annual reporting (Article 26 of the Governance Regulation)

While the MMR established a robust system for annual GHG reporting, the Governance Regulation enhanced that system by making it part of comprehensive and strategic planning for energy and climate action. The Governance Regulation's approach not only maintains the rigour and transparency of GHG reporting, but aligns it more closely with the EU's broader objectives for energy and climate, fostering a more coordinated and ambitious response to climate change.

- The MMR established a framework for systematic monitoring, reporting, and verification (MRV) of GHG emissions, aiming to ensure accurate and consistent GHG data across the EU. It required Member States to report their GHG emissions annually, based on agreed methodologies and using standardised formats to ensure comparability of data. The MMR established annual GHG inventories where Member States were required to compile and submit annual inventories of GHG emissions, covering all sectors of the economy. Inventories were compiled in a common reporting framework, with detailed guidelines on how to monitor and report emissions, ensuring a high level of transparency and accountability in the EU's

climate reporting. The MMR included provisions for the verification of reported data to ensure its accuracy and reliability. It also set out procedures for addressing instances of non-compliance with reporting obligations.

- The Governance Regulation built on the foundation laid by the MMR and introduced several improvements to the annual GHG reporting process, enhancing its effectiveness and integration with broader EU climate and energy governance. Changes included its integration with NECPs, requiring Member States to include their GHG reporting with their broader strategies for energy and climate. This approach ensures that GHG reporting is considered in the context of overall national plans for achieving energy and climate targets, creating a more holistic view of progress and challenges.
- By consolidating various reporting obligations under a single framework, the Governance Regulation sought to reduce the administrative burden on Member States and simplify the overall process of monitoring and reporting, including on GHG emissions. This streamlined approach was expected to enhance the efficiency of data collection and analysis, facilitating more timely and informed decision-making.
- The Governance Regulation establishes a governance framework that supports the EU's commitment to achieving its 2030 climate and energy targets and its long-term objective of becoming climate-neutral by 2050. The integration of annual GHG reporting within this framework enhances accountability and supports a more ambitious approach to reducing emissions.

3.2.4.2 Reporting on the 2020 targets (Article 27 of the Governance Regulation)

Prior to the Governance Regulation, NEEAPs were prepared every three years by the Member States, in accordance with Article 24 of the EED. The NEEAPs were required to outline the significant energy efficiency measures implemented by the Member States and corresponding energy savings expected and/or achieved.

Article 27 of the Governance Regulation introduced a requirement for each Member State to report to the European Commission on the achievement of its 2020 national energy efficiency targets, including information about the sectoral and overall shares of energy from renewable sources, measures taken to achieve the 2020 national renewable energy targets (including support schemes, Guarantees of Origin (GoO), simplification of administrative procedures), and the share of energy from biofuels, bioliquids and biogas produced for transport. Union and national systems on GHG emissions and removals by sinks (Chapter 6) - (Article 37)

On national and Union GHG inventory systems, the transition from the MMR to the Governance Regulation involved a continuation of established practices and refinements to enhance the overall framework for GHG inventories in the EU.

- Annual Member State GHG inventories: Both the MMR and the Governance Regulation require Member States to compile and submit annual inventories of GHG emissions. These inventories must cover all sectors of the economy and use methodologies consistent with international standards, particularly those set by the Intergovernmental Panel on Climate Change (IPCC);
- Union inventory: Under both regulations, the European Commission compiles the Union inventory from the data submitted by Member States. This consolidated inventory is submitted to the UNFCCC, fulfilling the EU's international reporting obligations.
- Enhancements introduced by the Governance Regulation: While maintaining the core inventory reporting obligations, the Governance Regulation reinforced the effectiveness and integration of the inventory systems within the broader context of EU climate and energy governance. It integrates GHG inventory reporting more explicitly with the broader strategic framework of the NECPs, ensuring that it is not only a compliance tool, but central to assessing progress towards targets, thereby

enhancing the strategic use of inventory data for climate policy planning and implementation.

By consolidating the reporting requirements, the Governance Regulation streamlines the administrative processes associated with inventory reporting. This consolidation is intended to reduce the reporting burden on Member States and improve the efficiency of data collection, verification, and submission processes.

The MMR emphasised the importance of quality assurance (QA) and quality control (QC) procedures and the Governance Regulation continues to stress the need for robust QA/QC practices. It encourages Member States to develop and refine their inventory systems, ensuring that GHG data are accurate, consistent and transparent.

Inventory review (*Article 38 of the Governance Regulation*)

Before the Governance Regulation, the framework for the review of GHG inventories in the European Union was established under the MMR, which set out the procedures for the review of GHG inventories by Member States, aiming to ensure the accuracy, consistency, and transparency of GHG data reported to the European Commission and, ultimately, to the UNFCCC.

- MMR provisions for reviews of GHG inventories: Reviews were carried out at EU level, involving expert review teams to assess the completeness, accuracy and adherence to reporting guidelines of the inventories submitted by Member States.
- The Governance Regulation enhanced the inventory review framework established by the MMR. Beyond the explicit requirements under Article 38, it sets out a broader review of national energy and climate reporting, including NECPs and NECPRs. This approach ensures that the review of GHG inventories is not only about verifying data, but assessing progress towards broader climate and energy targets.
- Enhanced review procedures: While maintaining the rigorous review processes established by the MMR, the Governance Regulation emphasises the importance of transparency, accuracy, and completeness in GHG inventories. It establishes clearer roles and responsibilities for the European Commission and Member States in the review process. It also provides a more structured framework for the Commission to assess, report, and follow up the findings of inventory reviews, including issuing recommendations for improvements.

The Governance Regulation acknowledges the importance of capacity-building and technical support for Member States to improve their GHG inventory systems and increased the focus on this aspect accordingly. It encourages sharing of best practices and the provision of technical assistance to Member States, particularly those facing challenges in meeting the reporting and review requirements.

3.2.4.3 Union and national systems for PaMs and projections (*Article 39 of the Governance Regulation*)

Article 12 of the MMR and Article 39 of the Governance Regulation both address aspects of systems for reporting on PaMs and projections related to GHG emissions within the EU:

- Reporting on PaMs: Both articles require Member States to establish and maintain national systems for reporting on their national PaMs to reduce GHG emissions. This includes implemented and planned measures, reflecting a continuous commitment to documenting and communicating efforts to mitigate climate change;
- Projections of GHG emissions: Both articles mandate the establishment and maintenance of national systems for reporting projections of GHG emissions and removals. These projections are essential for assessing future trends in GHG emissions and the potential impact of PaMs on achieving emissions reduction targets;
- Integration with NECPs: One of the major differences introduced by the Governance Regulation is the implicit integration of reporting on PaMs and projections within the framework of NECPs. Although this is not explicitly mentioned in Article 39 of the

Governance Regulation, it ensures that national systems are aligned with the broader strategic planning and implementation process outlined in the NECPs, enhancing coherence and synergy among various climate and energy policies. The MMR, while comprehensive, did not embed PaMs and projections reporting within a similarly integrated planning framework.

4 HOW HAS THE SITUATION EVOLVED OVER THE EVALUATION PERIOD?

This section describes how the situation evolved in the period leading up to the adoption of the Governance Regulation and in the years following its adoption and implementation by the Member States. Several international policy developments, internal EU policy developments, and external geopolitical and other developments have interacted with and affected the implementation of the Governance Regulation. These are described below.

4.1 Policy developments

This section presents the key policy developments since the adoption of the Governance Regulation.

4.1.1 International policy developments

At international level, key policy developments include:

- The enhanced transparency framework established by the Paris Agreement (November 2016) to track the progress of individual Parties in the implementation of their nationally determined contributions (NDCs), provide data to support global stocktakes, and assess progress towards the long-term goals;
- Parties under the Paris Agreement (Article 7(1)) also committed to the Global Goal on Adaptation, which aims to enhance global adaptive capacity and strengthen resilience and reduce vulnerability to climate change. During the Conference of the Parties of the UNFCCC (COP28) (November 2023), a Global Climate Resilience Framework was proposed, highlighting the key areas requiring adaptation efforts in all countries, including food security, water management and public health²²;
- The 2021 Glasgow Climate Pact, which seeks to raise mitigation ambition through coal phase-down, termination of fossil fuels subsidies and the reduction of non-carbon dioxide (CO₂) GHG emissions;
- The Kunming-Montreal Global Biodiversity Framework (adopted in December 2022) highlights that the climate and biodiversity crises are interdependent. It establishes targets to tackle both crises in a coherent manner – including in terms of financial objectives;
- Global Pledge on Renewables and Energy Efficiency (December 2023) sets global targets to triple the global installed capacity of renewable energy and double the global rate of energy efficiency improvements by 2030.

4.1.2 EU policy developments

The European Green Deal (approved in 2020) and its subsequent legislation, such as the European Climate Law (April 2021) and the Fit For 55 package (July 2021) have established and operationalised the EU 2030 and 2050 climate objectives. The European Green Deal promotes further coherence between policies, notably energy, climate, and other environmental policies (biodiversity, pollution, circular economy), including through the 'do no significant harm' (DNSH) principle. The 2021 EU Adaptation Strategy, as part of the European Green Deal and under the European Climate Law, pursues more of a whole-of-government approach than its predecessors, aiming to make adaptation 'smarter, faster and more systemic', while also minimising the risks to EU countries from climate impacts beyond European borders.

Building on Fit for 55, the REPowerEU Plan is among the EU responses to the energy crisis provoked by Russia's war of aggression against Ukraine. It includes a set of actions to reduce energy demand, reduce dependence on Russian fossil fuels and accelerate

²² Hussein F et al (2024): Understanding the Paris Agreement's "Global Goal on Adaptation", Article for World Resources Institute, available at: <https://www.wri.org/insights/global-goal-on-adaptation-explained#:~:text=The%20Global%20Goal%20on%20Adaptation%20is%20a%20collective%20commitment%20under,in%202015%2C%20the%20GGA%20is>

investments in renewable energy, while achieving higher energy efficiency. These instruments are underpinned by interventions mitigating adverse economic impacts owing to the transition to climate neutrality and the COVID-19 crisis, such as the JTF and RRF. Established during the COVID-19 pandemic, the RRF supports Member States to adopt reforms and investments to prompt the recovery of their economies after the pandemic, and to make their economies, energy systems and societies more sustainable, resilient, and prepared for the green and digital transitions, in line with the EU's priorities and REPowerEU Plan. The RRF should be consistent with the relevant country-specific challenges identified in the context of the European Semester process of the economic governance framework and with information in Member States' NECPs.

The following sub-sections describe the European Green Deal, European Climate Law and Fit for 55 package in more detail.

4.1.2.1 European Green Deal

The European Green Deal²³ is a comprehensive and ambitious set of policy initiatives by the European Commission that aims to make the EU climate neutral by 2050. It aims to transform the economy of the Union such that it is more sustainable, resource-efficient, and competitive. In general, the Governance Regulation aims to bolster energy and climate policy coordination, oversight, and long-term roadmapping towards the implementation of the Union's energy and climate targets. Its inclusion and integration of multiple aspects reflects attempts to better integrate EU climate and energy legislation, as well as to align planning and targets with the Paris Agreement. This is clearly conducive to the goals of the European Green Deal.

The European Green Deal has been criticised for not being ambitious enough in certain aspects (e.g. approach to reducing fossil fuel use²⁴) and for being overly ambitious and risking the competitiveness of Member States and the EU collectively. The related comprehensive and intense legislative process changed the context of the 10-year cycle initially planned by the Governance Regulation.

The ambition of the European Green Deal can be expressed as 'Climate change and environmental degradation are an existential threat to Europe and the world. To overcome these challenges, the European Green Deal will transform the EU into a modern, resource-efficient, and competitive economy, ensuring:

- No net emissions of GHGs by 2050;
- Economic growth decoupled from resource use; and
- No person and no place left behind'²⁵.

4.1.2.2 European Climate Law

The European Climate Law²⁶ entered into force in 2021 and enshrines in law the goal of achieving climate-neutrality in the EU by 2050. It also codifies the updated 2030 target, whereby the EU is legally bound to reduce its net GHG emissions by at least 55 % compared to 1990 levels. The relevant Union institutions and all Member States are to take the necessary measures at Union and national level, respectively, to enable the collective achievement of the climate-neutrality objective (Article 2(1)) and ensure continuous progress in enhancing adaptive capacity, strengthening resilience, and reducing vulnerability to climate change in accordance with Article 7 of the Paris Agreement (Article

²³ European Commission, The European Green Deal, n.d., https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/european-green-deal_en

²⁴ European Environmental Bureau (EEB), *EU plans multi-billion euro 'green recovery' but falls short in crucial areas*, 2020, <https://eeb.org/eu-plans-multi-billion-euro-green-recovery-but-falls-short-in-crucial-areas-1/>

²⁵ European Commission, The European Green Deal, 2023, https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/european-green-deal_en.

²⁶ Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law'), <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32021R1119>

5(1)). This includes working together with all groups and through international cooperation to support adaptation efforts, particularly for the most vulnerable. National adaptation plans, the EU Adaptation Strategy (Article 5(2)), and information on support to developing countries are all reporting requirements.

The European Climate Law's system of assessing progress towards achieving climate-neutrality and adaptation objectives, as well as the consistency of measures, builds on and is consistent with the governance framework laid down in the Governance Regulation. Instead of introducing additional separate reports by Member States on their progress towards European Climate Law objectives, the relevant provisions of the Governance Regulation reflected that information submitted by Member States would include more information on progress towards European Climate Law objectives.

Many elements contained within the European Climate Law (e.g. tracking progress) are built on the governance process.

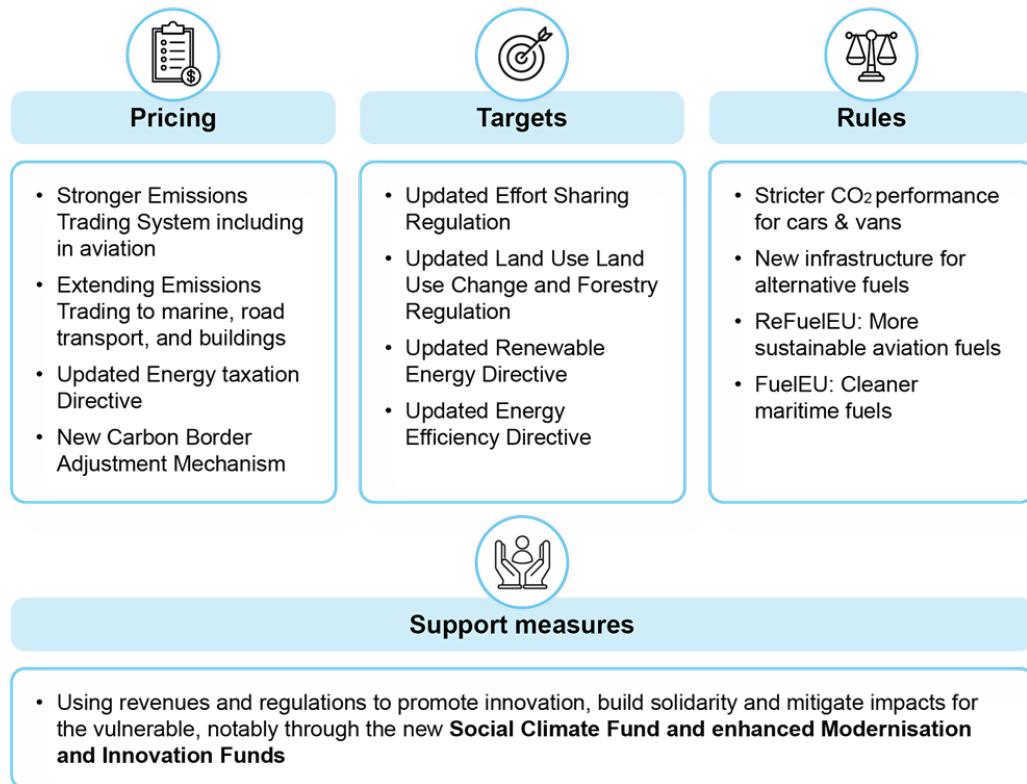
4.1.2.3 Fit for 55 package

Fit for 55 is the package of new and revised energy and climate-relevant legislation needed to achieve the EU's updated and more ambitious target for emissions reductions by 2030. Previously, the target for the EU was at least 40 % reduction in gross GHG emissions by 2030 compared to 1990 levels; the new target increases this to at least 55 % net GHG reduction by 2030. The Fit for 55 package was officially announced in July 2021 and most of the elements were adopted in 2023 as part of the European Green Deal^{27,28}. To meet the increased net emissions reduction, Fit for 55 deploys a mix of targets, pricing, standards, and support measures (see Figure 3).

²⁷ Council of the EU, 'Fit for 55': Council adopts key pieces of legislation delivering on 2030 climate targets, Press release, 25 April 2023, <https://www.consilium.europa.eu/en/press/press-releases/2023/04/25/Fit-for-55-Counciladopts-key-pieces-of-legislation-delivering-on-2030-climate-targets/>

²⁸ The Dispatch, 'Two Final Elements of Fit for 55 adopted', CDE News, 3 November 2023, <https://cde.news/two-final-elements-of-Fit-for-55-adopted/>

Figure 3. Policy mix under the Fit For 55 package



Source: ICF, based on COM(2021) 550 final²⁹.

The Fit for 55 package attempts to integrate climate and energy elements in a joined-up legal framework, driven by the overriding target of the 55 % emissions reduction. The package is extensive, containing several policies:

- Revision of the EU ETS:** Increasing the overall ambition of emissions reductions by 2030 in the sectors covered by the EU ETS to 62 % compared to 2005 levels. The EU ETS currently covers industries responsible for 40 % of EU GHG emissions, as well as aircraft operators within the EU. Free emission allowances for the aviation sector will be phased out, with full auctioning implemented from 2026. For the first time, the EU ETS includes emissions from shipping within its scope. Under the 2023 revisions of the ETS Directive, a new, separate emissions trading system (ETS 2) was established, covering buildings, road transport and additional sectors (mainly small industry not covered by the EU ETS). The ETS 2 emissions reduction target is to reduce emissions by 42 % by 2030, compared to 2005 levels. The Social Climate Fund will become operational in 2027 and will be funded by the ETS 2, to the value of EUR 65 billion. It will be used by Member States to finance measures and investments to support vulnerable households, micro-enterprises, and transport users.
- Stricter GHG limits for sectors not covered by EU ETS 1 before its amendment:** The co-legislators have adopted revised binding national targets to reduce GHG emissions for sectors covered by the ESR, accounting for nearly 60 % of EU GHG emissions. These sectors include transport (excluding CO₂ from aviation), buildings, agriculture, waste, and small industries. Neither the ETS nor ESR cover

²⁹ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, 'Fit for 55': delivering the EU's 2030 Climate Target on the way to climate neutrality, <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52021DC0550&from=EN>

LULUCF. The significant revision to the ESR, which entered into force in May 2023, sets an EU-wide GHG emission reduction target of 40 % (raised from 29 %) compared to 2005 levels. As a collective contribution, this is translated into individual Member State targets, ranging from 10 % in Bulgaria to 50 % in higher income Member States such as Finland, Sweden, Luxembourg, Germany and Denmark.

- **Updated LULUCF Regulation:** The update stipulates a target of increasing land-based net carbon removals in the Union by 42 million tonnes of CO₂-equivalent by 2030. For the period from 2026-2030, each Member State will, for the first time, have a binding national target amounting to 310 Mt by 2030. Moving from accounted to reported values in the second compliance period will bring the LULUCF Regulation closer in line with the national GHG inventories submitted under the Governance Regulation. Additionally, Member States will move towards higher accuracy in their reporting, based on remote (satellite) and in-field data and are encouraged to provide this information in their NECPs. The LULUCF Regulation provides for Member State flexibility to help them reach their targets.
- **Stricter EU caps on CO₂ emissions from new cars and vans:** The revised law will require new cars to be zero-emission from 2035. It also sets CO₂ emission reduction targets for 2030 for new cars and vans.
- **Updated renewable energy targets:** The recast RED states that at least 42.5 % (aiming for 45 %) of EU energy consumption must be from RES by 2030, an increase from the old target of 32 %. It also reinforces the sustainability criteria for biomass used for energy, strengthens the links between bioenergy and LULUCF (including provisions related to NECPs) and introduces the cascading principle to Member States' financial support schemes for bioenergy. The purpose is to ensure that bioenergy (which still represents almost 60 % of all renewables) is sourced sustainably and is not inconsistent with achieving LULUCF targets.
- **Carbon Border Adjustment Mechanism (CBAM):** CBAM is a policy tool designed to encourage non-EU countries wishing to import goods to the EU to reduce the emissions in their manufacturing processes. CBAM targets industries that produce high carbon emissions, aiming to reduce carbon leakage, where carbon-intense production simply moves to countries with less strict climate policy and legislation. The transitional phase of the CBAM started on 1 October 2023 and will run to 31 December 2025, with a first reporting period for importers ending on 31 January 2024. During this period, EU importers will have to comply with reporting requirements but will not need to purchase CBAM certificates. The main policy requirements will commence on 1 January 2026.
- **Sustainable fuels:** Various policies related to transitioning to sustainable fuels have been adopted as part of the Fit for 55 package (and the revised RED). For example, a policy called ReFuelEU Aviation targets the aviation sector, while the FuelEU maritime initiative aims to reduce the GHG intensity of the energy used on ships by 80 % by 2050.
- **Gas and Hydrogen Package:** Following a review of the EU gas market, this package envisions gradual replacement of natural gas with renewable and low-carbon gases, including hydrogen. Accompanying policies help to create a regulatory framework for dedicated hydrogen infrastructure (production, distribution, utilisation), including energy infrastructure investments and state aid rules, as well as legislative targets for renewable hydrogen for the industry and transport sector. Two delegated acts on renewable hydrogen production were approved in June 2023³⁰, the first defining the conditions under which hydrogen, hydrogen-based

³⁰ https://energy.ec.europa.eu/news/renewable-hydrogen-production-new-rules-formally-adopted-2023-06-20_en

fuels, or other energy carriers can be considered renewable fuels of non-biological origin (RFNBOs), and the second providing a methodology for calculating life-cycle GHG emissions for RFNBOs.

- **Energy Efficiency:** As part of the package, the EED was revised, committing the EU to reducing FEC at EU level by 11.7 % in 2030 compared to projections originally made in 2020 (after a second increase in ambition through RePowerEU). Together with the EED, the revised Directive 2010/31/EU (Energy Performance of Buildings Directive, EPBD) promotes policies to achieve a highly energy efficient and decarbonised building stock by 2050, create a stable environment for investment decisions, and enable consumers and businesses to make more informed choices to save energy and money.
- **Methane Regulation:** The regulation around the potent GHG methane obliges fossil fuel industries to adequately measure, report and verify their methane emissions and take action to reduce them. It aims to help the EU to achieve the aim set out in the Global Methane Pledge of reducing methane emissions by 30 % by 2030.

The global profile of the Fit for 55 package aims to impact GHG emissions outside of the EU. For instance, the EU ETS involves activities with Norway, Iceland and Liechtenstein, and has a link to Switzerland. Norway and Iceland are also within scope of the ESR. As the Governance Regulation focuses heavily on Member States' progress reporting towards targets, the many and varied targets set by Fit for 55 will be tracked using information from stipulations within the Governance Regulation. Member States must update their final NECPs by June 2024 (after submitting a draft NECP update by the end of June 2023), with the Fit for 55 package of laws likely resulting in extensive revisions to the final NECPs by Member States.

Two of the final pillars of the Fit for 55 legislative package, the revised RED and the ReFuelEU Aviation Regulation, were adopted in October 2023, giving the EU legally binding climate targets covering all key sectors of the economy. The Commission reports that the final legislative package is expected to reduce EU net GHG emissions by 57 % by 2030³¹.

The intense period of discussing the legislative changes – and their implications for Member State' planning – significantly impacted the first 10-year cycle of the Governance Regulation. The new versions of legislation started to be discussed while the previous versions (from the 'Clean Energy for all Europeans' package³²) were still being transposed, and their adoption happened at the same time or after Member States had to draft the updates to their NECPs.

4.2 Other developments (including changing geopolitical priorities)

4.2.1 COVID-19 and NextGenerationEU

The unprecedented COVID-19 pandemic, successive lockdowns and other constraints considerably impacted the context for implementing the plans of the first 10-year cycle of the Governance Regulation. It transformed short-term priorities, induced sharp reductions in energy consumption and GHG emissions, and prompted other changes, such as an acceleration in digitalisation.

Following the COVID-19 pandemic, the NextGenerationEU instrument was adopted to aid economic recovery. It will operate from 2021 until 2026. An integral part of this EUR 800

³¹ European Commission, 'Commission welcomes completion of key 'Fit for 55' legislation, putting EU on track to exceed 2030 targets', Press release, 9 October 2023, https://ec.europa.eu/commission/presscorner/detail/en/IP_23_4754

³² European Commission, Clean energy for all Europeans, 2019, https://op.europa.eu/en/publication-detail/-/publication/b4e46873-7528-11e9-9f05-01aa75ed71a1/language-en?WT.mc_id=Searchresult&WT.ria_c=null&WT.ria_f=3608&WT.ria_ev=search

billion fund³³ is the belief that the economic recovery provides an opportunity to ensure that the EU recovers to be greener and more resilient than before. ‘Green transition’ is listed first among the six pillars setting the scope of the RRF (Article 3 of Regulation (EU) 2021/241 (RRF Regulation))³⁴. Beyond a general requirement to contribute to the green transition pillar, each Member State must dedicate at least 37 % of its national RRP’s total allocation to measures contributing to climate objectives³⁵. Article 4 of the RRF Regulation stipulates that it should contribute to achieving the Union’s 2030 climate targets and the objective of EU climate neutrality by 2050, explicitly referring to the Governance Regulation. This is transcribed in Article 17 of the RRF Regulation, which requires that national RRPs shall be consistent with the information included ‘in their National Energy and Climate Plans and updates thereof under Regulation (EU) 2018/1999’. The funds are awarded to Member States in line with their national RRPs, with a very wide range of projects (e.g. digitisation of public administration, building creches). Many projects support the green transition, for example electrifying railways or setting up national government funds to improve energy efficiency in residential homes³⁶.

National RRPs contribute to the implementation of EU climate and energy policies. The exceptional funding available from the RRF is intended to encourage Member States to become more ambitious with their green policies, in view of the increased EU climate and energy ambitions with the European Green Deal. It seeks to enable Member States to increase significantly the funding of existing policies (e.g. Italy’s Superbonus for building renovation) or develop new schemes with specific objectives (e.g. funding for local renovation or urban regeneration programmes targeting deprived areas in Romania and Spain).

This boost in Member States’ energy and climate measures may significantly impact the initial investment assumptions and planned PaMs presented in the NECPs submitted at the end of 2019. Not only should the new measures supported by the RRF be reported as part of the biennial reporting of PaMs pursuant to the Governance Regulation, they should also be reflected in the updated NECPs to be prepared in 2023-2024. Additionally, the measures introduced in Member States’ RRPs will have a material impact on their GHG emissions projections, which must be reported to the EU under the Governance Regulation, even though changes from large infrastructural projects may only materialise outside the timeframe of the existing NECPs. The reverse is also true, as the existing NECPs played an important role in identifying the areas where this extra investment money should be allocated.

4.2.2 Russia’s war of aggression against Ukraine, the energy crisis and REPowerEU

Following the outbreak of Russia’s war of aggression against Ukraine in 2022, the European Commission proposed to end EU reliance on Russian fossil fuels well before 2030. The plan, REPowerEU³⁷, aims to increase energy security following disruptions to Russia’s gas supply. REPowerEU includes a set of actions to diversify the EU’s energy supplies and encourage the uptake of green energy, such as accelerating deployment of natural gas alternatives (e.g. sustainable biomethane, renewable and fossil-free hydrogen) and renewable sources (e.g. solar PV, offshore wind, as well as energy savings and energy efficiency).

³³ European Union, NextGenerationEU, 2023, https://next-generation-eu.europa.eu/index_en

³⁴ <http://data.europa.eu/eli/reg/2021/241/oj>

³⁵ European Commission, Green transition, 2023, https://ec.europa.eu/economy_finance/recovery-and-resilience-scoreboard/green.html

³⁶ European Union, Recovery and Resilience Facility - Discover what's happening in each Member State, 2023, https://next-generation-eu.europa.eu/recovery-and-resilience-facility_en#paragraph_116

³⁷ European Commission, REPowerEU – Affordable, secure, and sustainable energy for Europe, 2023, https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/european-green-deal/repowereu-affordable-secure-and-sustainable-energy-europe_en.

An urgent aspect of REPowerEU was to reduce gas usage by 15 % in the EU between August 2022 and March 2023. It also proposed to increase the newly proposed renewable energy targets for the RED from 40 % to 45 %. The energy efficiency target was also increased to 11.7 % (from 9 %) reduction of FEC between 2020 and 2030. The proposal included many targets related to scaling-up the use of solar energy and biomethane, as well as improving the EU's ability to utilise hydrogen and the deployment of heat pumps.

The RRF Regulation was amended in 2022 to reflect the objectives of REPowerEU. Member States could revise their plans to add REPowerEU chapters and access additional funding opportunities to achieve REPowerEU objectives. The RRF's REPowerEU chapter includes reforms and investments that contribute effectively to energy security, diversification of the Union's energy supply, an increase in the uptake of renewables and energy efficiency, an increase of energy storage capacities, or the necessary reduction of dependence on fossil fuels before 2030. Reforms to be delivered through the RRF's additional REPowerEU chapters may include an accelerated permitting regime for net-zero projects.

Progress on REPowerEU will be reported through (among others) the State of the Energy Union Report and Climate Action Progress Report, published by the Commission as per the Governance Regulation. The Commission has published guidance on how Member States should reflect REPowerEU in their NECPs, e.g. they are required to report on their energy policies related to energy security.

The energy crisis has had several impacts that clearly interact with the Governance Regulation's objectives:

- How energy data are monitored and reported by Member States and shared at EU level (e.g. need to know developments in gas storage and consumption with the shortest time lag possible);
- Stronger coordination and cooperation among Member States on gas supply (e.g. joint purchase);
- Immediate action plans to save gas in the short-term that may complement or interfere with the longer-term planning set out in the Governance Regulation.

4.2.3 EU strategic autonomy: the Critical Raw Materials Act

The EU aims to investigate how diversifying its supply chains can mitigate the risk to achieving its net zero ambitions, especially given its reliance on externally produced technologies to achieve many of its climate goals. The 2023 State of the Union address emphasised leading on new technologies³⁸, including the introduction of the new Wind Power package, which aims to significantly accelerate internal investment in offshore wind, as well as ocean energies³⁹.

A significant percentage (22 % in 2021) of the EU's total GHG emissions stem from the road transport sector, with a swift move to zero-emission mobility seen as fundamental to achieving EU policy goals. However, the EU currently relies on importing much of the necessary battery capacity.

While the EU builds its own renewables market, it will be a challenge not to rely on outside resources, increasing exogenous risk. Many renewable technologies require rare earth metals for their production. For example, the magnets used in many wind power technologies require elements such as neodymium, praseodymium, terbium, and dysprosium⁴⁰. To mitigate this, the European Commission has proposed a set of actions to ensure access to critical raw materials and end reliance on imports from 'quasi-

³⁸ European Commission, State of the Union, 2023, https://state-of-the-union.ec.europa.eu/index_en

³⁹ European Commission, EU wind energy, 2023, https://energy.ec.europa.eu/topics/renewable-energy/eu-wind-energy_en

⁴⁰ Alves Dias, P., Bobba, S., Carrara, S. and Pazzotta, B., 'The Role of Rare Earth Elements in Wind Energy and Electric Mobility', *Joint Research Centre (JRC) Science for Policy Report*, European Commission, 2020.

monopolistic third-country suppliers'. In addition to providing an up-to-date list of critical raw materials, the Critical Raw Materials Act sets several benchmarks for domestic capacity along the strategic raw material supply chain in order to diversify EU supply by 2030:

- At least 10 % of the EU's annual consumption for extraction;
- At least 40 % of the EU's annual consumption for processing;
- At least 15 % of the EU's annual consumption for recycling;
- Not more than 65 % of the Union's annual consumption of each strategic raw material at any relevant stage of processing from a single third country.

Proposed at the same time and now provisionally agreed⁴¹, the NZIA sets the benchmark for domestic manufacturing capacity of strategic net-zero technologies to meet at least 40 % of the EU's annual deployment needs by 2030. These strategic technologies include:

- Solar PV and solar thermal technologies;
- Onshore and offshore renewable technologies;
- Battery/storage technologies;
- Heat pumps and geothermal energy technologies;
- Electrolysers and fuel cells;
- Sustainable biogas/biomethane technologies;
- Carbon capture and storage (CCS) technologies;
- Grid technologies.

Both the Critical Raw Materials Act and NZIA target economic changes in the plan to achieve net zero, which increase the EU's strategic autonomy. This situation may call for reinforced coordination and cooperation among Member States to avoid shortages of key resources for their energy transition.

⁴¹ Council of the EU, 'Net-Zero Industry Act: Council and Parliament strike a deal to boost EU's green industry', Press release, 6 February 2024, <https://www.consilium.europa.eu/en/press/press-releases/2024/02/06/net-zero-industry-act-council-and-parliament-strike-a-deal-to-boost-eu-s-green-industry/>

5 FINDINGS OF THE EVALUATION ANSWERING ALL THE EVALUATION QUESTIONS

This section presents the main findings of the evaluation and the answer to each evaluation question (EQ), as described in the Evaluation Framework (Annex V).

5.1 To what extent was the intervention successful and why?

This section presents the findings on the effectiveness (EQ1-EQ6), efficiency (EQ7-EQ9) and coherence (EQ10-EQ11) of the Governance Regulation. It is based on synthesis, analysis and triangulation of information from the various data collection tasks (desk research, surveys, interviews, CfE, and stakeholder event). Results for each EQ are presented in the following sub-sections.

5.1.1 Effectiveness

Quality of information

The Governance Regulation has improved the quality of planning and reporting somewhat, but there remains room for improvement. More specifically, the evaluation finds that:

- Individual Member States have taken varying approaches to reporting information in their NECPs;
- On the quality of the information included in LTSs, there is improved coverage of the five dimensions prelisted in Article 15(4) of the Governance Regulation;
- On the quality of reported information for the biennial progress reports and their follow up, the enforcement of Article 17(2)(b) proved effective only to a limited extent, with significant data gaps remaining;
- On the integrated planning and reporting on GHG PaMs and projections (Article 18), although the number of PaMs has increased over time, the completeness of reported information (particularly quantitative information) has deteriorated. The quality of information on projections of anthropogenic GHG emissions by sources and removals by sinks increased from 2017 to 2021;
- On reporting on adaptation (Article 19), monitoring and evaluation frameworks for adaptation goals are either recent or in development in the Member States, and operate under national adaptation strategies or plans. They rarely consider synergies with the Energy Union dimensions, with only 13 Member States reporting clear progress on the implementation of actions for each adaptation goal;
- On integrated reporting on renewable energy (Article 20), only limited information was received from stakeholders. This information was not easily comparable and robust conclusions could not be drawn;
- On integrated reporting on energy efficiency (Article 21), namely, the exemplary role of public bodies' buildings (Article 5 EED), compared to the annual reports submitted in 2022, information is lacking in the reports submitted in 2023. Four Member States (Hungary, Latvia, Portugal, Romania) provided no information or incomplete information for Article 5;
- On the energy audit obligation (Article 8 EED), only Austria and Romania did not report information on the number of large companies for 2021. Much data for 2020 were missing, with only Austria, Belgium, Croatia, Cyprus, Estonia, France, Hungary, Ireland, Italy, Latvia, Luxembourg, Poland and Sweden reporting both the number of large companies and the energy audits carried out (for the latter category, Romania also reported data);
- On the integrated reporting on research, innovation and competitiveness (Article 25), some Member States (Austria, Italy, Romania) did not report information on the financing of PaMs, while those that did often provided incomplete or inconsistent data. This lack of proper reporting on investment needs and funding sources fails to accurately identify funding needs and gaps, which is central to sound strategic planning and implementation. Nor does it allow for the effectiveness of public support and its impact on public finances to be assessed;

- On the annual report on 2020 energy targets (Article 27), there was a lack of information in the 2020 target reports, with gaps in some cases corresponding to gaps in previous reports.

Timeliness of information

Timely submission of the draft NECPs was not always assured. Nevertheless, it is unclear whether this problem is directly linked to the Governance Regulation or results from practices and/or procedural bottlenecks at Member State level. There were significant delays in the submission of LTSs, resulting in delays and inefficiencies in the Commission's EU-wide assessment of the LTSs. There are indications that the lack of timeliness in the submission of LTSs derives from both insufficient national administrative capacity to fulfil the reporting obligations under the Governance Regulation and the sequencing of the planning and reporting obligations (e.g. NECPs deadline prior to the LTSs deadline). Nevertheless, there is no evidence that the Governance Regulation itself prevented timely LTSs submission. Rather, enforcement and administrative burdens seem to have delayed the submission of LTSs. The evaluation finds that the biennial progress reports and their follow up (NECPRs and reporting obligations stemming from Article 17 of the Governance Regulation) were submitted either on time or with a small delay, not impacting the effectiveness of the Governance Regulation. The timeliness of information on PaMs remained stable between 2017 and 2019, improved in 2021, then decreased in 2023. Information on projections of anthropogenic GHG emissions by sources and removals by sinks improved in 2019 compared to 2017, but deteriorated in 2021. However, evaluation finds no lack of effectiveness that can be attributed to the Governance Regulation.

(Public) accessibility of information

The Governance Regulation has increased (public) accessibility of information to some extent. Stakeholders' views differ, highlighting areas where the public accessibility of information proved limited. However, it remains unclear whether these issues are linked to the Governance Regulation as such or, more likely, to implementation issues and/or national traditions across the EU.

Planning processes and implementation of plans and reports

The Governance Regulation has been effective in promoting better planning processes. It helped to streamline the planning processes across the energy and climate domains, with increased cooperation among different ministries/authorities at national level. On NECPs, the evaluation finds that while the Governance Regulation enhanced planning to a sufficient extent, some issues with data completeness persist. Nevertheless, in several Member States, NECPs are not particularly relevant for national planning processes and are mainly developed to meet the EU obligation.

The evaluation finds that varying national planning traditions negatively impacted the completeness of the LTSs, with Member States not reporting all mandatory content as per Article 15(4), or failing to do so coherently with their NECPs. Similarly, LTSs are partly outdated and do not necessarily serve as the basis for NECP development. Stakeholders underlined the lack of attention paid to LTSs, including the absence of a close monitoring process for LTSs after their adoption (unlike NECPs).

The national authorities consulted agreed that the Governance Regulation influenced Member States to adopt or implement PaMs to meet national energy and climate contributions. Several factors have negatively affected both the planning processes and the effective implementation of plans and reports.

Enforcement

A key limitation of the Governance Regulation is that the enforcement mechanism is primarily based on recommendations, which are not legally binding.

Stimulating spending and investment

The Commission's assessments reveal that NECPs lacked detail on investment needs and funding sources. This was confirmed by industry stakeholders consulted. They provided only limited feedback on the Governance Regulation's impact on stimulating targeted spending and investments and creating increased predictability for investors.

Stakeholders were not very knowledgeable about the objectives, obligations and outputs stemming from the Governance Regulation, with many only providing feedback on the NECPs and LTSs. Many stakeholders were unable to comment on the situation before the Governance Regulation and were unable to link or attribute specific trends in spending and investment to the Regulation.

Ensuring regional cooperation

Both the 2019 EU-wide assessment of the draft NECPs and the 2020 EU-wide assessment of the final NECPs indicated the need for enhanced regional cooperation efforts. The 2020 EU-wide assessment found that while Member States properly understood and described the need for regional cooperation (with some making use of existing regional forums), the full potential of regional cooperation has yet to be realised. The 2023 Commission assessment of progress towards the objectives of the Energy Union and Climate Action revealed that most Member States reported progress in implementing regional cooperation, with many reporting advances in at least one of their regional cooperation initiatives or projects. The 2023 EU-wide assessment of the draft NECPs also confirmed that regional cooperation was evident to only a limited extent across the Member States and limited to specific areas (e.g. bilateral agreements on the security of gas supply).

Ensuring adequate multi-level and multi-stakeholder dialogue and consultation

The evidence showed that while the introduction of Articles 10 and 11 is perceived as a significant step forward, the Governance Regulation has not been particularly successful in ensuring adequate multi-level and multi-stakeholder dialogue and consultation, as several Member States failed to establish public consultation or quality multi-level and multi-stakeholder dialogue.

5.1.1.1 EQ1 - To what extent has the Governance Regulation led to increased quality, increased timeliness, and increased (public) accessibility of the reported information across the Energy Union's five dimensions and regarding all aspects of relevance to the Regulation's objectives, notably in terms of NECPs, LTSs and annual and biennial reports?

The answer to this question is split into three sub-sections, presenting the findings on the extent to which the Governance Regulation led to (i) increased quality, (ii) timeliness, and (iii) (public) accessibility of the information across the Energy Union's five dimensions, and regarding all aspects of relevance to the Regulation's objectives, notably in terms of NECPs, LTSs and annual and biennial reports.

One of the general objectives of the Governance Regulation (General Objective 3) is to ensure that reporting to the UNFCCC Secretariat is timely manner, transparent, and based on data that are accurate, consistent, and comparable. Accordingly, a specific objective of the Governance Regulation is to develop LTSs, NECPs, NECPRs, and additional annual and biennial reports (Specific Objective 1). To do so, the Governance Regulation focuses on various activities:

- Production of the NECPs and NECPRs required by the Governance Regulation and the running of national systems for GHG emissions inventories and PaMs (Member States);
- Assessing the NECPRs and NECPs, monitoring responses to insufficient progress, producing the State of the Energy Union report, reviewing data on national systems for GHG emissions, and maintaining Union systems (European Commission);
- Running public consultations and multi-level energy dialogues at national level (with local authorities, civil society organisations, business community, investors, the public and other relevant stakeholders), as well as ensuring ongoing dialogue

between the Commission and Member States to ensure coherence between national and Union policies and objectives of the Energy Union.

The Governance Regulation expects to improve: a) the quality of the quantitative data and statistics reported, as well as complementary qualitative information; b) the transparency of planned measures, investments, policies, and market trends; and c) the efficiency of reporting processes, their easier reuse and integration; d) planning of climate and energy policies.

Improved quality of information

The evaluation finds that the Governance Regulation has led to improved quality of information across the Energy Union's five dimensions and on all aspects of relevance to the Regulation's objectives, notably NECPs and LTSs. However, significant variations were reported across Member States, depending on how the Regulation is implemented at national level. Stakeholders' differed on whether the wording of the Governance Regulation is sufficiently prescriptive or whether it should retain flexibility to account for national variations.

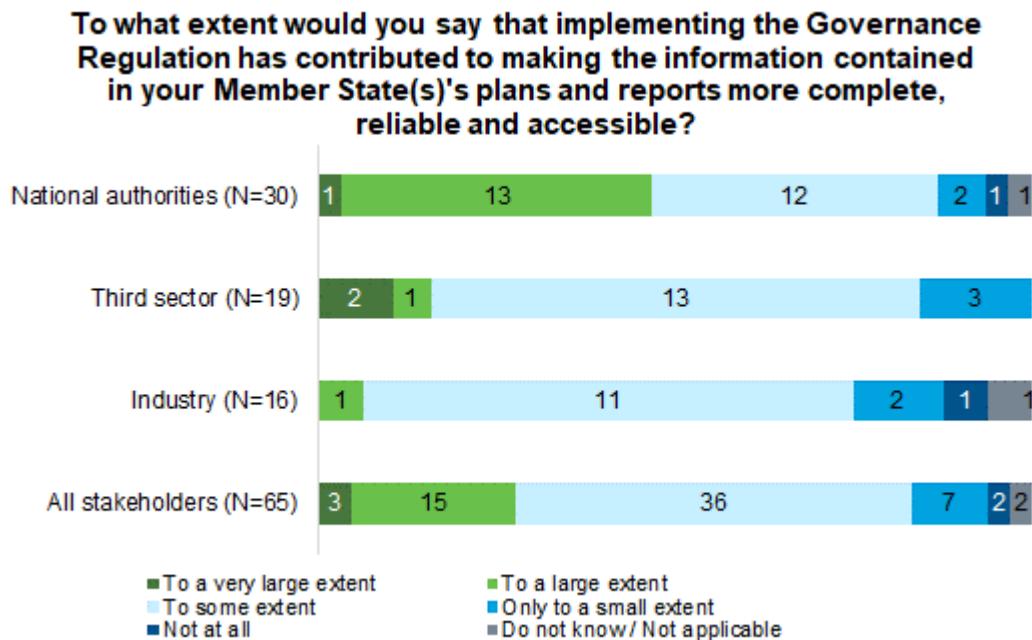
The 2016 IA preceding the introduction of the Governance Regulation stressed that one of the general objectives (General Objective 3) should be 'to minimise the administrative burden and achieve a simplification and integration of planning, reporting and monitoring obligations for Member States and the Commission, while maintaining benefits of such obligations including their quality of information and transparency'. To achieve this objective, the Governance Regulation requires EU Member States to:

- Produce NECPs for 2021 to 2030 by 31 December 2019, update them by 30 June 2023 and every 10 years thereafter, and prepare new NECPs by 1 January 2029 and every 10 years thereafter (Article 14);
- Prepare LTSs with a 30-year perspective and report them to the European Commission, with a view to contributing to broader sustainable development goals and the long-term goals set by the Paris Agreement (Article 15);
- Produce biennial progress reports on the implementation of the plans, from 15 March 2023 onwards, to track progress across the five dimensions of the Energy Union (Article 17).
- The Governance Regulation established a consultation process involving the Commission and Member States to foster regional cooperation between Member States, in particular before NECPs are finalised. The Regulation requires the Commission to monitor and assess Member States' progress towards the targets, objectives and contributions set out in their NECPs. It also sets out the requirements for (a) national and EU inventory systems for GHG emissions, (b) PaMs, and (c) projections.

The evaluation finds that the Governance Regulation has contributed to an overall improvement in the quality of the information reported. However, certain specificities are identified in relation to the quality of information on each reporting, planning, and monitoring obligation laid down by the Governance Regulation.

The majority (55 %) of stakeholders surveyed indicated that the Governance Regulation has contributed to more complete, reliable, and accessible data 'to some extent'. National authorities were the most positive, with almost half (14 of 30 respondents, 47 %) reporting that it has contributed 'to a large extent' or 'to a very large extent'. Two of 30 respondents (14 %) considered the effects of the Governance Regulation to have improved data completeness, reliability, and accessibility 'only to a small extent' (11 %), and one selected 'not at all' (3 %) (see Figure 4).

Figure 4. Stakeholders' views on information contained in Member States' plans and reports



Source: ICF, based on targeted surveys.

When asked whether the Governance Regulation has increased the quality or usefulness of information in their Member State, the national authorities that disagreed specified that mechanisms for the EU reporting of climate policies existed prior to the Governance Regulation⁴². This does not necessarily mean that the Regulation has not been effective, but, rather, recognises that the effects may have been less noticeable in Member States with (reportedly) strong pre-existing frameworks. Two national authorities stressed that the indicators introduced by the Governance Regulation are of limited added value, as their Member States had already adopted national legislation monitoring those same aspects⁴³. Similarly, a business association representing the transport sector pointed out that, data-wise, certain Member States provide lesser-quality and poorly communicated data⁴⁴.

Compared to the baseline, however, the Governance Regulation improved the transparency, quality and effectiveness of the reporting requirements, notably for aspects not previously effective or unnecessarily scattered across heterogeneous obligations (see section 4.1). The integrated reporting on national adaptation actions, financial and technology support provided to developing countries and auctioning revenues (Article 19) constitutes an important and illustrative example of the role of the Governance Regulation in improving the availability of certain information (see Box 1).

⁴² Open-text question responses from 2 national competent authorities (NCAs) (DK, FI).

⁴³ Open-text question responses from two NCAs (DK, FI).

⁴⁴ Interview with one industry transport association.

Box 1. Changes to national adaptation actions – adaptation reporting after the Governance Regulation compared to the baseline

Prior to the Governance Regulation, reporting on national adaptation actions, financial and technological support to developing countries, and the use of auctioning revenues took place under different frameworks and obligations at EU and international level. The Governance Regulation streamlined these reporting requirements into a more cohesive framework, improving transparency, coordination, and the effectiveness of EU climate action efforts.

On national adaptation actions – adaptation reporting, for example, the EU Adaptation Strategy encouraged Member States to adopt national adaptation strategies and plans before the Governance Regulation, but there was no unified reporting requirement at EU level. Reporting on adaptation measures was more fragmented and primarily shared through various networks and platforms, such as the Climate-ADAPT platform, without a standardised reporting framework.

While the fact that the Governance Regulation streamlined planning and reporting and made certain information more readily available (to all stakeholders, including policy makers, investors, and the general public), this does not necessarily imply that it contributed to better quality or more relevant information, as national planning and reporting approaches may continue to affect the quality of the information provided. This consideration does not necessarily imply that the Governance Regulation lacks effectiveness but may highlight that the varied style across the EU Member States can affect the quality of information reported.

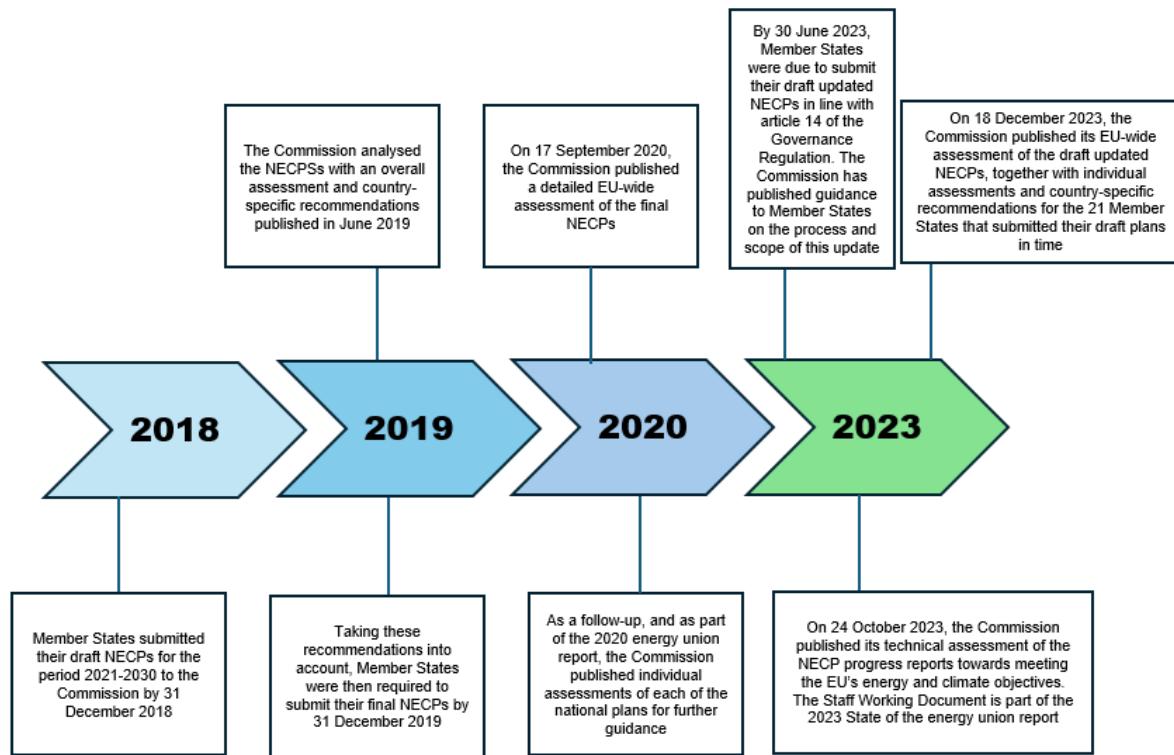
Integrated NECPs

Chapter 2 (Articles 3-14) of the Governance Regulation lays down the rules on NECPs, including their procedural aspects (process) involving the Member States and the EU Commission. NECPs should address the five dimensions of the Energy Union: decarbonisation; energy efficiency; energy security; internal market; and research, innovation, and competitiveness.

The quality of the information on the five dimensions of the Energy Union reported through NECPs constitutes a key element of General Objective 3 of the 2016 IA and achieving General Objective 3 and Specific Objective 1 of the Governance Regulation. The Regulation therefore represents a key instrument of the EU's energy and climate legislative framework, streamlining the different climate and energy planning and reporting requirements (NECPs and NECPRs).

The Governance Regulation specifies the process to be followed by Member States and the Commission for the preparation, revision and finalisation of the NECPs (see Figure 5).

Figure 5. Process for the preparation, revision and finalisation of NECPs (Chapter 2 of the Governance Regulation)



Source: ICF, based on the Governance Regulation.

Note: timeline until 2023, corresponding to the cut-off date for the evaluation.

Annex I of the Governance Regulation details a 'General Framework for Integrated National Energy and Climate Plans' with which Member States must comply when preparing their NECPs.

In 2019, the Commission analysed the draft NECPs and published an EU-wide assessment, as well as CSRs. The assessment found that the draft NECPs did not provide sufficient detail on some elements across the five dimensions of the Energy Union.⁴⁵

In September 2020, the Commission published an EU-wide assessment of the final NECPs. It highlighted that all EU Member States had submitted good quality final plans that followed a comparable structure and covered integrated national objectives and policies for all dimensions of the Energy Union⁴⁶. However the final NECPs 'did not always detail with sufficient precision actions and measures in important dimensions, such as identifying investment needs, sources of funding, research, innovation and competitiveness, regional cooperation, land use, land use change and forestry, just transition and energy poverty'⁴⁷. In some dimensions (e.g. research and innovation (R&I)), definitions and approaches

⁴⁵ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, United in delivering the Energy Union and Climate Action - Setting the foundations for a successful clean energy transition, COM(2019) 285 final, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52019DC0285>

⁴⁶ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, An EU-wide assessment of National Energy and Climate Plans: Driving forward the green transition and promoting economic recovery through integrated energy and climate planning, COM(2020) 564 final, <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020DC0564>

⁴⁷ Ibid., p. 26.

varied between NECPs. While the quality of the final NECPs had improved compared to the draft NECPs, there was room for improvement in their completeness.

More recently, the Commission's 2023 EU-wide assessment of the draft updated NECPs noted 'several gaps, both in terms of maintaining the EU's overall ambition and in terms of meeting the specific requirements set under EU legislation', with this being 'a matter of serious concern and of credibility for many Member States'⁴⁸.

Table 1 summarises the findings of the 2019 EU-wide assessment of the draft NECPs, the 2020 EU-wide assessment of the final NECPs, and the 2023 EU-wide assessment of the draft updated NECPs.

⁴⁸ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, EU-wide assessment of the draft updated National Energy and Climate Plans An important step towards the more ambitious 2030 energy and climate objectives under the European Green Deal and RePowerEU, COM(2023) 796 final, https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM%3A2023%3A796%3AFIN&pk_campaign=preparatory&pk_source=EURLEX&pk_medium=TW&pk_keyword=EUGreenDeal&pk_content=Communication&pk_cid=EURLEX_todaysOJ

Table 1. Summary of 2019 EU-wide assessment of draft NECPs⁴⁹, 2020 EU-wide assessment of final NECPs⁵⁰, and 2023 EU-wide assessment of revised draft NECPs⁵¹

Dimension	2019 EU-wide assessment of draft NECPs	2020 EU-wide assessment of final NECPs	2023 EU-wide assessment of revised draft NECPs
Decarbonisation	<ul style="list-style-type: none"> GHG emissions and removals: <ul style="list-style-type: none"> Several draft NECPs would benefit from providing further details on the strategy for reaching the non-ETS targets over the entire period 2021-2030, including estimates for the emission reduction trajectory based on latest data and the intended use of flexibilities. Transport is responsible for around one-quarter of GHG emissions in the Union and is the largest sector by emissions under Member States' non-ETS targets. It therefore needs to be at the centre of the NECPs. Most Member States set out emission reduction measures in the transport sector. Some already combine quantified emission reduction objectives with planned measures. In their final plans, Member States should be more concrete, and a number still need to quantify the expected impacts. Electromobility is often among the objectives pursued, but measures are often not described in detail⁵². Enhancing the quality of MRV of emissions and removals, as per the conclusions of the 2023 revision of the LULUCF Regulation⁵³. Renewable energy: <ul style="list-style-type: none"> The final plans should provide robust information on PaMs that support the timely achievement of Member States' proposed objectives and contributions for renewable energy. PaMs need to demonstrate that the proposed objectives and contributions can be achieved, notably in view of the first reference point set for 2022. To provide guidance to market players and attract new investments in renewable generation, Member States main policies and measure should detail elements such as (i) expected results, (ii) indicative timeline, (iii) source and amount of budget required. 	<ul style="list-style-type: none"> GHG and removals: <ul style="list-style-type: none"> Member States were required to list climate adaptation goals in their NECPs, where available and as applicable to achieve Energy Union objectives. Although national adaptation strategies are available in all Member States and the changes in climate are affecting the entire EU, around one-quarter of Member States have not listed such goals, and some limit themselves to describing the framework for adaptation policy-making, without quoting the goals themselves. Renewable energy: <ul style="list-style-type: none"> NECPs provide a clear signal from Member States that they back the rapid and cost-effective transition to a resilient carbon-neutral economy, strongly based on renewables, which will help the private sector to invest confidently. For example, at least 10 Member States have indicated their intention to phase out coal production of electricity in the coming years, with the decommissioned capacity replaced mainly by renewable technologies. However, NECPs fall short of identifying the potential of available offshore renewables and related challenges. 	<ul style="list-style-type: none"> GHG and removals: <ul style="list-style-type: none"> Enabling measures from Member States are needed to put in place sufficient PaMs in transport, buildings, agriculture waste, and to enhance carbon removal. This extra effort is needed to fill the gaps in reaching the targets under the ESR and LULUCF Regulation. The land-use, forestry and agriculture sectors will play a crucial role in achieving the EU's climate neutrality and adaptation objectives through reductions of GHG emissions, enhanced carbon removal, and ecosystem services to improve resilience. The Commission's 2022 guidelines stipulated that NECPs should reflect the increased ambition proposed for the revision of the LULUCF Regulation by setting out the pathway towards national targets, and seek synergies between the CAP strategic plans (CSPs), including quantifying their expected impact. However, the majority of the draft updated NECPs do not show sufficient ambition and action on land. Very few Member States show a concrete pathway to reach their national LULUCF net removal targets for 2030, or sufficient actions to assist farmers, foresters, and other stakeholders in building sustainable business models in line with these targets⁵⁴. Renewable energy <ul style="list-style-type: none"> The share of renewable energy in FEC could reach between 38.6 % and 39.3 % in 2030 at Union level. This is significantly higher than the 32 % set in RED II, yet lower than the binding target of 42.5 %, with the collective endeavour to achieve a target of 45 % set in the 2023 revised RED II. Very few Member States have submitted a contribution in line with their expected national contribution under the Governance Regulation and the revised RED II.
Energy efficiency	<ul style="list-style-type: none"> The final plans need to be more robust and indicate clearer energy consumption trajectories. Better definition of the overall 	<ul style="list-style-type: none"> Final plans include more details on electrification in line with the EEF principle⁵⁵. Co-benefits and possible trade-offs between energy efficiency measures and climate adaptation remain 	<ul style="list-style-type: none"> In energy efficiency, the 2030 FEC at Union level could reach 814.3 Mtoe, corresponding to a reduction of 5.8 % compared to 2030 projections. This is lower than the 956 Mtoe FEC level set

⁴⁹ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, United in delivering the Energy Union and Climate Action - Setting the foundations for a successful clean energy transition, COM(2019) 285 final, p. 8, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52019DC0285>

⁵⁰ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, An EU-wide assessment of National Energy and Climate Plans: Driving forward the green transition and promoting economic recovery through integrated energy and climate planning, COM(2020) 564 final, <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020DC0564>

⁵¹ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, EU-wide assessment of the draft updated National Energy and Climate Plans An important step towards the more ambitious 2030 energy and climate objectives under the European Green Deal and RePowerEU, COM(2023) 796 final, https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM%3A2023%3A796%3AFIN&pk_campaign=preparatory&pk_source=EURLEX&pk_medium=TW&pk_keyword=EUGreenDeal&pk_content=Communication&pk_cid=EURLEX_todaysOJ

⁵² Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, United in delivering the Energy Union and Climate Action - Setting the foundations for a successful clean energy transition, COM(2019) 285 final, p. 8, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52019DC0285>

⁵³ See: https://climate.ec.europa.eu/eu-action/land-use-sector_en#eu-rules-on-land-use-and-forestry-lulucf; Annex to the Communication to the Commission: Approval of the content of a draft Commission Notice on the Guidance to Member States for the update of the 2021-2030 national energy and climate plans, C(2022), 8263 final, https://energy.ec.europa.eu/system/files/2022-12/C_2022_8263_Guidance%20to%20MS%20NECP_2.pdf

⁵⁴ Commission Notice on the Guidance to Member States for the update of the 2021-2030 national energy and climate plans, C(2022) 495/02, Section 2.3.

⁵⁵ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, An EU-wide assessment of National Energy and Climate Plans: Driving forward the green transition and promoting economic recovery through integrated energy and climate planning, COM(2020) 564 final, p. 6, <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020DC0564>

Dimension	2019 EU-wide assessment of draft NECPs	2020 EU-wide assessment of final NECPs	2023 EU-wide assessment of revised draft NECPs
	<p>national policy framework underpinning the national contributions is key for ensuring credibility of the proposed level of ambition, identification of gaps and best practice. A more detailed explanation of the scale, timeframe and expected energy savings of the planned PaMs is needed.</p>	<p>unrecognised and untapped. As additional action is necessary in the built environment, it is welcome that NECPs include various energy efficiency measures in the building sector. In general, there is broad coverage in all NECPs (and in the national LTRSSs submitted so far) of supportive measures to building renovation.</p>	<p>in the 2018 EED, yet higher than the 763 Mtoe, corresponding to a reduction of 11.7 % compared to 2030 projections in the EED recast. Only a handful of Member States propose a sufficient level of ambition on primary energy consumption (PEC), FEC or both.</p> <ul style="list-style-type: none"> •
Energy security	<ul style="list-style-type: none"> • More concrete objectives and targets with concrete timelines would better inform political discussions around the final NECPs. • Member States are encouraged to identify other types of risks, such as those associated with raw material supply, the impacts of climate change or accidental, man-made, natural, or terrorist threats to critical energy infrastructure in the final versions of their NECPs. 	<ul style="list-style-type: none"> • A number of NECPs acknowledge energy efficiency and domestic renewables as key factors contributing to their energy security (Malta, Luxembourg, France, Lithuania, Portugal). Although most Member States flag their energy sector as vulnerable to climate change in their national adaptation strategy or even in the decarbonisation chapter, only five Member States have proposed corresponding measures under the chapter on energy security. • • Member States need to identify PaMs from NECPs to improve preparedness and enhance resilience. 	<ul style="list-style-type: none"> • Energy security is addressed very differently across the draft plans. EU energy imports from Russia have decreased significantly (e.g. Russian natural gas imports decreased from a share of around 45 % of EU imports in 2021 to 15 % during the first 10 months of 2023). However, only some Member States provide detailed plans for diversified access to gas or low carbon energy sources. The demand side of the electricity sector and energy storage are insufficiently covered, despite the growing importance of flexibility. Few Member States have set out how they plan for the gradual decline in oil use and its implications for energy security and oil infrastructure. •
Internal market energy	<ul style="list-style-type: none"> • NECPs need to provide more detailed information on the current state of national electricity and gas markets and how the challenges will be tackled. Concrete and measurable national objectives for future market development should be included, supported by appropriate PaMs. 	<ul style="list-style-type: none"> • Although most Member States recognise the importance of the new electricity market design, only some take a holistic approach to necessary changes in forward-looking objectives. Many plans lack key information on competition and market liquidity. A considerable number of NECPs refer to smart-meter deployment with a specific and measurable target as enabling consumers to actively participate in the market. However, few set specific objectives and clear timelines, making it difficult to monitor progress towards targets. • • The final plans show a slight improvement in the reporting of energy and fossil fuel subsidy amounts and measures to phase them out. Providing the necessary details would be important for any assessment of the extent to which fossil fuel subsidies in place are hampering climate objectives. 	<ul style="list-style-type: none"> • Most Member States identify the uptake of flexibility and demand response as a key feature of the internal energy market to ensure rapid penetration of renewable energy, and some have put forward clear national objectives to support the uptake of such services. Nevertheless, clear objectives and a comprehensive regulatory framework to reinforce electricity grids to integrate renewables and technological innovations to encourage the uptake of flexibility assets are still missing in a number of plans. • • To address energy poverty, a vast majority of Member States still need to set out clear objectives and a method for the definition and assessment of vulnerable households. Synergies with structural energy policies, particularly energy efficiency measures and a stronger framework for consumer empowerment to alleviate energy poverty, are not sufficiently explored. •
Research, innovation and competitiveness	<ul style="list-style-type: none"> • Member States need to make additional efforts to integrate research, innovation and competitiveness into their NECPs. 	<ul style="list-style-type: none"> • The final NECPs fail to pay sufficient attention to R&I needs for delivering climate and energy objectives. There is an overall decrease in national budgets devoted to R&I in clean energy technologies and a severe lack of national objectives and funding targets that show concrete and relevant pathways to 2030 and 2050. Most of the plans only outline funding of existing non-energy specific programmes that run for less than five years. 	<ul style="list-style-type: none"> • Given these challenges, the Commission will put a renewed and stronger focus on research, innovation and competitiveness, including on preparing a skilled workforce. The Commission will work with Member States to prepare their NECPs with reforms that aim to keep clean energy prices affordable for citizens and households. Extra focus on competitiveness and innovation in a simplified regulatory environment is needed if EU business is to conceive, develop, and expand production capacities for clean technologies and secure the supply of components and

Dimension	2019 EU-wide assessment of draft NECPs	2020 EU-wide assessment of final NECPs	2023 EU-wide assessment of revised draft NECPs
		<ul style="list-style-type: none"> The approach to competitiveness varies between NECPs. Some followed a narrow definition looking at patents and researchers, or power prices. Other plans cover technology deployment aspects and thus take a broader competitiveness approach to national suppliers of clean technologies, including the value chains to develop such solutions. However, most plans lack quantitative indicators and are not measurable. 	materials across the entire value chain, in line with the NZIA and the Critical Raw Materials Act.

Sources: Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, *United in delivering the Energy Union and Climate Action - Setting the foundations for a successful clean energy transition*, COM(2019) 285 final; Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, *An EU-wide assessment of National Energy and Climate Plans: Driving forward the green transition and promoting economic recovery through integrated energy and climate planning*, COM(2020) 564 final <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020DC0564>; Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, *EU-wide assessment of the draft updated National Energy and Climate Plans An important step towards the more ambitious 2030 energy and climate objectives under the European Green Deal and RePowerEU*, COM(2023) 796 final.

To ensure comparability, the Governance Regulation provides templates for Member States to draft their NECPs (Annex I) and LTSs (Annex IV). It also mandates the European Commission to adopt implementing acts setting out templates for other reporting obligations^{56,57}.

Implementing Regulation (EU) 2020/1208 establishes rules on: (a) Member States' reporting on national adaptation actions, the use of auctioning revenues, and financial and technology support provided to developing countries pursuant to Article 19 of the Governance Regulation; (b) Member States' reporting on approximated GHG inventories, GHG inventories and accounted GHG emissions and removals pursuant to Article 26 of the Governance Regulation; (c) requirements on the establishment, operation and functioning of national inventory systems pursuant to Article 37; (d) the timing and the procedure for carrying out the comprehensive review pursuant to Article 38 of the Governance Regulation; (e) Member States' reporting on national system for PaMs and projections pursuant to Article 39 of the Governance Regulation.

Implementing Regulation (EU) 2022/2299 establishes rules on the structure, format, technical details, and process for the integrated NECPRs pursuant to Article 17 of the Governance Regulation, and provides (in its annexes) templates for reporting obligations (e.g. national objectives, targets and contributions; PaMs), some of which are voluntary.

In 2022, the Commission published its Guidance to Member States for the update of the 2021-2030 NECPs⁵⁸. While preparing the guidance, the Commission engaged with Member States at technical level and consulted with stakeholders. A technical working group on NECPs was also set up. Although the Governance Regulation provides a legally binding template for the NECPs, there was still considerable diversity in Member States' approaches to reporting information and detailing measures to achieve objectives and targets⁵⁹. Two NCAs consulted mentioned that the rigid structure for the NECPs was an obstacle to providing information in a meaningful way, or did not suitably reflect the country's framework or context.

According to one third sector organisation interviewed, NECPs were generally of good quality and their comparability was much enhanced by the template. However, eight respondents to the CfE mentioned that the template was not fit for purpose and should be revised to ensure that Member States can include an adequate level of information⁶⁰.

The evaluation finds that while the Governance Regulation improved the accuracy of the reported information to a sufficient extent, there are some persistent gaps and issues with the completeness of data. There are indications that individual Member States have taken divergent approaches, potentially influencing the nature of the information collected. The evaluation finds that the inaccuracies of the available data included in the NECPs (e.g.

⁵⁶ Commission Implementing Regulation (EU) 2020/1208 of 7 August 2020 on structure, format, submission processes and review of information reported by Member States pursuant to Regulation (EU) 2018/1999 of the European Parliament and of the Council and repealing Commission Implementing Regulation (EU) No 749/2014, <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32020R1208&qid=1707831881860>

⁵⁷ Commission Implementing Regulation (EU) 2022/2299 of 15 November 2022 laying down rules for the application of Regulation (EU) 2018/1999 of the European Parliament and of the Council as regards the structure, format, technical details and process for the integrated national energy and climate progress reports, <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32022R2299&qid=1707831881860>

⁵⁸ Commission notice on the Guidance to Member States for the update of the 2021-2030 NECPs, C(2022), 495/02.

⁵⁹ FIT for future platform, Opinion on the Regulation on the Governance of Energy Union and Climate Action, 2022, [Final opinion 2022_SBGR1_03 Governance of Energy and Climate_fup.pdf \(europa.eu\)](#)

⁶⁰ Replies to CfE: NGOs (3): CAN Europe; Transport and Environment, Youth and Environment Europe; Business associations (4); European Association for External Thermal Insulation Composite Systems (ETICS); Renewable Energy Federation; EGECA Geothermal, Solar Power Europe; Environmental organisation: WWF European Policy Office.

investments in specific sectors, such as wind energy⁶¹⁾ reflect national approaches and Member States' planning policies, rather than being directly attributable to insufficient effectiveness of the Governance Regulation. Nevertheless, the practical effect of this lack of harmonisation may impact the effectiveness of the Governance Regulation as an exogenous factor linked to the implementation and enforcement of the Regulation in practice.

Four stakeholders consulted mentioned that while the Governance Regulation contributed to increased accuracy of NECPs' reported data, quality issues included varying completeness and level of detail⁶². In addition, when referring to NECP data quality, one third sector organisation interviewed indicated some divergence in the quality and clarity of the information provided, consistency between measures (including their explanation), and quantification of the objectives set. They also indicated that the quality of the information depends on the Member State, with a sense that quality is insufficient and data lack detail and clarity (e.g. expected impact of the policy measure, calculation of that impact, evidence used by Member State)⁶³.

One climate civil society organisation⁶⁴, while acknowledging some improvements in comparability and standardisation of planning and reporting procedures and therefore more coherence in the available data, pointed to several quality problems that have become apparent. For instance, the first set of NECPs that Member States provided lacked detail, quality and depth and were less comparable, thus stakeholders (including investors and policymakers) had different levels of information on which to base their decisions. Four stakeholders underlined that the NECPs are often a mere compilation of existing plans and policies⁶⁵. According to one expert from a European institution, the NECPs are developed only when needed, instead of being used as 'living documents' that are continuously updated⁶⁶. One national authority explained that the biennial progress report was more comprehensive and better quality⁶⁷.

The evaluation finds persistent gaps in the information reported in the NECPs, potentially impacting the accuracy of the data. Four stakeholders mentioned information gaps in relation to investment needs, particularly sources of investment (existing or new measures, public budget or private funding sources)⁶⁸. Other areas where a lack of information was highlighted were: a) sourcing of forest biomass and LULUCF impact⁶⁹; b) implication of energy and climate policies for industry⁷⁰; c) data on geothermal heat pumps, geothermal district heating and cooling systems⁷¹; and GHG projections⁷². One stakeholder added that although the data on GHG projections has improved, this trend might not necessarily be related to the Governance Regulation⁷³. Another underlined that reporting on adaptation measures has been scarce⁷⁴.

⁶¹ Stakeholder workshop: business association (1).

⁶² Scoping interviews with EU institutions (3) and NCA (1).

⁶³ Interview with a third sector association (1).

⁶⁴ Interview with a third sector association (1)

⁶⁵ Replies to CfE: Public authority: DK Ministry of Climate, Energy and Utilities. Business association: EGEC Geothermal. Academic/Research institute: Wuppertal Institut für Klima, Umwelt, Energie. Scoping interview with NCA (1).

⁶⁶ Scoping interview with EU institution (1).

⁶⁷ Scoping interview with NCA (1).

⁶⁸ Replies to CfE: NGOs (2): Transport and environment; Renewable Grid Initiative; Environmental Organisation: WWF European Policy Office; Academic/Research Institute: Ecologic Institute.

⁶⁹ Replies to CfE: NGOs (2): FERN; Natural Resources Defence Council.

⁷⁰ Reply to CfE: NGO: Transport and Environment.

⁷¹ Replies to CfE: Business association: EGEC Geothermal.

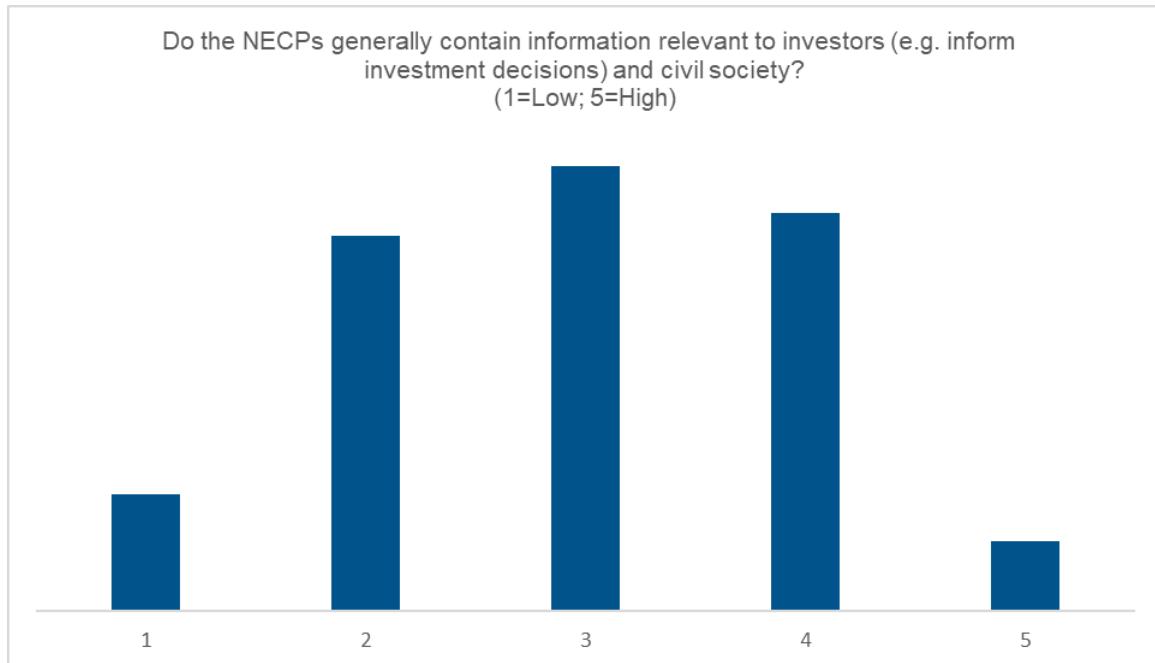
⁷² Scoping interview with EU institution (1).

⁷³ Scoping interview with EU institution (1).

⁷⁴ Scoping interview with EU institution (1).

At the stakeholder event organised by the Commission, participants were asked whether the information included in NECPs on planned and required investment is relevant to investors and civil society and used to inform investment decisions. Overall, participants expressed a positive view of the quality of information on investments included in the NECPs (see Figure 6).

Figure 6. Participants' poll at stakeholder event



Source: SLIDO responses (N=60; average responses = 3. Range between 1=Low and 5=High. For instance, 1 indicating that the NECPs contain information relevant to investors and civil society only to a very small extent).

A variety of sectoral views emerged, with stakeholders pointing out that certain information on investments is still inaccurate or generally unclear. For instance, one business association stressed that when it comes to planning future solar panel capacities, the sector needs to understand and have clear information on when and where projects will happen – while the provisions of the Governance Regulation are quite satisfactory, there can be a gap between these provisions and long-term investment strategies⁷⁵. A global network of local and regional governments committed to sustainable urban development specified that NECPs are still unclear on how the various initiatives will be funded (e.g. EU budget, local budget). It called for more granular data, including information from regional and local level⁷⁶.

The Governance Regulation introduced and defined the EEF principle, which is intended to contribute to 'the interlinkages between the five dimensions of the Energy Union' (Article 3(3)(a)). References to the EEF principle are now included in most pieces of relevant legislation. One respondent to the CfE noted that the introduction of a legal definition of the EEF principle proved useful in raising awareness of the importance of prioritising demand-side resources. However, its inclusion did not lead to a systematic application of the principle in national policies and the consideration of energy demand reduction measures on an equal footing with supply-side resources. One NCA reported that the EEF

⁷⁵ Stakeholder workshop: business association (1).

⁷⁶ Stakeholder workshop: third sector association (1). Another business association (1) expressed a similar view on the need for more granular information on investment needs.

principle is not sufficiently covered in the Governance Regulation⁷⁷. Echoing this point, a business association at the stakeholder event noted that the Governance Regulation does not give sufficient priority to energy efficiency.

Finally, several stakeholders highlighted that the social dimension of the Governance Regulation has not been given enough attention in the NECPs, even though the energy transition will impact workers and households⁷⁸. Although many NECPs reported measures to address energy poverty⁷⁹, these considerations should be given increased attention⁸⁰.

LTSs

The entry into force of the Governance Regulation marked a significant evolution from the framework established by the MMR. Previously, strategies for energy, climate mitigation and climate adaptation were fragmented; the Governance Regulation enhanced the requirements for integrated national planning and reporting, explicitly incorporating long-term strategies for GHG emissions reduction and adaptation to climate change with those for energy. It sought to provide a more cohesive and comprehensive approach to meeting EU energy and climate goals, aligning with international commitments under the Paris Agreement and facilitating the transition to a sustainable, low-carbon economy across the EU.

Article 15 of the Governance Regulation sets out the obligations and processes for Member States and the European Commission to prepare and submit the long-term low GHG emission development strategies. It states that by 1 January 2020, and subsequently by 1 January 2029 and every 10 years thereafter, each Member State shall prepare and submit to the Commission its LTS with a perspective of at least 30 years. Where necessary, Member States should update those strategies every five years (Article 15(1)). Figure 7 presents a summary of the process for LTSs set out by the Governance Regulation.

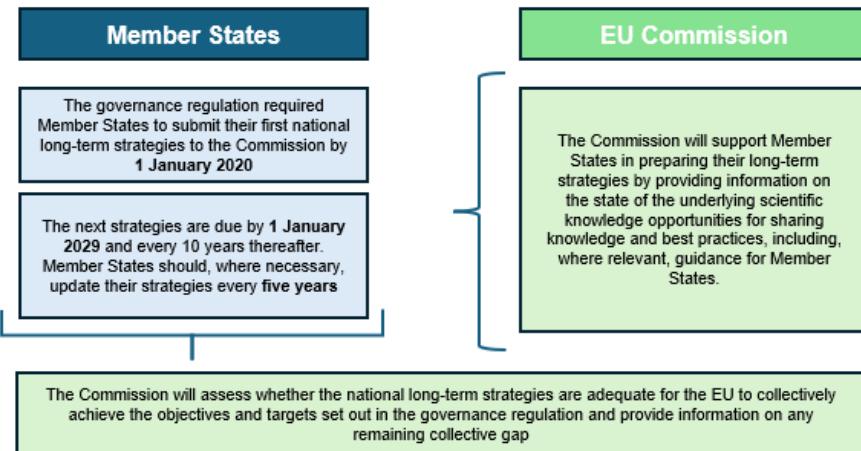
⁷⁷ Interview with NCA (1).

⁷⁸ Replies to CfE: Environmental organisations (3): WWF European Policy Office; Estonian Fund For Nature, Baltic environmental organisations. NGOs (3): Transport and Environment, CAN Europe, EEB. Scoping interview with EU institution (1).

⁷⁹ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, An EU-wide assessment of National Energy and Climate Plans: Driving forward the green transition and promoting economic recovery through integrated energy and climate planning, COM(2020) 564 final, <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020DC0564>; European Commission, 'National Energy and Climate Plans for 2021-2030 under the EU Energy Union', JRC Science for Policy Report: Assessment of the Energy Efficiency Dimension, <https://op.europa.eu/en/publication-detail/-/publication/2c751d22-4f07-11eb-b59f-01aa75ed71a1/language-en>

⁸⁰ Replies to CfE: NGOs (3) Transport and Environment, German watch e V, ZERO. – Association for the Sustainability of the Earth System. Environmental organisation: WWF European Policy Office. Scoping interview with EU institution (1).

Figure 7. Summary of the process for LTSs laid down in Article 15 of the Governance Regulation



Source: ICF, based on Article 15 of the Governance Regulation.

According to Article 15(4) of the Governance Regulation, Member States and the Union’s LTSs shall cover at least five topics: a) total GHG emission reductions and enhancements of removals by sinks; b) emission reductions and enhancements of removals in individual sectors, including electricity, industry, transport, the heating and cooling and buildings sector (residential and tertiary), agriculture, waste and land use, LULUCF; c) expected progress on transition to a low GHG emission economy, including GHG intensity, CO₂ intensity of gross domestic product (GDP), related estimates of long-term investment, and strategies for related research, development and innovation (RDI); d) to the extent feasible, expected socioeconomic effects of decarbonisation measures, including aspects related to macro-economic and social development, health risks and benefits and environmental protection; and e) links to other national long-term objectives, planning, other PaMs, and investment.

Annex IV to the Governance Regulation sets out a General Framework for the LTSs and a non-mandatory template for their compilation by Member States. Unlike the NECPs, the template for LTSs is not binding, nor is the update of the strategies every five years (Article 15). Four respondents to the CfE mentioned that, compared to the NECPs, LTSs have not been given sufficient attention⁸¹, while three indicated that the LTSs template lacks detail⁸². According to a technical report commissioned by the European Climate Foundation in 2022⁸³ and assessing all the EU Member States’ LTSs, Annex IV was fully followed by five Member States⁸⁴, partly followed by 12 Member States⁸⁵, and not followed at all by five Member States⁸⁶.

On the completeness of the LTSs against the mandatory content set out in Article 15(4), the technical report highlighted that 13 EU Member States were compliant, six mostly

⁸¹ Replies to CfE: NGOs (2) CAN Europe, Transport and Environment. Academic/Research institute: Ecologic Institute. Environmental organisation: WWF European Policy Office.

⁸² Replies to CfE: NGO: Transport and Environment; Environmental organisation: WWF European Policy Office. Academic/Research institute: Ecologic Institute.

⁸³ Velten, E.K., Evans, N., Spasova, D., Duwe, M., de la Vega, R., Duin, L. and Branner, H., *Charting a path to net zero: An assessment of national long-term strategies in the EU*, Ecologic Institute, Berlin, 2022, <https://www.ecologic.eu/18646>

⁸⁴ FI, HR, IT, MT, SK.

⁸⁵ AT, BE, DK, EE, EL, ES, HU, LT, LV, NL, SE, SI.

⁸⁶ CZ, DE, FR, LU, PT.

compliant, while three were mostly non-compliant. No country was found to be completely non-compliant.

Table 2. LTS compliant with mandatory content and timeframe

Compliant	Mostly compliant	Mostly non-compliant	Non-compliant
Austria	Czechia	Belgium	
Croatia	Estonia	Denmark	
Finlandia	Germany	the Netherlands	
Francia	Greece		
Hungary	Slovenia		
Italy	Sweden		
Latvia			
Lithuania			
Luxembourg			
Malta			
Portugal			
Slovenia			
Spain			
Total: 13	Total: 6	Total: 3	Total: 0

Source: Ecologic, Charting a Path to Net Zero: An Assessment of National Long-Term Strategies in the EU, Technical report, 2022, p. 60.

The LTSs of Belgium, Denmark and the Netherlands were mostly non-compliant because they omitted crucial sectoral GHG data and provided little or no information on the socioeconomic dynamics of the transition. The report reflects on the nature of the information in the LTSs insofar as it affects the quality of the available data, identifying two main shortcomings: an overall lack of quantitative data, especially in the long-term; and a general lack of sector-specific detail⁸⁷. This is related to the fact the Governance Regulation 'does not specify the depth or type of information (e.g. quantitative or qualitative) or the format of presentation nor does it spell out in concrete terms how the 30-year time horizon should be addressed concretely'⁸⁸.

On the **quality** of the information in the LTSs, the study commissioned by the European Climate Foundation in 2022 suggests that the Governance Regulation effectively contributed to improved accuracy of the available data around the five dimensions to be covered (Article 15(4) of the Governance Regulation). Nevertheless, the Ecologic study in 2022 found that: (a) Member States' national planning traditions influence the degree of completeness of their LTSs; (b) some Member States did not include all mandatory content

⁸⁷ Ibid., p. 61.

⁸⁸ Ibid.

as per Article 15(4) of the Governance Regulation; (c) there are indications that the information in the LTSs is not fully coherent with the information in the NECPs, despite Article 15(6) requiring Member States to ensure coherence⁸⁹. While these constitute important aspects of the LTSs within the Governance Regulation, they do not impact the quality of the information provided in the LTSs. Rather, the quality, depth and completeness of the available data seems to be primarily linked to the national planning traditions of the Member States.

Biennial progress reports and their follow up

Chapter 4, Section 1 (Articles 17-25), of the Governance Regulation requires Member States to produce biennial progress reports on the implementation of their NECPs, from 15 March 2023 onwards, to track progress across the five dimensions of the Energy Union.

NECPRs

According to Article 17 of the Governance Regulation, each Member State shall report to the Commission on the status of the implementation of its integrated NECP by means of an integrated NECPR covering all five dimensions of the Energy Union. Table 3 summarises the reporting obligation.

Table 3. Reporting obligation under Article 17 of the Governance Regulation

Article	Requirements
Article 17(2)(a)	Information on progress towards reaching the objectives, targets and contributions set out in the integrated NECP , and towards financing and implementing the PaMs necessary to meet them, including a review of actual investment against initial investment assumptions
Article 17(2)(b)	Where applicable, information on progress in establishing the dialogue referenced in Article 11
Article 17(2)(c)	Information referenced in Articles 20-25 and, where appropriate, updates on PaMs , in accordance with those articles
Article 17(2)(d)	Information on adaptation in accordance with Article 4(a)(1)
Article 17(2)(e)	As far as possible, quantification of the impact of the PaMs in the integrated NECP on air quality and on emissions of air pollutants
Article 17(3)	The integrated NECPR shall cover the information contained in the annual reports referenced in Article 26(3) and the information on PaMs and projections of anthropogenic GHG emissions by sources and removals by sinks contained in the reports referenced in Article 18

Source: Governance Regulation, Article 17.

Article 17(2)(a) requires Member States to report on the information enabling the review of the actual investment against initial investment assumptions (see Table 4 for additional information on the quality of data on investment needs, and reporting on research, innovation, and competitiveness (Article 25)). However, as indicated in the European Commission's assessment of progress towards the objectives of the Energy Union and

⁸⁹ 8 'Somewhat coherent', 5 'not coherent', 3 'coherent', 6 'mostly coherent' (Velten, E.K., Evans, N., Spasova, D., Duwe, M., de la Vega, R., Duin, L. and Branner, H., *Charting a path to net zero: An assessment of national long-term strategies in the EU*, Ecologic Institute, Berlin, 2022, p. 60), <https://www.ecologic.eu/18646>).

Climate Action⁹⁰, the information provided by Member States is often missing, incomplete or inconsistent. For example, the European Commission reported that several Member States 'did not sufficiently describe their multilevel climate and energy dialogues: some do not refer, for instance, to the periodicity of the activities reported, the long-term perspective, the active engagement process with the local authorities or with key stakeholders, etc. Some only list punctual consultations or events without explaining the overall approach or how the initiatives listed are interlinked. Other Member States stated that they set-up multilevel climate and energy dialogues without describing sufficiently the parties involved nor the processes put in place (Czech Republic, Slovakia)'⁹¹.

The reporting obligations of Article 17(2)(c) to (e) and 17(3) refer to Articles 18, 20, 21, 22, 23, 24, 25 of the Governance Regulation, which specify the information that Member States shall report in their NECPs, as well as the processes between the European Commission and Member States. Table 4 summarises the main reporting obligations linked to Article 17 of the Governance Regulation.

Table 4. Reporting obligations stemming from Chapter 4 of the Governance Regulation

Articles	Reporting obligation
Article 17	Integrated NECPs
Article 18	Integrated reporting on GHG PaMs and projections
Article 19	Integrated reporting on national adaptation actions, financial and technology support provided to developing countries and auctioning revenues
Article 20	Integrated reporting on renewable energy
Article 21	Integrated reporting on energy efficiency
Article 22	Integrated reporting on energy security
Article 23	Integrated reporting on the internal energy market
Article 24	Integrated reporting on energy poverty
Article 25	Integrated reporting on research, innovation and competitiveness

Source: ICF, based on Article 17 of the Governance Regulation.

The Commission's technical assessment report concluded that data quality and availability vary between topics⁹². Table 5 summarises that report's main findings on the provision of information.

⁹⁰ European Commission, Assessment of progress towards the objectives of the Energy Union and Climate Action, SWD(2023), 646 final.

⁹¹ Ibid., p. 68.

⁹² Ibid., p. 3.

Table 5. Quality of reported information in the NECPs

Articles	Reporting obligation	Assessment
Article 18	Integrated reporting on GHG PaMs and projections	<p><i>Progress towards national objectives, targets, and contributions for GHG emissions reduction</i></p> <p>All Member States reported their progress towards national objectives, targets, and contributions (Annex I). However, reports varied and information was largely insufficient to provide a collective EU assessment (p. 6).</p>
Article 19	Integrated reporting on national adaptation actions, financial and technology support provided to developing countries and auctioning revenues	<p><i>Progress on climate adaptation action supporting the objectives of the Energy Union</i></p> <p>Monitoring and evaluation frameworks for adaptation goals are either recent or under development in the Member States, and operate under national adaptation strategies or plans, rarely considering synergies with the Energy Union dimensions. Thirteen Member States reported clear progress with the implementation of adaptation actions for each adaptation goal.</p>
Article 20	Integrated reporting on renewable energy	<p><i>Renewable energy in buildings</i></p> <p>On the newly introduced reporting categories of renewable energy consumed and produced by buildings, only limited information was received from Member States and it was not easily comparable.</p>
Article 21	Integrated reporting on energy efficiency	<p><i>Exemplary role of public bodies' buildings – Article 5 of the EED</i></p> <p>The public sector plays an important exemplary role in enhancing energy efficiency practices, with Article 5 of the EED setting out important requirements. Compared to the annual reports submitted in 2022, there was a lack of information on these issues in the reports submitted in 2023. Four Member States (Hungary, Latvia, Portugal, Romania) provided either no information or incomplete information for Article 5.</p>

Articles	Reporting obligation	Assessment
		<p><i>Energy audit obligation – Article 8 of the EED</i></p> <p>To optimise energy savings in the industrial sector, Article 8 of the EED requires companies that are not small or medium-sized enterprises (SMEs) to carry out an energy audit or implement an energy management system at least once every four years. In their NECPRs, Member States were required to state the total estimated number of large companies in their territory to which Article 8(4) of the EED is applicable and the number of energy audits carried out in those enterprises. For 2021, only Austria and Romania did not report information on the number of large companies and Austria did not report the energy audits carried out in those companies. In 2020, much information on energy audits was missing, with only Austria, Belgium, Croatia, Cyprus, Estonia, France, Hungary, Ireland, Italy, Latvia, Luxembourg, Poland and Sweden reporting both the number of large companies and the energy audits carried out (for the latter category, Romania also reported its numbers).</p>
Article 25	<p><i>Integrated reporting on research, innovation and competitiveness</i></p>	<p><i>Translating the Strategic Energy Technology (SET) Plan objectives and policies</i></p> <p>Currently, the SET Plan activities are clustered into 10 R&I actions, implemented by 14 Implementation Working Groups (IWGs).</p> <p>The information in the reports refers to ‘new measures’ with a timeline to 2030, preventing assessment against pre-existing targets. Some Member States (Austria, Italy, Romania) did not report information on the financing of PaMs, while those Member States that reported often submitted incomplete or inconsistent data. This lack of proper reporting on investment needs and funding sources fails to accurately identify funding needs and gaps, which is central to sound strategic planning and implementation. Nor does it allow assessment of the effectiveness of public support and its impact on public finances.</p>

Articles	Reporting obligation	Assessment
		<p>Overall, the most important data gaps were actual investments made and appropriate accounting of the source of the funds employed (national public, European, private funds). Several Member States failed to report any support from the EU budget, which appears inconsistent with other information available at EU central level (e.g. allocations from Cohesion Policy funds).</p> <p>Overall, the high level of incomplete data on support does not allow for a division between national, European and private funds allocated by the Member States. Nor is it possible to compare Member States' submissions, as timelines for investment assumptions might differ. Implementation periods of single PaMs reasonably differ because investment assumptions, especially financial allocations to specific national financing schemes/programmes or specific investments, are determined by national procedures determining budgetary allocation for the specific measure.</p>

Source: European Commission, Assessment of progress towards the objectives of the Energy Union and Climate Action, SWD(2023, 646 final).

Integrated reporting on GHG PaMs and projections (Article 18 of the Governance Regulation)

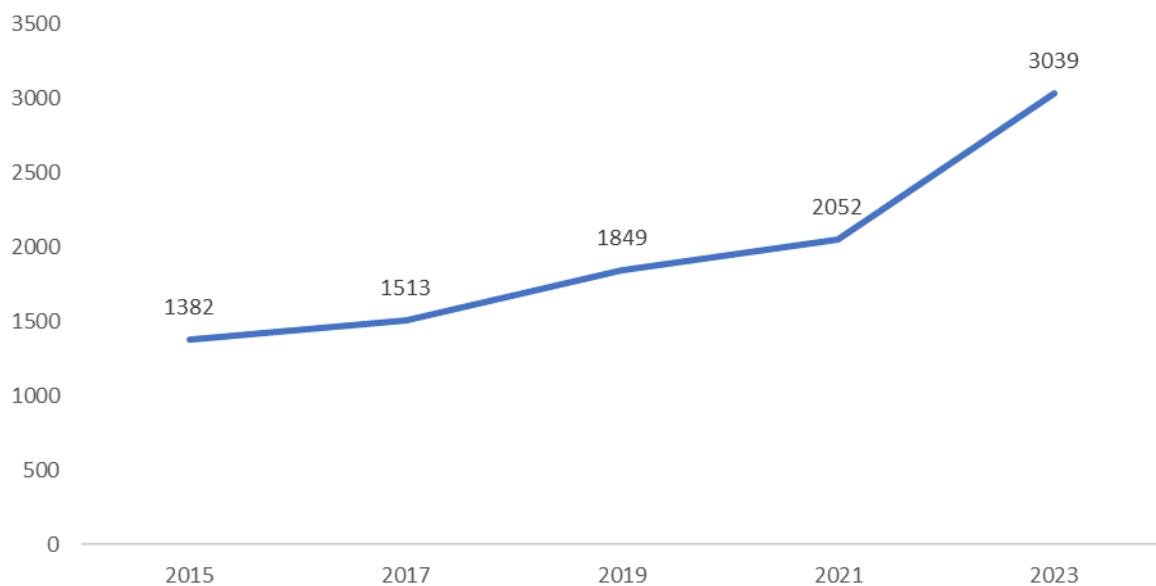
Article 18(1) of the Governance Regulation requires Member States to report to the Commission, by 15 March 2021, and every two years thereafter, on:

- National PaMs or group of measures, as set out in Annex VI and (Article 18(1) point (a));
- National projections of anthropogenic GHG emissions by sources and removals by sinks, organised by gas or group of gases (Hydrofluorocarbons (HFCs) and Perfluorocarbons (PFCs)) listed in Part 2 of Annex V. National projections shall take into consideration any PaMs adopted at Union level and shall include the information set out in Annex VII (Article 18(1)(b)).

A. PaMs

In 2023, EU Member States reported on 3 039 single PaMs, a substantial increase on previous reporting years (see Figure 8). The increase in the number of single PaMs reflects Member States' implementation of the NECPs and represents the extension of the reporting to dimensions of the Energy Union other than GHG emissions and removals. The increase in the number of reported PaMs in 2023 reflects the increase in scope of reporting.

Figure 8. Number of single PaMs reported per year



Source: ICF, based on EEA reports.

A review of the EEA reports shows that while the number of PaMs has increased over time, the completeness of reported information (particularly quantitative information) has not improved.

- In 2019, completeness of both qualitative and quantitative information improved compared to 2017. The continued use of a single online questionnaire and improvements in reporting by the Member States, together with automatic and manual checks to point out missing information, clearly contributed. However, while qualitative information was generally complete for all Member States, information on indicators, costs and benefits, and emission savings could have been expanded,

particularly for ex-post emission savings and costs⁹³. The quality of the information reported in 2021 did not improve substantially in terms of its completeness, consistency, accuracy, and transparency, compared to 2019. Quantitative information on achieved (ex-post) policy evaluations, costs and benefits, and indicators remained underreported⁹⁴.

- In 2023, the number of reported single national PaMs to reduce GHG emissions had increased since the last reporting cycle. Member States reported for the first time on national PaMs for all five dimensions of the Energy Union. The completeness of reported quantitative information on national PaMs did not improve, however, for either the achieved (ex-post), expected (ex-ante) effects on GHG emissions and their costs and benefits. This does not allow for a comprehensive analysis of the impacts of existing national climate policies across the EU and generates considerable uncertainty in comparing and summing up ex-post emission savings. Information on renewable energy production and energy savings, which had to be reported for the first time, was only anecdotally reported⁹⁵.

The 2023 reporting shows the potential of this reporting as a repository for PaMs across all dimensions of the Energy Union, although there is still room for improvement on completeness⁹⁶.

The technical assessment of the NECPRs towards meeting the EU's energy and climate objectives⁹⁷ found that 17 Member States reported indicators for at least one PaM. In total, 750 indicators (537 quantified) were reported for 466 PaMs. The assessment adds that while '[i]deally, the reporting of indicators should include the indicator description with a unit, the years, and values [t]his is however not always provided, and often only qualitative information is reported, i.e. the description and a unit, without quantitative data'.

B. Projections of anthropogenic GHG emissions by sources and removals by sinks

Article 18(1)(b) of the Governance Regulation and Article 38 of the Implementing Regulation (EU) 2020/1208 set out the details for Member States to provide information on national GHG projections. From 2021, and then every two years, Member States are required to report GHG projections to the EU. The information to be reported is clustered into seven main areas (reporting tables) (see Figure 9).

⁹³ EEA, *Overview of national reported policies and measures on climate change mitigation in Europe in 2019*, Eionet, ETC/CME 5/2019, file:///C:/Users/gramu/Downloads/ETC_CME_Technical_Report_2019_5%20final.pdf

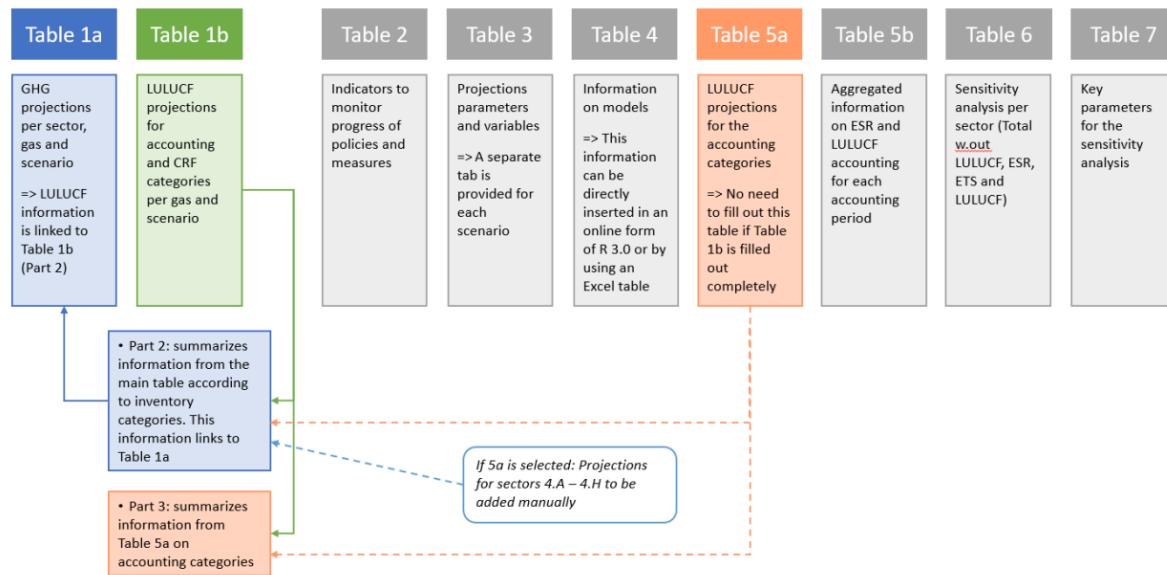
⁹⁴ EEA, *Overview of national reported greenhouse gas policies and measures in Europe in 2021*, Eionet, ETC/CME, 5/2021, file:///C:/Users/gramu/Downloads/ETC-CME_EIONET_report_5-2021.pdf

⁹⁵ EEA, *Overview of national reported policies and measures on climate change mitigation in Europe in 2019*, Eionet, ETC/CME 5/2019, file:///C:/Users/gramu/Downloads/ETC_CME_Technical_Report_2019_5%20final.pdf

⁹⁶ Ibid.

⁹⁷ European Commission, Assessment of progress towards the objectives of the Energy Union and Climate Action, SWD(2023, 646 final, p. 62).

Figure 9. Overview of reporting tables for GHG projections and related information in accordance with Article 18(1)(b) of the Governance Regulation and Article 38 of the Implementing Regulation (EU) 2020/1208



Source: *EEA, Trends and projections under the Effort Sharing Legislation. Overview on developments and drivers, European Environment Information and Observation Network (Eionet), ETC/CME, 8/202, 2021, p. 5.*

Table 6 and Table 7 present the mandatory and optional reporting requirements. The main mandatory elements are⁹⁸:

- GHG projections reported by gas (Total GHGs, Total ETS GHGs, Total ESR GHGs, CO₂, CH₄, N₂O, HFC, PFC, SF₆, NF₃, unspecified mix of HFCs and PFCs);
- Base year, 2020, 2025, 2030 and 2035, 2040;
- Inventory version to which the GHG projections relate;
- Split by sectors and categories in line with the common reporting format (CRF);
- Detailed LULUCF projections, including projections assigned to the LULUCF accounting categories under the LULUCF Regulation;
- Sectoral split into ETS and ESR emissions;
- A WEM scenario - information on models;
- Provision of a sensitivity analysis of the total GHG, ETS and ESR;
- Underlying key parameters for the sensitivity analysis;
- Provision of a description of methodologies, models, and underlying assumptions;
- Provision of parameters and variables used in the projections.

According to the EEA Eionet report in 2021, the completeness of reported mandatory information 'has not changed a lot for most Member States in the reporting year 2021 compared to 2019'⁹⁹. All Member States submitted the mandatory WEM scenario (Table 1a in Figure 9) and related parameters. However, of the 27 countries that provided projections, eight did not provide information on the sensitivity analysis: Cyprus, Denmark, Germany, Greece, Italy, Luxembourg, Slovakia and Spain¹⁰⁰. Bulgaria did not submit model factsheets in 2021, and the Netherlands did not provide a specific report for projections or

⁹⁸ EEA, *Trends and projections under the Effort Sharing Legislation. Overview on developments and drivers, Eionet, ETC/CME, 8/202, 2021, p. 6.*

⁹⁹ Ibid. p. 14.

¹⁰⁰ Ibid., p. 14.

a combined report for projections and PaMs (Article 18(1) Governance Regulation). This represents an improvement on 2019 reporting (see Box 2).

Box 2. Findings from EEA report 2021

'For the first time in 2021, Member States were required to provide detailed LULUCF projections. All Member States provided detailed LULUCF projections in either part 1 of Table 1b or in Table 5a. For the first time in 2021, information on emission and parameter sensitivity scenarios could be provided in Tables 6 and 7, respectively. Out of the 27 Member States, 18 provided at least one scenario in both Tables 6 and 7 and 2 Member States submitted only Table 6 (see also section 3.2). The completeness of voluntary information reported was substantially lower in 2021 compared to 2019. A total of 18 of the 27 Member States reported indicators in 2021. Regarding the scenarios, 22 Member States reported a WAM [with additional measures] scenario, and only four reported a WOM scenario. This is like the reporting of voluntary information in 2019, when 17 Member States reported a WAM and five Member States reported a WOM [without measures] scenario' (*EEA, Trends and projections under the Effort Sharing Legislation. Overview on developments and drivers*, Eionet, ETC/CME, 8/202, 2021, p. 14).

Table 6. EEA comparative overview of completeness of projections reporting under Article 18(1)(b) of the Governance Regulation, 2017, 2019, 2021

Member States	Updated projections			Required sector split			Required GHG split			Provision of parameters			Sensitivity analysis			Model factsheet description		
	2017	2019	2021	2017	2019	2021	2017	2019	2021	2017	2019	2021	2017	2019	2021	2017	2019	2021
AT																		
BE																		
BG																		
HR																		
CY													Planned					
CZ																		
DK																		
EE																		
FI																		
FR																		
DE																		
EL																		
HU																		
IE																		
IT																		
LV																		
LT																		
LU																		
MT																		
NL																		
PL																Not used		
PT																**		
RO																		
SK																		
SI																		
ES																		
SE																**		
UK					N/A			N/A			N/A			N/A				N/A

Member States	Updated projections			Required sector split			Required GHG split			Provision of parameters			Sensitivity analysis			Model factsheet description		
	2017	2019	2021	2017	2019	2021	2017	2019	2021	2017	2019	2021	2017	2019	2021	2017	2019	2021
AT																		
BE																		
BG																		
HR																		
CY														Planned				
CZ																		
DK																		
EE																		
FI																		
FR																		
DE																		
EL																		
HU																		
IE																		
IT																		
LV																		
LT																		
LU																		
MT																		
NL																		
PL															Not used			
PT															**			
RO																		
SK																		
SI																		
ES																		
SE															**			
UK					N/A			N/A			N/A				N/A			N/A
Yes, reported	26	27	27	28	27	27	28	27	27	28	27	27	25	23	19	26	26	26

Member States	Updated projections			Required sector split			Required GHG split			Provision of parameters			Sensitivity analysis			Model factsheet description		
	2017	2019	2021	2017	2019	2021	2017	2019	2021	2017	2019	2021	2017	2019	2021	2017	2019	2021
AT																		
BE																		
BG																		
HR																		
CY		1												Planned				
CZ																		
DK																6		
EE																		
FI																		
FR																		
DE																		
EL																6		
HU																3	6	
IE																		
IT																		
LV																		
LT																		
LU																3	6	
MT																3	3	
NL																		
PL																		Not used
PT		1																**
RO		1	1															
SK																		
SI																		
ES																		
SE																		**
UK					N/A			N/A			N/A			N/A			N/A	
Not reported (mandatory reporting items)		2	1		1		1		1		1		3	3	6	1	2	1

Member States	Updated projections			Required sector split			Required GHG split			Provision of parameters			Sensitivity analysis			Model factsheet description			
	2017	2019	2021	2017	2019	2021	2017	2019	2021	2017	2019	2021	2017	2019	2021	2017	2019	2021	
AT																			
BE																			
BG																			
HR																			
CY													Planned						
CZ																			
DK																			
EE																			
FI																			
FR																			
DE																			
EL																			
HU																			
IE																			
IT																			
LV																			
LT																			
LU																			
MT																			
NL																			
PL																Not used			
PT																**			
RO																			
SK																			
SI																			
ES																			
SE																**			
UK					N/A			N/A			N/A			N/A			N/A		N/A
Not reported but planned (mandatory reporting items)													2		2				

Member States	Updated projections			Required sector split			Required GHG split			Provision of parameters			Sensitivity analysis			Model factsheet description		
	2017	2019	2021	2017	2019	2021	2017	2019	2021	2017	2019	2021	2017	2019	2021	2017	2019	2021
AT																		
BE																		
BG																		
HR																		
CY													Planned					
CZ																		
DK																		
EE																		
FI																		
FR																		
DE																		
EL																		
HU																		
IE																		
IT																		
LV																		
LT																		
LU																		
MT																		
NL																		
PL																Not used		
PT																**		
RO																		
SK																		
SI																		
ES																		
SE																**		
UK					N/A			N/A			N/A			N/A			N/A	
Not reported (voluntary reporting items)																		1

Member States	Updated projections			Required sector split			Required GHG split			Provision of parameters			Sensitivity analysis			Model factsheet description			
	2017	2019	2021	2017	2019	2021	2017	2019	2021	2017	2019	2021	2017	2019	2021	2017	2019	2021	
AT																			
BE																			
BG																			
HR																			
CY													Planned						
CZ																			
DK																			
EE																			
FI																			
FR																			
DE																			
EL																			
HU																			
IE																			
IT																			
LV																			
LT																			
LU																			
MT																			
NL																			
PL																Not used			
PT																**			
RO																			
SK																			
SI																			
ES																			
SE																**			
UK					N/A			N/A			N/A			N/A			N/A		N/A

* Reported in PaM folder

Member States	Updated projections			Required sector split			Required GHG split			Provision of parameters			Sensitivity analysis			Model factsheet description		
	2017	2019	2021	2017	2019	2021	2017	2019	2021	2017	2019	2021	2017	2019	2021	2017	2019	2021
AT																		
BE																		
BG																		
HR																		
CY														Planned				
CZ																		
DK																		
EE																		
FI																		
FR																		
DE																		
EL																		
HU																		
IE																		
IT																		
LV																		
LT																		
LU																		
MT																		
NL																		
PL															Not used			
PT															**			
RO																		
SK																		
SI																		
ES																		
SE															**			
UK					N/A			N/A			N/A				N/A			N/A

** Only table 6 was submitted

Table 7. EEA comparative overview of completeness of projections reporting under Article 18(1)(b) of the Governance Regulation, 2017, 2019, 2021

Member States	Scenarios						Report			Provision indicators		of Reporting year 2040		of the Detailed projections		LULUCF	LULUCF	accounted
	WEM			WAM			WOM											
	2017	2019	2021	2017	2019	2021	2017	2019	2021	2017	2019	2021	2017	2019	2021	2021	2021	2021
AT																		
BE																		
BG																		
HR																		
CY																		
CZ																		
DK										*								
EE																		
FI										*								
FR																		
DE																		
EL																		
HU																		
IE																		
IT																		
LV										*								
LT																		
LU																		
MT										*								
NL										*								
PL																		
PT																		
RO																		
SK																		
SI																		
ES																		

SE	28	27	27	16	16	22	5	3	4	27	27	26	8	6	18	4	14	27	27
UK			N/A									N/A		N/A		N/A			
Yes, reported	28	27	27	16	16	22	5	3	4	27	27	26	8	6	18	4	14	27	27
Not reported (mandatory reporting items)										1	1	1							
Not reported but planned (mandatory reporting items)																			
Not reported (voluntary reporting items)	1			11	11	5	22	24	23				19	21	9	24	13		

* Reported in PaM folder

** Only table 6 was submitted

Annual reporting (Article 26 of the Governance Regulation)

According to Article 26 of the Governance Regulation, the European Commission shall annually compile a Union approximated GHG inventory. This should be based on Member States' approximated GHG inventories or based on estimates made by the European Commission itself if the inventories are not submitted to the European Commission on time. It also foresees that the Commission, in cooperation with Member States, shall compile an annual Union GHG inventory report to be submitted to the UNFCCC Secretariat by 15 April each year.

The EU, as part of the UNFCCC, reports annually on GHG inventories for the years between 1990 and the calendar year of submission minus two years (t-2) for emissions and removals taking place within the territory of the Member States.

Reporting on the 2020 targets (Article 27 of the Governance Regulation)

Article 27 of the Governance Regulation sets out rules on 'Reporting on the 2020 targets'. More specifically, it establishes that by 30 April 2022, each Member State shall report to the Commission on the achievement of its 2020 energy efficiency national target established pursuant to Article 3(1) of the EED, by providing the information set out in Part 2 of Annex IX to the Governance Regulation, as well as overall national targets for the share of energy from renewable sources in 2020, as set out in Annex I to the RED in the version in force on 31 December 2020, by providing information on:

- Sectoral (electricity, heating and cooling, and transport) and overall shares of energy from renewable sources in 2020;
- Measures taken to achieve the 2020 national renewable energy targets, including measures related to support schemes, guarantees of origin and simplification of administrative procedures;
- Share of energy from biofuels and bioliquids produced from cereal and other starch-rich crops, sugars and oil crops in energy consumption in transport;
- Share of energy from biofuels and biogas for transport produced from feedstocks and of other fuels listed in Part A of Annex IX to the RED in the version in force on 31 December 2020 in energy consumption in transport.

In 2002, the Joint Research Centre (JRC) published its 'Analysis of the reports on 2020 targets under Article 27 of the Governance Regulation – energy efficiency' (see Box 3 for main findings).

Box 3. Analysis of the reports on 2020 targets under Article 27 of the Governance Regulation – energy efficiency (JRC, 2022)

In 2020, both PEC and FEC targets were achieved, influenced by COVID-19 and related lockdowns.

The energy savings obligations under Article 5 (Exemplary role of public bodies' buildings) and Article 7 (Energy efficiency obligation schemes) of the EED were crucial. The JRC report noted good progress in the implementation of Article 7 and Article 5. However, there is still a **lack of information provided in the 2020 target reports**, with some gaps in information, corresponding to similar gaps in previous years. Nevertheless, the JRC analysis suggests that the Article 7 target was achieved at EU level in 2020, while the cumulative target for 2014-2020 was 98 % achieved. The different approaches in reporting between the Member States prevent an understanding of their level of target achievement, but most appeared to achieve either the annual obligation in 2020 or the 2014-2020 total obligation. Some Member States included 'new' measures in their 2020 target reports to accelerate their efforts to achieve the 2020 targets.

Twenty-four Member States reached the national targets set under Article 3 of the EED on PEC, while 21 achieved the targets for FEC.

The JRC emphasised the importance of using a CRF. The template introduced in 2015 and fine-tuned in 2016/2017 allowed Member States to harmonise the collection of main information and well-defined indicators, avoiding serious misinterpretations and subsequent need of requests for clarification (JRC, Analysis of the reports on 2020 targets under Article 27 of the Governance Regulation – energy efficiency, 2022, p. 42).

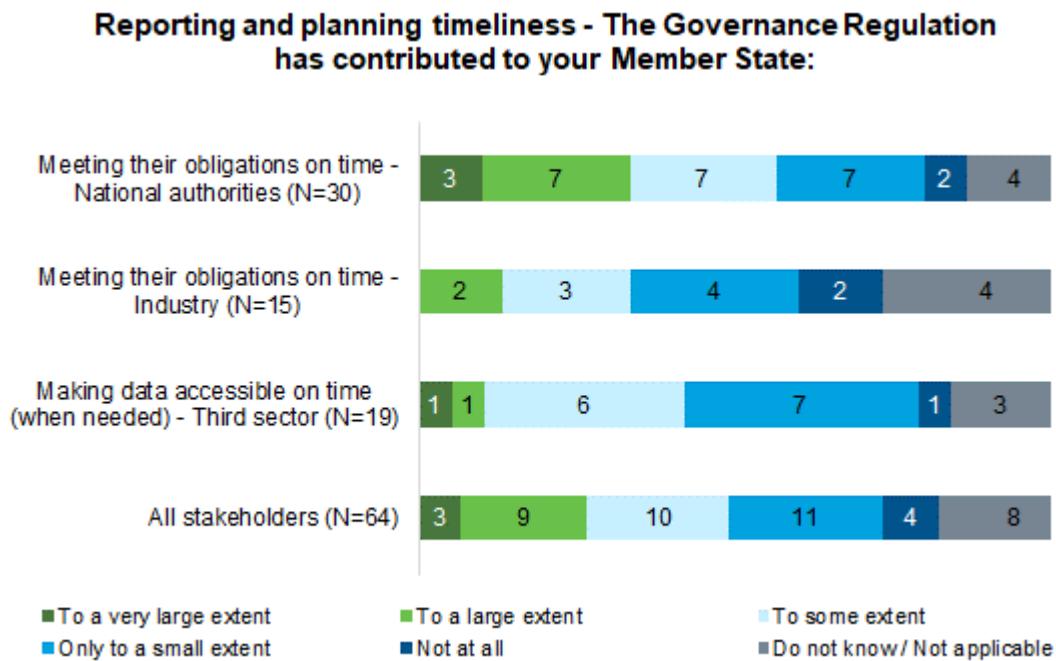
Increased timeliness of information

Different stakeholder groups hold varying opinions on the timeliness of information provision. Most Member State authorities claimed that the Governance Regulation has significantly helped to complete their planning and reporting on time, while third sector and industry stakeholders tended to indicate that this was not the case.

Figure 10 presents a rather fragmented picture. Across all stakeholders, the most common response was that the Governance Regulation had helped Member States to complete their obligations and provide information on time 'only to a small extent' (28 % of all responses) – this was the dominant view among third-sector respondents (37 %) and industry representatives (27 %). A majority (57 %) of national authorities found that the Governance Regulation had contributed to better timeliness at least 'to some extent', although about one-third (30 %) answered less positively. Only 7 % of all respondents found that the Governance Regulation had not improved timeliness at all¹⁰¹.

¹⁰¹ The question asked to third-sector stakeholders focused on these organisations being able to access data on time (when they would need this information), whereas NCAs and industry stakeholders were only asked about their Member States meeting reporting and planning obligations on time.

Figure 10. Stakeholders' views on planning and reporting timeliness



Source: ICF, based on targeted surveys.

Most national authorities that responded to the survey indicated that the Governance Regulation had helped their Member State to complete planning and reporting on time¹⁰². Some, however, disagreed. For example, one pointed out that while for some reporting obligations the reporting was streamlined, the new reporting obligations for NECPs had delayed reporting on PaMs¹⁰³. Similarly, another national authority stressed that the new indicators required under the Governance Regulation created pressure in Member States with small public administrations, as the same experts are involved in both planning and reporting (parallel processes), reducing the likelihood of completing them on time¹⁰⁴.

A Danish national authority noted that the Danish Climate Law (2018), the governing energy and climate planning tool, contains specific deadlines for national reporting, thus the Governance Regulation has not influenced the timeliness of information provision¹⁰⁵.

Finally, a German national authority pointed out that coordination at national level among different authorities has had a greater impact on the timeliness of the planning and reporting than the requirements of the Governance Regulation¹⁰⁶. This could be considered an external factor influencing the effectiveness of the timeliness of the planning and reporting under the Governance Regulation. Similarly, Belgian national authorities pointed out that their internal process of data collection for long-term scenarios and the fact that there was no alignment in the national reporting system and the reporting obligations, created challenges in fulfilling the deadlines laid down in the Governance Regulation.

¹⁰² Targeted survey for NCAs (Q3.4, N=30): 7/30 'to a large extent'; 7/30 'to some extent'; 7/30 'only to a small extent'.

¹⁰³ Open-text response to Q3.4 – targeted survey for NCAs (1).

¹⁰⁴ Open-text response to Q3.4 – targeted survey for NCAs (1).

¹⁰⁵ Open-text response to Q3.4 – targeted survey for NCAs (1).

¹⁰⁶ Interview with NCA (Germany). The authority pointed out that reporting every two years is challenging (4-6 years would be a normal reporting cycle nationally). In Germany, 15 different ministries have to agree to the reports, making it difficult in the short timeframe provided.

According to the industry stakeholders surveyed, the Governance Regulation has helped national authorities to meet planning and reporting obligations in a timely manner to a limited extent¹⁰⁷. Similarly, third sector stakeholders indicated that the Governance Regulation has made it easier to access data in a timely manner only to a limited extent¹⁰⁸. Overall, in the interviews, third sector stakeholders stressed that the timing of the planning and reporting depends significantly on the individual Member State, with some delivering on time and others with delays¹⁰⁹. One third sector organisation clarified that the delays indicate problems at the level of implementation by Member States, and are not attributable directly to the Governance Regulation¹¹⁰.

NECPs

The evaluation found that the timeliness of the submission of the draft NECPs was not always assured. Nevertheless, the extent to which this problem is directly linked to the Governance Regulation, or results from practices and/or procedural bottlenecks at Member State level, is unclear.

Article 3(1) of the Governance Regulation establishes that by 31 December 2019, and subsequently by 1 January 2029 and every 10 years thereafter, each Member State shall notify an integrated NECP to the Commission.

Evidence shows that there were difficulties with the timely submission of draft NECPs¹¹¹. The 2020 EU-wide assessment of the final NECPs ascertained that although all Member States submitted their final plans, some were delayed¹¹².

On 18 December 2023, the Commission published its EU-wide assessment of the draft updated NECPs, together with country-specific assessments and CSRs for 21 Member States, guiding them towards final updated NECPs that can deliver the most recent climate and energy objectives and targets resulting from the Fit for 55 package and REPowerEU. The Commission stressed that '[w]hile most of the Member States have now submitted their draft updated plans, the Commission regrets the significant delay in the submission of several draft plans which has significantly compromised the process and calls on all Member States to respect the deadline for the submission of the final plans in June 2024'. As of December 2023, only 21 Member States had submitted their revised plans¹¹³, with the remaining six Member States failing to do so¹¹⁴.

Five respondents to the CfE (representing NGOs and industry) underlined problems associated with the timely submission of NECPs¹¹⁵. According to one NGO, the late

¹⁰⁷ Targeted survey for industry (Q6.4, N=15): 4/15 respondents 'only to a small extent'; 4/15 'Do not know/Not applicable'; 3/15 'to some extent'.

¹⁰⁸ Targeted survey for third sector (Q6.5, N=19): 7/19 respondents 'only to a small extent'; 6/19 'to some extent'.

¹⁰⁹ Interviews with third sector organisations (3).

¹¹⁰ Interview with third sector organisation (1).

¹¹¹ Oberthür et al., *Towards and EU Climate Governance Framework to Deliver on the European Green Deal*, Policy paper, 2023, [https://brussels-school.be/sites/default/files/documents/Policy options paper EU Climate Governance Framework 2023-compressed.pdf](https://brussels-school.be/sites/default/files/documents/Policy%20options%20paper%20EU%20Climate%20Governance%20Framework%202023-compressed.pdf)

¹¹² Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, An EU-wide assessment of National Energy and Climate Plans: Driving forward the green transition and promoting economic recovery through integrated energy and climate planning, COM(2020) 564 final, <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020DC0564>

¹¹³ CY, CZ, DE, DK, EE, EL, ES, FI, FR, HR, HU, IT, LT, LU, MT, NL, PT, RO, SE, SI, SK.

¹¹⁴ As of December 2023: draft updated NECP of Belgium was submitted on 30 November 2023; Ireland and Latvia, both submitted on 8 December 2023; Austria, Bulgaria and Poland had not yet submitted their draft updated NECP.

¹¹⁵ Replies to CfE: NGOs (3) Youth and Environment Europe; CAN Europe, Transport and Environment. Environmental organisation: WWF European Policy Office. Business association: EAE; European Association for External Thermal Insulation Composite Systems (ETICS).

submission of NECPs is a widespread practice among Member States¹¹⁶. According to two stakeholders consulted, one factor that may have hampered the timely submission of NECPs (and NECPRs) was the lack of alignment between the Governance Regulation timeframe/deadlines and other national-level cycles for the adoption of local/national plans¹¹⁷. One underlined that the timely submission of information is highly context-specific. According to one public authority, the timeframe for submitting the NECPs was 'excessively short', considering the extensive nature of the data to be gathered and its diverse sources¹¹⁸. Finally, two national authorities underlined problems with the short timeframe between the NECPRs and draft NECPs, with one noting that the short timeframe makes it difficult to adequately incorporate the lessons of the NECPRs¹¹⁹.

At the stakeholder event organised by the Commission, participants were asked to indicate the main prerequisites for, and barriers to, the timely submission of NECPs/NECPRs and their completeness/quality. One national authority clarified that the time for the preparation of the NECP was not sufficient, given the late publication of the guidance from the Commission and the multiple dimensions to report against, as well as the technical difficulties of the reporting systems. Another national authority focused on constraints in administrative capacity to comply with the reporting requirements of the Governance Regulation, such as insufficient human resources (staff), complexity of the reporting tasks, and their requirements (e.g. in parallel, there are several reports to the UN). Another national authority echoed this view and stressed that it was difficult to update the NECP on time, considering its numerous sections.

LTSs

The evidence showed significant delays in the submission of LTSs, creating delays and inefficiencies in the Commission's EU-wide assessment of the LTSs. There are indications that the lack of timeliness in the submission of LTSs derives from insufficient national administrative capacity to fulfil the reporting obligations under the Governance Regulation and the sequencing of the planning and reporting obligations (e.g. final NECPs deadline of 31 December 2019 was very close to the LTSs deadline of 1 January 2020).

Article 15(1) of the Governance Regulation requires each Member State to prepare and submit, by 1 January 2020, and subsequently by 1 January 2029 and every 10 years thereafter, to the Commission its LTS with a perspective of at least 30 years. Where necessary, Member States should update those strategies every five years.

¹¹⁶ Replies to CfE: Youth and Environment Europe.

¹¹⁷ Scoping interviews with EU institution and NCA.

¹¹⁸ Reply to CfE: Public authority from ES, Ministry for the Ecological Transition and the Demographic Challenge.

¹¹⁹ Ibid.

PRE-DEADLINE PUBLICATIONS	ON TIME (WITHIN A MONTH DEADLINE)	DELAYED	LATE	OVERDUE (AS OF FEB 2022)
Germany (Nov 2016)	Austria (Dec 2019)	Belgium (Mar 2020)	Italy (Jan 2021)	Bulgaria
Czechia (Mar 2017)	Netherlands (Dec 2019)	France (Mar 2020) (4)	Croatia (Jun 2021)	Cyprus
Portugal (Jun 2019)	Denmark (Dec 2019)(1)	Slovakia (Mar 2020)	Slovenia (Jul 2021)	Ireland
	Estonia (Dec 2019) (2)	Finland (Apr 2020)	Hungary (Sep 2021) (4)	Poland
	Latvia (Dec 2019)	Spain (Nov 2020)	Luxembourg (Oct 2021)	Romania
	Sweden (Dec 2019)		Malta (Oct 2021)	
	Greece (Jan 2020)			
	Lithuania (Jan 2020) (3)			
TOTAL: 3	TOTAL: 8	TOTAL: 5	TOTAL: 6	TOTAL: 5

Source: own compilation based on national LTSs; cross-checked with Ricardo-AEA (2019) and UNFCCC (2022). Note: (1) Denmark's Climate Programme 2020 serves as an update to the LTS and was submitted as part of biennial reporting to the EU in March 2021; (2) In 2021, the Estonian government published a new Estonia 2035 Strategy ('EE2035') but has not yet submitted this officially to the EC; (3) initial submission date but existing revision; (4) already a revised strategy.

Source: Velten, E.K., Evans, N., Spasova, D., Duwe, M., de la Vega, R., Duin, L. and Branner, H., *Charting a path to net zero: An assessment of national long-term strategies in the EU*, Ecologic Institute, Berlin, 2022, p. 59.

On the timeliness of the submission of LTSs, a study from the Ecologic Institute¹²⁰ showed that only nine strategies were delivered by the 1 January 2020 deadline, although the Greek and Lithuanian strategies were submitted shortly after. Four Member States (Belgium, Finland, France, Slovakia) submitted their LTSs in the first quarter of 2020. Italy, Slovenia and Spain, among others, did not produce a strategy until months or over a year after the initial submission date, while Hungary, Luxembourg and Malta were more than 18 months late submitting their LTSs. As of February 2024, one Member State (Poland) has yet to submit its LTS¹²¹.

The Ecologic Institute study found that 'the lack of capacities and technical know-how for scenario development was a common bottleneck, especially considering the need to produce both the NECP and LTS more or less simultaneously'¹²². This delayed the Commission in producing its EU-wide assessment of the LTSs.

At the stakeholder event, the Ecologic Institute commented that the timing of the processes for NECPs and LTSs puts the first NECP deadline before the LTS, constituting a shortcoming for the overall planning process. Two NGOs that replied to the CfE reported that many Member States see the development of LTSs as a procedural requirement that might be postponed, rather than a much-needed, long-term planning tool¹²³.

This evaluation finds that Member State authorities may still lack administrative capacity to deliver the sets of planning and reporting requirements laid down in the Governance Regulation, including the LTS.

¹²⁰ Velten, E.K., Evans, N., Spasova, D., Duwe, M., de la Vega, R., Duin, L. and Branner, H., *Charting a path to net zero: An assessment of national long-term strategies in the EU*, Ecologic Institute, Berlin, 2022, p. 59.

¹²¹ Poland, as per the European Commission website (https://commission.europa.eu/energy-climate-change-environment/implementation-eu-countries/energy-and-climate-governance-and-reporting/national-long-term-strategies_en).

¹²² Ibid.

¹²³ Replies to CfE: NGO: CAN Europe. Environmental Organisation: WWF European Policy Office; CAN Europe, *Getting the long-term planning right. The role of National Long-Term strategies in achieving climate neutrality in Europe*, 2021, <https://unify.caneurope.org/wp-content/uploads/sites/2/2021/12/raport-can-23-12-prev-1.pdf>

Biennial progress reports and their follow up (NECPRs and reporting obligations stemming from Article 17 of the Governance Regulation)

The evaluation finds that the biennial progress reports and their follow up (NECPRs and reporting obligations stemming from Article 17 of the Governance Regulation) were submitted either on time or with a small delay, thus not impacting the effectiveness of the Governance Regulation.

Article 17 of the Governance Regulation requires each Member State, by 15 March 2023, and every two years thereafter, to report to the Commission on the status of implementation of its integrated NECP by means of an integrated NECPR covering all five dimensions of the Energy Union. According to the Commission's October 2023 technical assessment of the NECP progress reports, '8 Member States submitted a *prima facie* full progress report by the 15 March deadline, and 10 more submitted their progress report relatively close to the deadline'¹²⁴.

At the stakeholder event, two national authorities noted the large volume of information that must be provided, with some requiring regular updates in the progress reports, imposing a burden on administrators¹²⁵.

Integrated reporting on GHG PaMs and projections (Article 18) – a) PaMs, and b) Projections of anthropogenic GHG emissions by sources and removals by sinks

The timeliness of information on PaMs remained stable between 2017 and 2019, improved in 2021, then deteriorated in 2023. Information on projections of anthropogenic GHG emissions by sources and removals by sinks improved in 2019 compared to 2017, and deteriorated in 2021. Nevertheless, the evaluation does not find a lack of effectiveness that can be attributed to the Governance Regulation.

Article 18 of the Governance Regulation requires Member States to report, by 15 March 2021, and every two years thereafter, to the Commission information on: (a) their national PaMs or group of measures as set out in Annex VI; and (b) their national projections of anthropogenic GHG emissions by sources and removals by sinks.

Table 5.8 shows that timeliness of submissions on PaMs remained stable between 2017 (under the MMR) and 2019 (with nine Member States meeting the deadline, and 19 falling short). The timeliness of the reported information improved in 2021, with 15 Member States meeting the deadline (12 did not). In 2023, the timeliness of submissions deteriorated, with 16 Member States failing to meet the deadline.

Table 8. Timeliness of submissions (PaMs)

Number of Member States meeting/ missing the deadline			
2017	2019	2021	2023
9	9	15	11
19	19	12	16

Source: ICF, based on EEA reports 2017-2023.

The table below provides a breakdown per Member State, where available.

¹²⁴ European Commission, Assessment of progress towards the objectives of the Energy Union and Climate Action, SWD(2023, 646 final, p. 3).

¹²⁵ Stakeholder workshops – remarks from NCAs (2).

Table 9. Timeliness of submissions (PaMs) per Member State

Member State	2017	2019	2021	2023
FI	Breakdown per national authority	Breakdown per national authority		
RO	Breakdown per national authority	Breakdown per national authority		
DK	Breakdown per national authority	Breakdown per national authority	Red	
BG	Breakdown per national authority	Breakdown per national authority		
EE	Breakdown per national authority	Breakdown per national authority		
HR	Breakdown per national authority	Breakdown per national authority		
SI	Breakdown per national authority	Breakdown per national authority	Red	
NL	Breakdown per MS NA	Breakdown per MS NA		
SE	Breakdown per national authority	Breakdown per national authority		
MT	Breakdown per national authority	Breakdown per national authority		
PT	Breakdown per national authority	Breakdown per national authority		

Member State	2017	2019	2021	2023
		national authority		
ES	Breakdown per national authority	Breakdown per national authority		
CY	Breakdown per national authority	Breakdown per national authority		
LV	Breakdown per national authority	Breakdown per national authority		
EL	Breakdown per national authority	Breakdown per national authority	purple	red
IE	Breakdown per national authority	Breakdown per national authority		
IT	Breakdown per national authority	Breakdown per national authority		
SK	Breakdown per national authority	Breakdown per MS NA	purple	red
FR	Breakdown per national authority	Breakdown per national authority		
AT	Breakdown per national authority	Breakdown per national authority	purple	red
CZ	Breakdown per national authority	Breakdown per national authority	purple	red

Member State	2017	2019	2021	2023
HU	Breakdown per national authority	Breakdown per national authority		
BE	Breakdown per national authority	Breakdown per national authority		
LU	Breakdown per national authority	Breakdown per national authority		
DE	Breakdown per national authority	Breakdown per national authority		
PL	Breakdown per national authority	Breakdown per national authority		
LT	Breakdown per national authority	Breakdown per national authority		

Source: ICF, based on EEA reports 2017-2023.

Note: red cells=information submitted late; green cells=information submitted on time.

While information from previous reporting could be reused, **the 2023 submission required more extensive integrated reporting on the five climate and energy dimensions, as well as on new annexes**. According to the European Court of Auditors (ECA), this could have contributed to the delay in submissions¹²⁶. In addition, the new webform in Reportnet demanded more learning time on data input. Another explanation for delayed reporting is the preference to link reporting of both GHG projections and PaMs. By the end of June 2023, Member States had to report a draft updated NECP, which, in some countries, may have impacted the political process of submitting data under these annexes. Given the more extensive reporting, the subsequent QA/QC process also took more time in 2023.

EEA reports illustrate that in 2019, 16 Member States¹²⁷ submitted their projections of anthropogenic GHG emissions by sources and removals by sinks, before or on the official deadline of 15 March 2019. This was a slight improvement on 2017, when 13 Member States had reported their projections by 15 March. Ten Member States¹²⁸ submitted within

¹²⁶ EEA, *Overview of national reported policies and measures on climate change mitigation in Europe in 2019*, Eionet, ETC/CME 5/2019, file:///C:/Users/gramu/Downloads/ETC_CME_Technical_Report_2019_5%20final.pdf

¹²⁷ AT, BE, BG, CZ, EE, ES, HR, IE, IT, LV, NL, PL, SE, SI, SK and UK.

¹²⁸ DE, DK, EL, FI, FR, HU, LT, LU, MT, PT.

six weeks of the deadline (compared to nine in 2017). Bulgaria and Cyprus submitted 61 and 73 days after the deadline, with Cyprus the last EU Member State to submit (end of May). Romania did not submit projections in 2019. Thirteen Member States submitted earlier in 2019, but three did not meet the reporting deadline despite improving their timeliness (Greece, Hungary, Malta) (see Table 10). Eight countries submitted later in 2019 than in 2017 and none achieved a timely submission before the deadline: Bulgaria, Cyprus, Denmark, Finland, France, Germany, Luxembourg, Portugal¹²⁹.

Table 10. Timeliness of information on projections of anthropogenic GHG emissions by sources and removals by sinks

Number of Member States meeting/missing the deadline		
2017	2019	2021
13	16	12
15	11	15

Source: ICF, based on EEA reports 2017-2021.

In 2021, 12 Member States¹³⁰ submitted their projections before or on the official deadline of 15 March 2021, a deterioration compared to 2019, when 16 Member States reported their projections by the deadline. Seven Member States¹³¹ submitted within six weeks of the deadline (10 in 2019). Eight Member States submitted even later (Cyprus, Denmark, France, Hungary, Luxembourg, Slovakia, Slovenia). Overall, six Member States submitted earlier in 2021 compared to 2019 (Bulgaria, Finland, Greece, Malta, Poland, Portugal), while 16 submitted later. Four Member States submitted on the same date in both years (Austria, Croatia, Czechia, Estonia)¹³².

Annual report (Article 26 of the Governance Regulation)

As the EU GHG inventory is compiled based on the inventories of EU Member States, both the completeness and the timeliness of the information depends on Member States' submissions.

To ensure that the European Commission can respect the deadline of 15 April to submit its report to the UNFCCC, the final submission for Member States of national inventory reports is set on 15 March each year. Table 11 shows the evolution of the timeliness of Member States' submissions from 2017 to 2023 for the compilation of the EU GHG inventory.

Table 11. Summary of timeliness of Member States' national GHG inventory report submissions, 2017-2023

Memb er State	2017	2018	2019	2020	2021	2022	2023
AT	Late submissio n	Late submissio n	Late submissio n	Late submissio n	Late submissio n	Late submissio n	Submissio n on time

¹²⁹ EEA, *Analysis of Member States' 2019 GHG projections*, Eionet, ETC/CME 2019/6, p. 17.

¹³⁰ AT, CZ, EE, ES, FI, HR, IT, MT, NL, PL, PT, RO.

¹³¹ BE, BG, EL, IE, LT, LV, SE.

¹³² EEA, *Trends and projections under the Effort Sharing Legislation. Overview on developments and drivers*, Eionet, ETC/CME, 8/2021, p. 13.

Memb er State	2017	2018	2019	2020	2021	2022	2023
BE	Late submission	Late submission	Late submission	Late submission	Late submission	Late submission	Submission on time
BG	Late submission	Late submission	Late submission	Late submission	Late submission	Late submission	Submission on time
CY	Late submission	Late submission	Late submission	Late submission	Late submission	Submission on time	Submission on time
CZ	Late submission	Late submission	Late submission	Late submission	Late submission	Late submission	Submission on time
DE	Submission on time	Late submission	Late submission	Late submission	Submission on time	Submission on time	Submission on time
DK	Late submission	Late submission	Late submission	Late submission	Late submission	Late submission	Submission on time
ES	Late submission	Late submission	Late submission	Submission on time	Late submission	Submission on time	Submission on time
EE	Submission on time	Late submission	Submission on time	Late submission	Submission on time	Submission on time	Submission on time
FI	Submission on time	Late submission	Late submission	Late submission	Late submission	Late submission	Submission on time
FR	Late submission	Late submission	Late submission	Late submission	Submission on time	Late submission	Submission on time
UK	Submission on time	Late submission	Late submission	UK: Submission on time	UK: Late submission	N/A	N/A
EL	Late submission	Late submission	Submission on time	Submission on time	Submission on time	Late submission	Submission on time
HR	Late submission	Late submission	Late submission	Late submission	Late submission	Late submission	Submission on time

Memb er State	2017	2018	2019	2020	2021	2022	2023
HU	Late submission	Late submission	Late submission	Late submission	Late submission	Late submission	Late submission
IE	Late submission	Late submission	Late submission	Submission on time	Late submission	Submission on time	Submission on time
IT	Late submission	Late submission	Late submission	Late submission	Late submission	Late submission	Submission on time
LT	Late submission	Late submission	Submission on time	Late submission	Submission on time	Late submission	Submission on time
LU	Late submission	Late submission	Submission on time	Late submission	Late submission	Late submission	Submission on time
LV	Late submission	Late submission	Late submission	Late submission	Late submission	Late submission	Submission on time
MT	Late submission	Late submission	Late submission	Late submission	Late submission	Late submission	Submission on time
NL	Late submission	Late submission	Late submission	Late submission	Late submission	Late submission	Late submission
PL	Late submission	Late submission	Late submission	Late submission	Late submission	Late submission	Submission on time
PT	Late submission	Late submission	Late submission	Submission on time	Submission on time	Submission on time	Submission on time
RO	Submission on time	Late submission	Late submission	Late submission	Late submission	Late submission	Submission on time
SK	Submission on time	Late submission	Submission on time	Submission on time	Submission on time	Late submission	Submission on time
SI	Submission on time	Late submission	Late submission	Late submission	Late submission	Late submission	Submission on time

Memb er State	2017	2018	2019	2020	2021	2022	2023
SE	Late submission	Late submission	Submission on time	Submission on time	Submission on time	Submission on time	Submission on time
EU ¹³³	On time: 7	On time: 0	On time: 6	On time: 7	On time: 8	On time: 7	On time: 25
	Late submission: 21	Late submission: 28	Late submission: 22	Late submission: 21	Late submission: 20	Late submission: 20	Late submission: 2
IS	Late submission	Late submission	Submission on time	Late submission	Late submission	Late submission	/
UK	N/A	N/A	N/A	N/A	N/A	Late submission	/

Source: ICF, based on annual EU GHG inventory 1990-2021 and inventory reports, 2017 to 2023.

Table 11 shows that for almost all years considered, most of the Member States did not submit the national inventory report by the 15 March deadline. The number of Member States that met the deadline remained steady over the years, with six to eight Member States, on average, submitting on time, apart from 2018, when no Member State submitted the report by 15 March. Some delays were limited to a few days, but several were a month or more. The situation changed dramatically in 2023, when almost all Member States met the submission deadline. The two Member States that missed the deadline submitted their national report within one to two days, with only minimal impact on the ability of the European Commission to compile the EU GHG inventory report on time and using actual data. The years ahead will tell whether or not this is a lasting positive trend.

Increased (public) accessibility of reported information

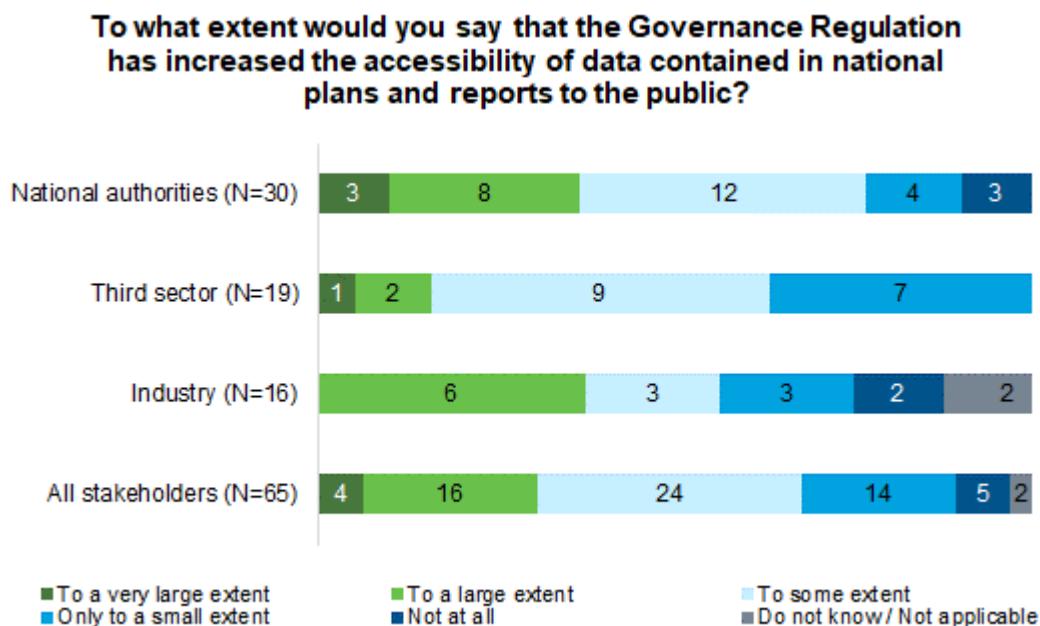
The Governance Regulation has increased (public) accessibility of reported information somewhat. Stakeholders have divergent views and highlighted areas where the public accessibility of reported information proved limited. However, it remains unclear whether these issues are linked to the Governance Regulation, or, more likely, to implementation issues and/or national traditions.

The Governance Regulation provides that Member States must make available to the public their NECPs, NECPRs, and respective LTSs (Article 17(7), Article 15(7)). As per Article 28, the Commission established an online platform to facilitate communication with Member States, promote cooperation among Member States, and facilitate public access to information. Member States must use this platform for the purpose of submitting the relevant reports to the Commission (Article 28(2) Governance Regulation).

¹³³ EU-28: 2017; 2018; 2019; 2020; 2021. EU-27: 2022; 2023.

As shown in Figure 11, two-thirds (68 %) of stakeholders believed that the Governance Regulation has contributed to heightened data accessibility for the public, including 30 % who thought it had done so 'to a (very) large extent'.

Figure 11. Stakeholders' views on public accessibility of planning and reported data



Source: ICF, based on targeted surveys.

Most of the national authorities highlighted that the data in their national plans and reports have become somewhat more accessible to the public because of the Governance Regulation¹³⁴. Nevertheless, the evidence suggests that the accessibility of the reported information still relies heavily on the different traditions of the Member States. Spanish national authorities, for instance, pointed out that it is difficult for the public to access the reporting platforms or the EU information repository.

Echoing this, national authorities from Germany stressed that the current and complex reporting formats are not very accessible beyond the reporting community, as the Governance Regulation does not provide standardised requirements that would require Member States to make the reported information more accessible¹³⁵.

Most third sector stakeholders¹³⁶ and nearly half of the industry representatives¹³⁷ indicated that the Governance Regulation has somewhat enhanced access to the

¹³⁴ Targeted survey for NCAs (Q3.5, N=30): 12/30 'to some extent', 8/30 'to a large extent'; 3/30 'to a very large extent'.

¹³⁵ Open-text response to Q3.5 – targeted survey for NCAs (Germany). German NCAs pointed out the need to differentiate between different target groups because interested citizens, scientists, companies, public administrations etc. need different types of information preparation. Consequently, ensuring accessibility is capacity-intensive and demanding task.

¹³⁶ Targeted survey for third sector (Q6.4, N=19): 13/19 'to some extent'; 3/16 'only to a small extent'; 2/19 'to a very large extent'.

¹³⁷ Targeted survey for industry (Q6.5, N=16): 6/16 'to some extent'; 3/16 'to a large extent'; 3/30 'only to a small extent'.

information in Member States plans and reports. However, one third sector organisation stressed that access to information remains unsatisfactory for young people¹³⁸.

Finally, nine respondents to the CfE reported that transparency and availability of information underpinning the NECPs is insufficient¹³⁹. One NGO¹⁴⁰ explained that NECPs and NECPRs are not always published in full or are published late by the European Commission (due to delays from Member States), preventing informed participation of the public. Another NGO underlined that all stakeholders should be able to easily monitor the data included by Member States in their NECPRs – this has not been ensured so far¹⁴¹.

5.1.1.2 EQ2 - What difference has the Governance Regulation made in terms of promoting better planning processes and effective implementation of plans and reports?

The Governance Regulation has been effective in promoting better planning processes. The national authorities agreed that the Governance Regulation played a role in influencing Member States to adopt or implement PaMs to meet national energy and climate contributions. However, several (internal and external) factors have negatively affected planning processes and the effective implementation of plans and reports.

The EU has an overall 2050 climate neutrality target, which applies collectively to the Union, but not to each Member State individually. In other words, the current EU legislative framework does not contain economy-wide national climate neutrality targets. Under the reporting framework in Annex I to Implementing Regulation 2022/2299¹⁴², each Member State is expected to report on their climate neutrality target, if such a target has been introduced, setting out the target years when this will be achieved. This requirement is therefore aligned to 2030 targets (for climate and energy) where there are Union targets and Member State contributions (the only exception is the ESR coverage of GHG emissions).

Planning processes

Prior to the adoption of the Governance Regulation, there were scattered planning and reporting obligations from the main pieces of EU legislation on energy, climate, and other Energy Union-related policy areas. Some of the more prominent obligations included: (1) EED requiring production of National Energy Efficiency Action Plans (NEEAPs); (2) RED requiring production of National Renewable Energy Action Plans (NREAPs); and (3) MMR creating a system for monitoring and reporting climate-related information, including reporting on (i) transfers under the EU ETS and the ESD¹⁴³ (Article 7); (ii) GHG emissions projections under the ETS and ESD (Article 14); and national adaptation actions (Article 15)). The Governance Regulation provided a major step forward by streamlining and integrating planning, reporting, monitoring, and data collection on energy and climate.

¹³⁸ Interview with third sector organisation (1).

¹³⁹ Replies to CfE: NGOs (4), EEB, Transport and Environment, Environmental Justice Network Ireland, CAN Europe. Environmental organisations (3): WWF European Policy Office, Baltic environmental organisations, Estonian Fund for Nature. EU citizen. Public authority from ES: Ministry for the Ecological Transition and the Demographic Challenge.

¹⁴⁰ Reply to CfE: EEB.

¹⁴¹ Reply to CfE: NGO: CAN Europe.

¹⁴² Commission Implementing Regulation (EU) 2022/2299 of 15 November 2022 laying down rules for the application of Regulation (EU) 2018/1999 of the European Parliament and of the Council as regards the structure, format, technical details and process for the integrated national energy and climate progress reports, <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32022R2299&qid=1707831881860>

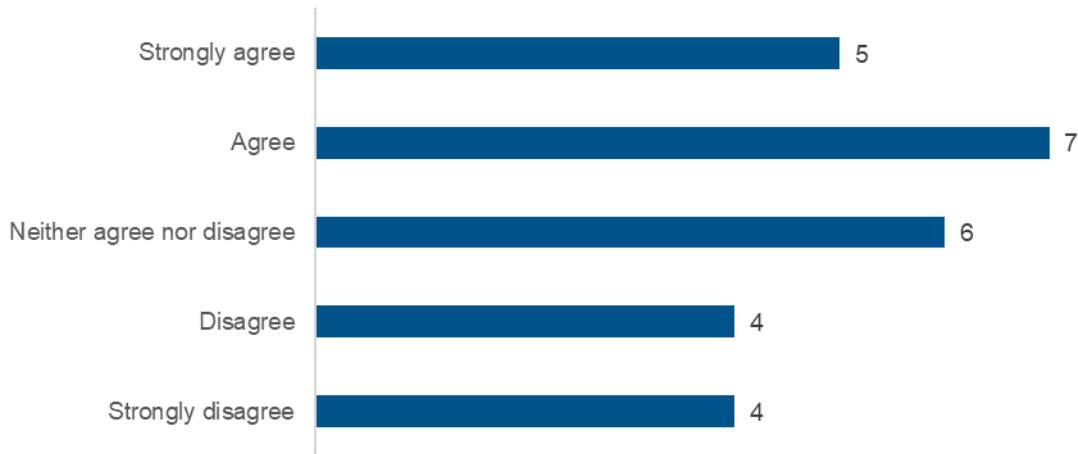
¹⁴³ Decision No 406/2009/EC, which covered non-ETS sectors including CO₂ emissions reductions from road vehicles, renewables, landfill sites, the circular economy and fluorinated GHGs.

The Governance Regulation requires Member States to establish several climate policy-making processes, which provide a baseline of ‘minimum governance standards’ at national level. These include dedicated planning tools, such as: the NECPs for actions over the next 10 years and national LTS looking 30 years ahead; biennial progress monitoring and reporting obligations; and channels for public and stakeholder participation through multi-level climate and energy dialogues. Despite these obligations, research shows a very diverse landscape of national energy and climate governance. Some Member States have implemented only minimum governance standards, while others exceed the requirements set forth by EU law with comprehensive national legal frameworks¹⁴⁴. For instance, some Member States (e.g. Finland, France, Germany, Greece, Luxembourg, Portugal, Spain, Sweden) have a dedicated and comprehensive climate framework law (including a long-term target and some means of reaching it), while others’ laws are missing a concrete long-term target (e.g. Bulgaria, Croatia, Malta)¹⁴⁵.

Evidence from the survey of national authorities indicates that the Governance Regulation helped to streamline the planning processes across the energy and climate domains (see Figure 12). More specifically, 12 of the 33 national authorities either agreed (seven)¹⁴⁶ or strong agreed (five)¹⁴⁷ with the assertion that the Governance Regulation has helped to streamline and simplify planning process at national level. Conversely, eight respondents disagreed (four)¹⁴⁸ or strongly disagreed (four)¹⁴⁹, six were undecided¹⁵⁰ and seven did not reply¹⁵¹. The survey of national authorities did not explore participants’ reasons for agreeing or disagreeing with this statement.

Figure 12. National authorities’ views on whether the Governance Regulation helped to streamline and simplify their planning processes (N=26)

The Governance Regulation has helped streamline and simplify our planning process.



Source: ICF, based on survey of national authorities.

¹⁴⁴ Evans, N. Schöberlein, P. and Duwe, M. *Raising the bar on national climate governance in the EU*, Ecologic Institute, Berlin, forthcoming.

¹⁴⁵ Ibid.

¹⁴⁶ Survey of national authorities (7): DE, EE, ES (2), HU, LU, NL.

¹⁴⁷ Survey of national authorities (5): BE, BG, ES, HR, SK.

¹⁴⁸ Survey of national authorities (4): DK (2), FI, SE.

¹⁴⁹ Survey of national authorities (4): FI, LT, LV, MT.

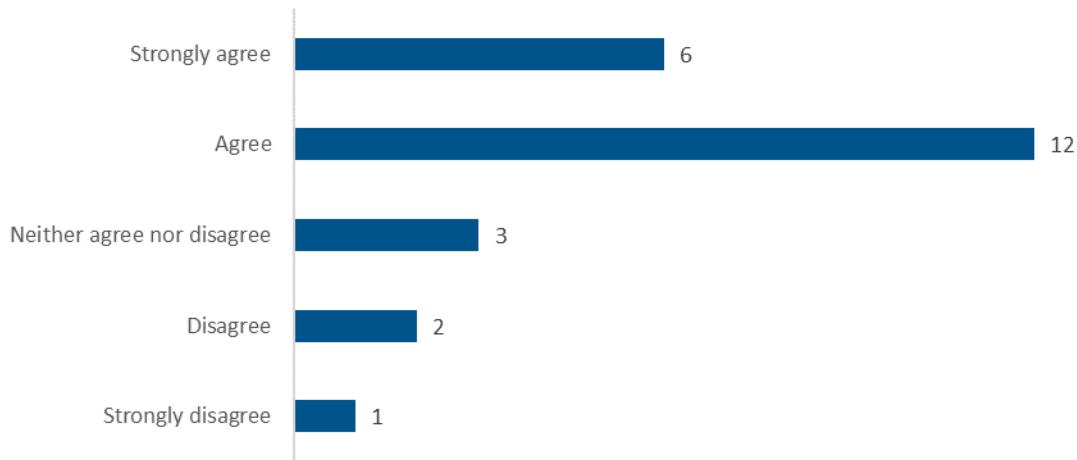
¹⁵⁰ Survey of national authorities (6): AT, CY, CZ, FI, FR, SE.

¹⁵¹ Survey of national authorities (7) DE (3), HR, PL (3).

Just over half (18 of 33) of the national authorities that responded to the survey agreed (12)¹⁵² or strongly agreed (six)¹⁵³ that the Governance Regulation has helped to integrate different but related planning obligations (see Figure 13). Only two disagreed¹⁵⁴, and one strongly disagreed¹⁵⁵. Three respondents neither agreed nor disagreed¹⁵⁶ and eight did not reply¹⁵⁷.

Figure 13. National authorities' views on whether the Governance Regulation has helped to integrate different but related planning obligations (N=24)

The Governance Regulation has helped integrate different but related planning obligations



Source: ICF, based on survey of national authorities.

Seventeen of 33 respondents agreed (10)¹⁵⁸ or strongly agreed (seven)¹⁵⁹ that the Governance Regulation has helped to improve the quality and accuracy of the planning processes. Three authorities disagreed¹⁶⁰, two strongly disagreed¹⁶¹, and three neither agreed nor disagreed¹⁶². Seven authorities did not reply (see Figure 14)¹⁶³.

¹⁵² Survey of national authorities (12): AT, CY, CZ, DE, EE, ES, FI, HR, LT, LU, SE, SK.

¹⁵³ Survey of national authorities (6): BE, BG, ES (2), MT, NL.

¹⁵⁴ Survey of national authorities (2): DK (2).

¹⁵⁵ Survey of national authorities (1): FI.

¹⁵⁶ Survey of national authorities (3): FI, HU, LV.

¹⁵⁷ Survey of national authorities (8): DE (3), HR, PL (3), SE.

¹⁵⁸ Survey of national authorities (10): CY, CZ, DE, EE, ES, FI, LT, LU, MT, NL.

¹⁵⁹ Survey of national authorities (7): BE, BG, ES (2), HR, HU, SK.

¹⁶⁰ Survey of national authorities (3): DK (2), SE.

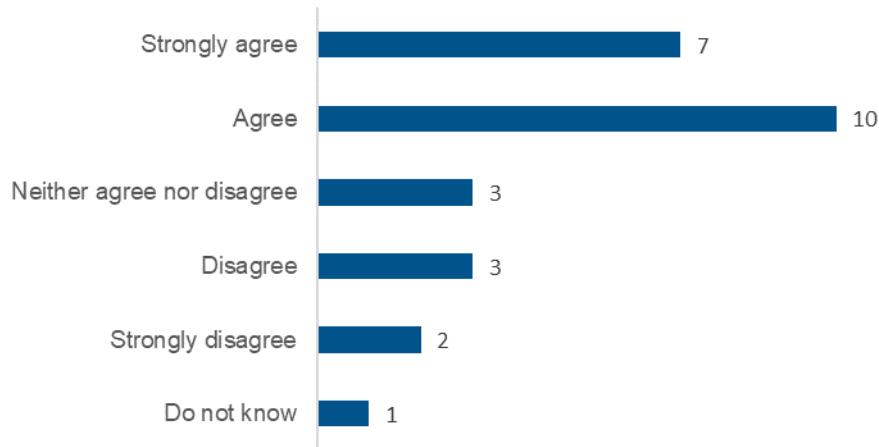
¹⁶¹ Survey of national authorities (2): FI, LV.

¹⁶² Survey of national authorities (3): AT, FR, SE.

¹⁶³ Survey of national authorities (7): DE (3), HR, PL (3).

Figure 14. National authorities' views on whether the Governance Regulation has helped to improve the quality and accuracy of their planning processes (N=26)

The Governance Regulation has helped improve the quality and accuracy of our planning.



Source: ICF, based on survey of national authorities.

National authorities agreed (12)¹⁶⁴ or strongly agreed (six)¹⁶⁵ that the Governance Regulation has urged different services to cooperate to comply with integrated planning obligations. Four authorities neither agreed nor disagreed¹⁶⁶ and one strongly disagreed¹⁶⁷. Two respondents indicated a lack of knowledge¹⁶⁸ and eight authorities did not reply (see Figure 15)¹⁶⁹.

¹⁶⁴ Survey of national authorities (12): CY, CZ, DE, EE, FI, FR, HU, LT, LU, LV, NL, SE.

¹⁶⁵ Survey of national authorities (6) BE, BG, ES (2), MT, SK.

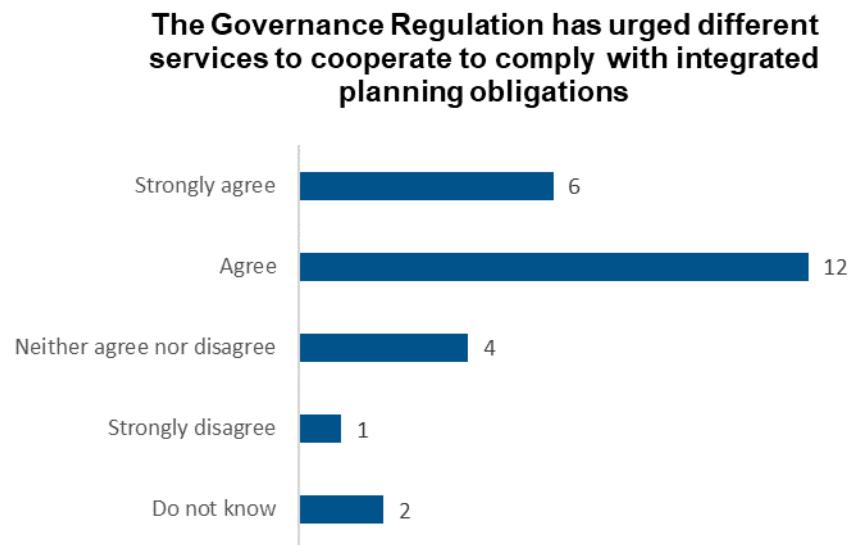
¹⁶⁶ Survey of national authorities (4): AT, DK, FI, HR.

¹⁶⁷ Survey of national authorities (1): FI.

¹⁶⁸ Survey of national authorities (2): DK, ES.

¹⁶⁹ Survey of national authorities (8): DE (3), HR, PL, SE.

Figure 15. National authorities' views on the Governance Regulation's influence in stimulating cooperation among different services to comply with integrated planning obligations (N=25)



Source: ICF, based on survey of national authorities.

When asked to give examples of how the Governance Regulation has contributed to improving and integrating planning and reporting processes, nine national authorities surveyed highlighted that it has increased cooperation between different institutions and ministries¹⁷⁰. This was confirmed by feedback gathered through other consultation activities¹⁷¹. For instance, four national authorities explained during the scoping interviews that the Governance Regulation enhanced cooperation among different ministries at national level¹⁷². Nevertheless, they also underlined that such an impact necessitated additional resources to ensure coordination among different actors and institutions. A forthcoming study by Ecologic Institute reports that most Member States have relatively well-defined responsibilities for climate governance, including mechanisms to enhance coordination between relevant authorities¹⁷³. However, it also finds that despite these existing coordination structures and assigned competencies, coordination remains a significant challenge due to competing priorities and a lack of communication (e.g. working in silos) in some Member States (e.g. Austria, Hungary, the Netherlands)¹⁷⁴.

Other issues that impact the effectiveness of the planning processes regulated by the Governance Regulation are presented below.

- Article 15(6) of the Governance Regulation provides that the NECPs must be consistent with the national LTSs. The 2022 Commission guidelines to Member States for the updated NECPs also provide that NECPs should be consistent with national LTSs. However, there are no detailed provisions within the Governance Regulation to ensure coherence between the NECPs and LTSs, with the latter

¹⁷⁰ Survey of national authorities (9): BG, CZ, EE, HR, LT, MT, NL, PL, SK.

¹⁷¹ See case study on Romania

¹⁷² Scoping interviews with national authorities (2): NL, CZ; Interviews with national authorities (2): DE, LT.

¹⁷³ Evans, N. Schöberlein, P. and Duwe, M. *Raising the bar on national climate governance in the EU*, Ecologic Institute, Berlin, forthcoming.

¹⁷⁴ Ibid.

attracting less attention than the former¹⁷⁵. In this context, there seems to be a misalignment in the sequencing of NECPs and national LTSs¹⁷⁶: the first national LTSs had to be submitted after the NECPs, although they should have informed the latter. National LTSs are partly outdated and do not necessarily serve as the basis for NECP development.¹⁷⁷ Unlike the NECPs, there is no strong monitoring or mandatory update of the national LTSs after their adoption¹⁷⁸.

- In some Member States, the NECPs are not particularly relevant for national planning processes and are only developed to meet the EU obligation. Stakeholders indicated that in some cases, the NECPs are viewed mainly as a compilation of existing plans and policies and as a box-ticking exercise¹⁷⁹, while others use the Governance Regulation as a guiding tool in their planning processes¹⁸⁰. For instance, feedback gathered for the case studies on Germany and Denmark showed that the NECPs are not driving national energy and climate policies. Evidence also shows that the development of the national LTSs is somewhat isolated from day-to-day policy discussions at national level and is seen more as a response to an EU request than a concrete strategic planning tool guiding key policies at national level¹⁸¹.

Effective implementation of plans and reports

The Governance Regulation requires Member States to report every two years on the progress achieved towards the implementation of their integrated NECPs through NECPRs. By 15 March 2023, Member States were due to report for the first time on their progress towards implementing their NECPs for the period 2021-2030, and notably towards the objectives, targets and contributions set out therein, across the five dimensions of the Energy Union. Eight Member States submitted a full NECPR by the 15 March deadline, while 10 more submitted their reports relatively close to the deadline. As of 1 March 2024, all Member States had submitted their NECPRs.

The 2023 Commission assessment of progress towards the objectives of the Energy Union and Climate Action (based on NECPRs and other information/indicators) found that while substantial progress has been made towards the EU targets on GHG emissions, renewable energy, energy efficiency and interconnectivity, substantial ambition and implementing

¹⁷⁵ Replies to CfE: (7): NGOs (4): CAN Europe, Transport and Environment, ZERO – Association for the Sustainability of the Earth System, WWF Greece. Environmental organisations (2): WWF European Policy Office, Estonian Fund for Nature. Academic/Research institute (1): Ecologic Institute. Interviews with third sector stakeholders (4).

¹⁷⁶ Replies to CfE: NGO: CAN Europe. Academic/Research Institute: Ecologic Institute.; Velten et al., *Charting a path to net zero: An assessment of national long-term strategies in the EU*, Ecologic Institute, Berlin, 2022.

¹⁷⁷ Velten, E.K., Evans, N., Spasova, D., Duwe, M., de la Vega, R., Duin, L. and Branner, H., *Charting a path to net zero: An assessment of national long-term strategies in the EU*, Ecologic Institute, Berlin, 2022.

¹⁷⁸ Replies to CfE: NGOs (2): CAN Europe, Transport and Environment. Environmental Organisation: WWF European Policy Office. Academic/Research Institute: Ecologic Institute. Interviews with third sector stakeholders (3). During the stakeholder workshop on 11/01/2024, one stakeholder highlighted the need to include a closer assessment of the LTSs, similar to that for the NECPs.

¹⁷⁹ Replies to CfE: (4): Research institute: Ecologic Institute; Public authority: Danish Ministry of Climate, Energy and Utilities. Business association: EGECA Geothermal. Academic/Research institute: Wuppertal Institut für Klima, Umwelt, Energie; Interviews with third sector stakeholders (6); Scoping interview with NCAs (2): Netherlands, Denmark. Feedback gathered during the stakeholders' event on 11 January 2024. UNIFY, *Getting the Long-Term Planning Right: The role of National Long-Term Strategies in achieving climate neutrality in Europe*, 2021.

¹⁸⁰ Replies to CfE: (4): Research institute: Ecologic Institute; Public authority: Danish Ministry of Climate, Energy and Utilities. Business association: EGECA Geothermal. Academic/Research institute: Wuppertal Institut für Klima, Umwelt, Energie; Interviews with third sector stakeholders (6); Scoping interview with NCAs (2): Netherlands, Denmark. Feedback gathered during the stakeholders' event on 11 January 2024. UNIFY, *Getting the Long-Term Planning Right: The role of National Long-Term Strategies in achieving climate neutrality in Europe*, 2021.

¹⁸¹ Haase, I. and Duwe, M., *Long-term strategies: state of play, challenges, and possible support through the G20*, Ecologic Institute, Berlin, 2023.

efforts are still needed to deliver on the increased 2030 Union's objectives¹⁸². On certain dimensions, the Commission assessment underlined that providing a collective EU assessment was challenging, as reports varied across Member States, there were different interpretations, and information was sometimes insufficient. Table 12 presents some examples from the Commission's assessments.

Table 12. Commission assessment of progress towards the objectives of the Energy Union and Climate Action, 2023

2023 Commission assessment of progress towards the objectives of the Energy Union and Climate Action
• Decarbonisation
<ul style="list-style-type: none">• GHG emission and removals: All Member States reported progress towards national objectives, targets, and contributions. However, reports varied across Member States and information was largely insufficient to provide a collective EU assessment.• Climate neutrality: More than half of the Member States defined the objective to achieve climate neutrality by 2050 or earlier, in line with their national LTSSs.• National GHG targets: Most Member States have indicated quantitative national GHG targets up to 2050, but not for all required years (2030, 2040, 2050) and with a different scope. Therefore, assessing progress against previously indicated national targets, such as those reported in their LTSSs was not straightforward. For the few cases where comparison was possible, Member States had generally increased their climate ambitions. The GHG emission projections supporting the NECPs show that for the economy-wide GHG emissions reductions, existing and planned measures reduce emissions by 2030 by 45 % and 50 %, respectively, below 1990 levels. This is an improvement compared to the 41 % below 1990 levels under existing and planned measures estimated in the 2020 EU-wide assessment of NECPs, but falls short of the EU 55 % reduction target, clearly showing that additional implementation efforts are needed.• Progress towards ESR targets: Based on the GHG inventories (which also comprise LULUCF) and ETS emissions in stationary installations, EU-wide emissions in the ESR sectors in 2021 remained 3.3 % below Member States' aggregated emissions limits for 2021. Based on GHG projections, EU-wide ESR emissions are estimated to reduce by 32 % in 2030 compared to 2005 levels. This would be underachieving against the EU-wide ESR target of 40 %.• Progress towards LULUCF targets. Projections with existing measures show EU total net removals of -239 MtCO₂eq for 2030 and -260 MtCO₂eq with additional measures, leaving a gap of between around 50-70 MtCO₂e to meet the 2030 target. This means that the EU is not on track to meet the 2030 net removal target of -310 MtCO₂eq. Very few Member States show a concrete pathway to reach their national LULUCF net removal targets, or sufficient actions to assist farmers, foresters and other stakeholders in building sustainable business models in line with these targets in their draft NECPs. This also includes limited reporting on synergies with the CAP and national CSPs and funding.• Climate adaptation: Article 4 of the Governance Regulation requires Member States to include climate adaptation goals in the NECPs, as appropriate, to support the achievement of the Energy Union objectives, at least in the 'decarbonisation' dimension. The Regulation's requirements for adaptation goals are formulated partly in a conditional way. Outside the decarbonisation dimension's GHG emissions part, such goals were mandatory only if applicable. The relationship of these adaptation goals to those set out in the national adaptation policies (on which reporting was required under Article 19) has been a source of confusion. This has

¹⁸² European Commission, Assessment of progress towards the objectives of the Energy Union and Climate Action, SWD(2023, 646 final).

2023 Commission assessment of progress towards the objectives of the Energy Union and Climate Action

led to diverging interpretations among Member States of how adaptation is to be tackled in the NECPs, which makes it challenging to compare and assess progress horizontally.

- **Renewable energy:** In 2021, the EU reached a share of 21.8 % of renewable energy in gross FEC, slightly below the target of the binding interim trajectory share of 22.2 % for 2022 based on the 2030 target of 32 % in RED II and would be more than 2 percentage points (pp) below this trajectory when considering the updated target of 42.5 % (the milestone would be slightly above 24 %). The new 2030 EU target of 42.5 % (and the aspirational target of 45 %) will require much faster growth in the coming years. Progress has been especially strong in the electricity sector, with an increase in the renewables share from 21.3 % in 2010 to 37.6 % in 2021, progress in heating and cooling (from 17 % to 22.9 %), and transport (from 5.5 % to 9.1 %). While final numbers for 2022 are not available yet, an acceleration of renewables deployment can be expected, although not yet at the level required for the updated 2030 target.

• **Energy efficiency**

- **Progress towards indicative trajectory and 2030 savings contribution:** In 2021, PEC in the EU at 1311 Mtoe remained lower than in 2019, but was around 6% higher than in 2020, most probably affected by the COVID-19 crisis recovery. This trend could indicate, if continued in the coming years, the structural improvements that took place in the two-year period. However, PEC and FEC values are still far from the 2030 PEC and FEC targets.
- **Energy savings obligation:** The average of new annual energy savings in 2018-2020 for the same 25 Member States was 10341 ktoe/year. The energy savings reported for 2021 are therefore about the same as the trend in the years 2018-2020 (for these 25 Member States). However, the EED recast has revised the required equivalent rates of new annual savings, with a progressive increase. Due to the cumulative nature of the energy savings obligation, the results achieved in the first years of a period are essential for the likelihood of achievement of the target. A higher rate of savings than needed does not mean that a Member State will achieve its target. However, a significantly lower rate of savings in the first years of a period can be very difficult to compensate in the remaining years of the period.
- **Progress towards the LTRS:** The Commission analysis of the LTRSs submitted by Member States revealed that although the strategies complied with the requirements of the EPBD, not every LTRS is sufficiently ambitious in respect of 2050 decarbonisation goals. The differences in Member States' approaches when setting national milestones made it difficult to assess the ambition at EU level. The NECPR includes specific reporting tables for Member States' milestones and progress indicators of the LTRS of the national stock of residential and non-residential buildings. Even if with some important differences in sub-indicators (e.g. residential vs non-residential buildings, entries in 2020 being more complete than in 2021), on average, completeness of the reported data was limited in most of the topics and indicators, except for the only mandatory field – contribution of buildings to the Union's energy efficiency target.

• **Energy security**

- Overall, most Member States set national objectives and targets related to **energy security** in the 2019 NECPs. In the NECPRs, only seven Member States reported at least one specific quantifiable target or objective for the diversification of energy sources. However, almost all of these Member States registered some progress, which is a very positive development. These targets were most often related to the increase in renewable energy share and biofuel production.
- Progress towards **reducing energy import dependency from third countries** is mixed. Only six Member States have set quantifiable targets and objectives for the reduction of energy import dependency from third countries (Bulgaria, Croatia, Estonia, Greece, Italy, Poland). Among the countries that set dedicated targets, some reported no significant progress (e.g. Greece) or even registered a worsening of the situation (e.g. Croatia, Poland). Only Bulgaria,

2023 Commission assessment of progress towards the objectives of the Energy Union and Climate Action

Italy and Estonia have registered some progress. This appears insufficient within the context of the current geostrategic situation.

- On the **ability to cope with constrained or interrupted supply of an energy source**, Member States must now meet filling targets to ensure a minimum level of storage in the EU in the winter season (as per the adoption of the Gas Storage Regulation EU 2022/1032). As of September 2023, all Member States were on track to meet their targets, ensuring a filling level of 95 % in early October 2023.
- In terms of preparedness of the gas sector, progress appears positive, with most countries achieving significant progress on the resilience of their gas and power systems.
- Several Member States reported objectives on the development of electricity storage and flexibility, again with good progress. This is a very positive development, as storage and flexibility will be critical in ensuring the stability of the future power system featuring an increasing share of intermittent renewables.
- Finally, most Member States that set targets related to diversification and reducing dependencies did not report significant progress.

• Internal energy market

- **Electricity interconnectivity:** In 2021, 20 Member States had electricity interconnectivity levels above the 2020 (10 %) and 2030 (15 %) EU targets. Overall, Member States have made good efforts to increase cross-border capacity and the completion of various projects of common interest (PCIs) should further improve the interconnectivity levels. Some Member States are reporting delays in the completion of the projects, notably due to permitting issues. Further efforts are required to meet the 2030 objectives, especially timely delivery of cross-border projects.
- **Energy system flexibility:** While the timely and correct transposition of the provisions on flexibility in Directive (EU) 2019/944 (Electricity Directive) is of utmost importance, development of flexibility services remains slow. Some Member States reported significant progress towards the integration of intraday and day-ahead market with full market coupling of the Member States at end-2022 or further integration of the balancing market. While these improvements are welcome, integration of balancing markets through EU platforms remains too scattered and effects on price signals and system flexibility are unclear. Not all Member States appear to have defined national objectives relating to energy system flexibility. Of those who have, the objectives vary in adaptability and measurability. Some Member States have already progressed with the integration of flexible energy sources in their electricity systems.
- **Non-discriminatory participation in energy markets** is a key pillar of energy market liberalisation. Only 16 Member States reported, however, indicating having set targets and objectives to facilitate the non-discriminatory participation of certain market actors. Most reported positive progress on the integration of renewables, demand response and energy storage in a non-discriminatory way through day-ahead and intraday market coupling.
- **Consumer participation in the energy system and benefits from self-generation and new technologies, including smart meters.** Many Member States are setting ambitious goals to involve consumers in the energy transition. Progress towards national objectives is promising and efforts demonstrate a collective commitment to embracing innovative solutions and sustainable practices in the energy sector. Challenges remain, however, such as the need for accelerated smart meter rollout and the development of clear progress indicators in certain cases. The roll-out of smart meters has been relatively successful in 17 Member States, but six have made only limited progress and four reported no roll-out at all.
- **Electricity system adequacy.** Regulation (EU) 2019/943 requires Member States with an adequacy concern to develop and execute an implementation plan (market reform plan), setting out how they intend to address the root causes of their adequacy problem with market reforms. Member States implementing or intending to implement a capacity mechanism must

2023 Commission assessment of progress towards the objectives of the Energy Union and Climate Action

set their own reliability standard at national level. To date, very few Member States have calculated the reliability standard according to the framework. References to progress on electricity system adequacy remain vague and do not allow overall conclusions to be drawn.

• **Research & Innovation (R&I) and competitiveness**

- The European SET Plan provides a platform of cooperation among Member States for the coordination of their research and development (R&D) efforts¹⁸³. Overall, 20 Member States reported measures implementing SET Plan objectives and policies at national level. There is a variety of national approaches, with 12 Member States providing information on implementation progress (e.g. number of demonstration projects supported, spending on R&D), noting advances towards at least one of their targets. For three Member States, it is too early to assess progress, as support measures implementing the targets are not yet in place or were implemented only recently. Five Member States provided no indicators.
- Overall, 19 Member States provided some information on **quantifiable** national objectives relating to public spending on R&I, and five reported against a target. Of the 13 Member States that reported data for both 2020 and 2021, 12 recorded an increase in R&I investment (Austria, Czechia, Finland, France, Germany, Lithuania, Malta, Netherlands, Portugal, Romania, Spain, Sweden), and only one a slight decrease (Greece). Five Member States included some information on private expenditure on R&I.
- Eighteen Member States reported on **non-quantifiable** national objectives related to public spending on R&I. There are significant differences in Member States' approaches to reporting. Of the 23 Member States that submitted NECPRs, 15 provided information on progress towards national objectives on the deployment of technologies for decarbonising energy- and carbon-intensive industrial sectors. Eleven also reported progress towards at least one of their objectives.
- Thirteen Member States reported on the progress towards national objectives related to **competitiveness**, eight of which noted advances in this field.
- **Energy poverty.** A wide range of approaches and outcomes to addressing energy poverty can be observed among Member States, based either on quantitative targets or more qualitative assessments. While some countries have seen positive progress, others face challenges in providing clear progress assessments. In winter 2022, Member States put in place a significant number of emergency measures that contributed to containing the impact of the energy crisis on the most vulnerable households.

PaMs are all instruments that contribute to meeting the objectives of the integrated NECPs and/or to implementing commitments under the UNFCCC¹⁸⁴.

The 2023 Commission assessment revealed that the total number of single PaMs increased from 2 052 in 2021 to 3 039 in 2023¹⁸⁵. However, there were still significant differences among Member States in the number of reported PaMs, with some reporting their PaMs at

¹⁸³ The SET Plan is currently being revised to meet the objectives of the European Green Deal, REPowerEU, ERA and the Green Deal Industrial Plan.

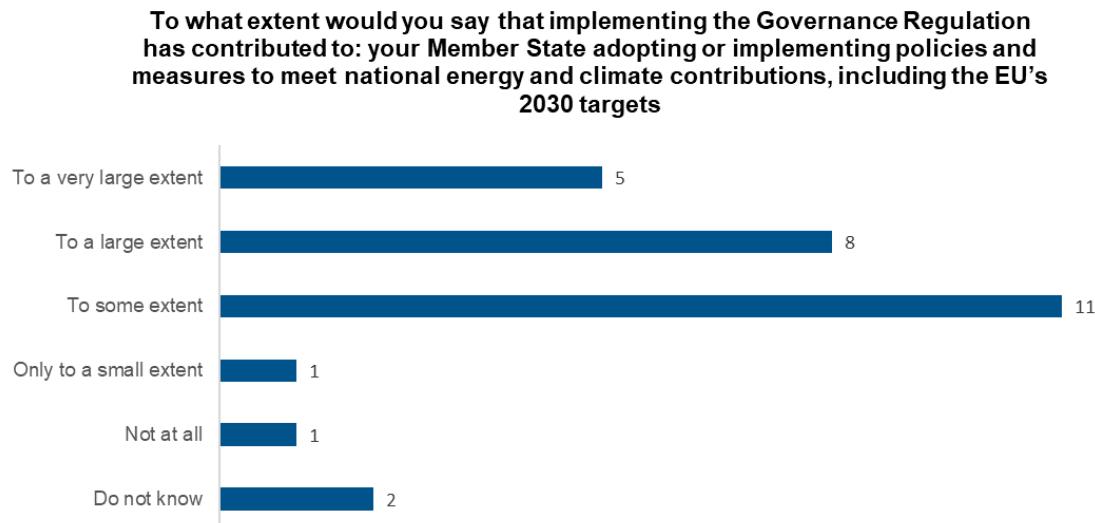
¹⁸⁴ May include those that do not have the limitation and reduction of GHG emissions or change in the energy system as a primary objective; Article 2 of the Governance Regulation.

¹⁸⁵ Figures provided in the 2023 Commission assessment did not include PL, due to delayed submission. The EEA PaMs database shows that the total number of PaMs is 3 205 (includes EEA member countries), https://pam.apps.eea.europa.eu/?source=%6B%22track_total_hits%22%3Atrue%2C%22query%22%3A%7B%22match_all%22%3A%7B%7D%7D%2C%22display_type%22%3A%22tabular%22%2C%22sort%22%3A%5B%7B%22Country%22%3A%7B%22order%22%3A%22asc%22%7D%7D%2C%7B%22ID_of_policy_or_measures%22%3A%7B%22order%22%3A%22asc%22%7D%7D%5D%2C%22highlight%22%3A%7B%22fields%22%3A%7B%22*%22%3A%7B%7D%7D%7D%7D

a highly disaggregated level and others reporting at a more aggregated level. Overall, there was a large increase in newly implemented PaMs (i.e. put in place following the adoption of the NECPs). This increase may suggest that many Member States have implemented (or will have to implement) new PaMs to meet their 2030 climate and energy objectives. The lack of sufficient information on ex-ante and ex-post data on the impacts of PaMs makes it challenging to track Member State progress in implementing their NECPs¹⁸⁶. The 2023 Climate Action Progress Report highlights the need for Member States to step up their action to assess the effects of implemented policies more systematically, both ex ante and ex post¹⁸⁷.

In the survey of national authorities, 24 out of 33 respondents indicated that the Governance Regulation played a role in influencing Member States to adopt or implement PaMs to meet national energy and climate contributions, to some extent (11)¹⁸⁸, to a large extent (eight)¹⁸⁹, or to a very large (five) extent¹⁹⁰. Only two national authorities reported that the Regulation's impact was small¹⁹¹, while another indicated that the Regulation had no influence at all in this respect¹⁹². Two respondents indicated their lack of knowledge on the matter (see Figure 16)¹⁹³.

Figure 16. National authorities' views on Governance Regulation's influence on Member States adopting or implementing PaMs



Source: ICF, based on survey of national authorities.

The 2023 Commission assessment reveals that, as of October 2023, 286 (33 %) PaMs are currently planned, 219 (25 %) are adopted and 359 (41 %) are implemented, showing

¹⁸⁶ EEA, *Overview of reported integrated national climate and energy policies and measures in Europe in 2023*, 2023.

¹⁸⁷ European Commission, Climate Action Progress Report, 2923, https://climate.ec.europa.eu/system/files/2023-11/com_2023_653_glossy_en_0.pdf

¹⁸⁸ Survey of national authorities (11): BE, BG, DE, ES, FI (2), FR, MT, NL, PL.

¹⁸⁹ Survey of national authorities (8): CY, CZ, EE, ES (2), HR, LU, LV.

¹⁹⁰ Survey of national authorities (5): FI, HR, HU, LT, SK.

¹⁹¹ Survey of national authorities (1): DK (Danish Energy Agency).

¹⁹² Survey of national authorities (1): DK (Danish Ministry of Climate, Energy and Utilities).

¹⁹³ Survey of national authorities (2): DE (2).

that additional action is being taken¹⁹⁴. Figure 17 shows the number of single PaMs reported by Member States in different reporting years.

Figure 17. Number of single PaMs reported by Member States in different reporting years



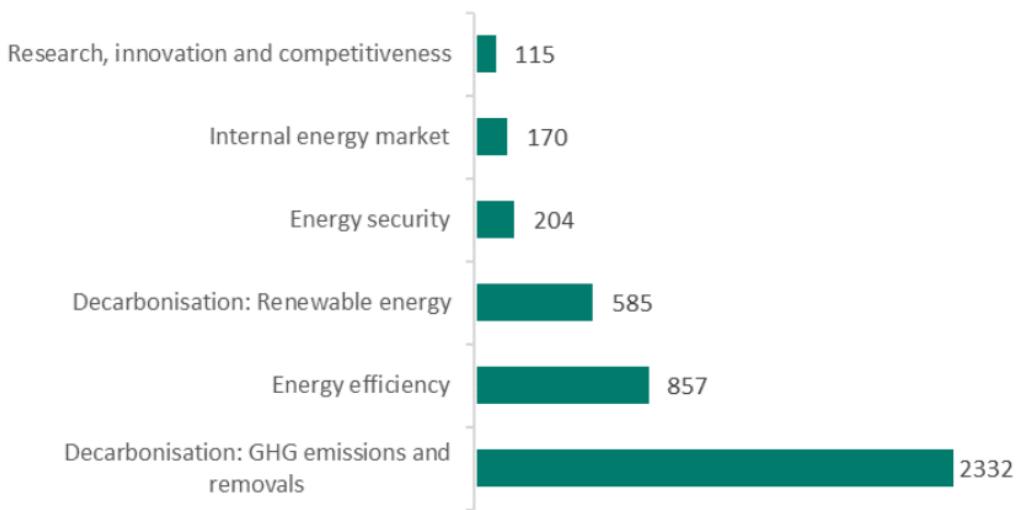
Source: EEA, Overview of reported integrated national climate and energy policies and measures in Europe in 2023, 2023.

Across the EU, the number of PaMs per dimension is very varied (see Figure 18). The most common dimension is decarbonisation (2 452 single PaMs), at 81 %, which is 1 500 single PaMs more than the second most common dimension, energy efficiency. The research,

¹⁹⁴ Most new PaMs target energy supply (28 %), energy consumption (27 %) and transport (25 %). Relatively more new PaMs target agriculture (14 % new, compared to 11 % overall) and LULUCF (9 % new, compared to 7 % overall). Most new PaMs are economic (51 %), regulatory (33 %) and/or planning (17 %) instruments. Relatively more new PaMs are economic instruments (51 % new, compared to 43 % overall) and planning instruments (17 % new, compared to 13 % overall), with a slight decrease in the share of regulatory and fiscal measures. Most new PaMs are national (90 %), with a small number being regional, local, or covering two or more countries (European Commission, *Assessment of progress towards the objectives of the Energy Union and Climate Action*, 2023).

innovation and competitiveness dimension and the energy security dimension most frequently see countries reporting no single PaM.

Figure 18. Number of PaMs per dimension reported by Member State



Source: EEA, Overview of reported integrated national climate and energy policies and measures in Europe in 2023, 2023.

In 2023, 18 countries reported indicators for at least one PaM, compared to 12 countries in 2021. In 2023, 17 countries reported at least one policy indicator and 15 countries reported at least one indicator (see Figure 19).

Figure 19. Number of PaMs and policy indicators reported by Member States

	Total number of PaMs	Number of PaMs with policy indicator	Number of PaMs with quantified policy indicator	Number of policy indicators	Number of quantified policy indicators	Number of quantified data
Austria	18	1	1	1	1	2
Belgium	241	20	20	29	29	31
Bulgaria	27	0	0	0	0	0
Cyprus	85	22	12	46	25	25
Czechia	101	34	0	34	0	0
Germany	136	0	0	0	0	0
Denmark	172	0	0	0	0	0
Estonia	105	8	7	18	17	17
Greece	77	18	1	19	1	1
Spain	188	44	28	62	39	52
Finland	132	6	6	6	6	6
France	201	29	12	31	12	12
Croatia	101	0	0	0	0	0
Hungary	124	12	12	28	28	27
Ireland	84	0	0	0	0	0
Italy	109	23	22	23	22	22
Lithuania	122	6	6	9	9	9
Luxembourg	197	0	0	0	0	0
Latvia	78	0	0	0	0	0
Malta	46	11	11	11	11	14
Netherlands	141	0	0	0	0	0
Poland	95	5	5	5	5	9
Portugal	96	3	3	4	4	4
Romania	88	0	0	0	0	0
Sweden	71	1	1	1	1	1
Slovenia	139	20	18	26	24	24
Slovakia	118	20	12	34	21	21
EU27	3039	283	177	387	255	277

Source: EEA, Overview of reported integrated national climate and energy policies and measures in Europe in 2023, 2023.

Notes: Number of PaMs with policy indicator: number of PaMs with a least a description of a policy indicator; number of PaMs with quantified policy indicator: number of PaMs with a least a description of a policy indicator and one value for at least one year; Number of policy indicators: number of policy indicators per PaM with a description, indicators can be the same for different PaMs; Number of quantified policy indicators: number of policy indicators per PaM with a description and one value for at least one year; number of quantified data: number of values reported for each policy indicator and PaM, values can be reported for more than one year.

Some Member States (Austria, Italy, Romania) did not report information on the financing of PaMs, while those that did often reported incomplete or inconsistent data (see EQ4)¹⁹⁵.

In the 2023 NECPs, over three-quarters of Member States reported the objective to achieve climate neutrality by 2050 or earlier¹⁹⁶. As of 2023, 21 Member States have a

¹⁹⁵ European Commission, *Assessment of progress towards the objectives of the Energy Union and Climate Action*, 2023.

¹⁹⁶ European Commission, *Climate Action Progress Report*, 2023.

target for reaching climate neutrality¹⁹⁷, 14¹⁹⁸ of which are contained in a dedicated climate law or are legally binding¹⁹⁹.

Feedback from other consultation activities revealed that the enforcement mechanism of the Governance Regulation is a key factor hindering the effective implementation of plans and reports (see EQ3).

Finally, across all Member States, there is a lack of national processes for monitoring the implementation of LTSs and progress towards long-term goals²⁰⁰.

5.1.1.3 EQ3 - How effective has the Governance Regulation been in responding to any ambition or implementation deficits (enforcement)?

The Governance Regulation has been only partially effective in responding to ambition or implementation deficits. Stakeholders underlined that the Regulation's enforcement mechanism is hampered by the fact that it is largely based on recommendations, which are not legally binding, and some countries did not systematically address the Commission's recommendations.

The Governance Regulation (Chapter 5) created a monitoring system to track the implementation of the 2030 framework and the associated targets at EU and Member State level. Where the draft NECPs or their draft updates show insufficient ambition, the Commission 'shall' (for the renewable energy target) and 'may' (for the other targets of the Energy Union) recommend that the relevant Member State(s) increase its ambition to ensure a sufficient overall level of ambition across the Union (Article 31(1) Governance Regulation)²⁰¹.

Where the Commission concludes, based on its aggregate assessment of Member States' integrated NECPs, that there is a risk of not meeting the objectives of the Energy Union, it may issue recommendation to all Member States (Article 32(2) Governance Regulation). The Commission's recommendations to Member States thus constitute the key response during the planning and implementation phases. Although not binding, the Governance Regulation requires Member States to take due account of those recommendations.

When surveyed, 14 out of 33 national authorities agreed (13)²⁰² or strongly agreed (one)²⁰³ that the Governance Regulation's enforcement mechanism is sufficient and appropriate to address insufficient national contributions to or implementation of EU energy and climate objectives. No respondent disagreed, although nine neither agreed nor disagreed²⁰⁴, three lacked knowledge²⁰⁵, and seven did not answer²⁰⁶. Conversely, in the survey of third sector stakeholders, 14 out of 20 respondents disagreed (12) or strongly disagreed (two) with the statement that the Governance Regulation's enforcement mechanisms are sufficient and fit for purpose to address insufficient national contribution to or the implementation of

¹⁹⁷ AT, CY, DE, DK, EE, EL, ES, FI, FR, HU, IE, IT, LT, LU, LV, NL, PT, RO, SE, SI, SK. Evans, N. Schöberlein, P. and Duwe, M. *Raising the bar on national climate governance in the EU*, Ecologic Institute, Berlin, forthcoming.

¹⁹⁸ DE, DK, EE, EL, ES, FI, FR, HU, IE, LT, LU, PT, SE, SI. Evans, N. Schöberlein, P. and Duwe, M. *Raising the bar on national climate governance in the EU*, Ecologic Institute, Berlin, forthcoming.

¹⁹⁹ Evans, N. Schöberlein, P. and Duwe, M. *Raising the bar on national climate governance in the EU*, Ecologic Institute, Berlin, forthcoming.

²⁰⁰ Velten, E.K., Evans, N., Spasova, D., Duwe, M., de la Vega, R., Duin, L. and Branner, H., *Charting a path to net zero: An assessment of national long-term strategies in the EU*, Ecologic Institute, Berlin, 2022.

²⁰¹ As per the ESR and LULUCF Regulation, when the Commission finds that a Member State is not making sufficient progress towards meeting its obligations, that Member State must submit a corrective action plan that includes a detailed explanation of the matter.

²⁰² BE, BG, CY, CZ, DK, EE, ES (3), FR, LU, NL, SK.

²⁰³ MT.

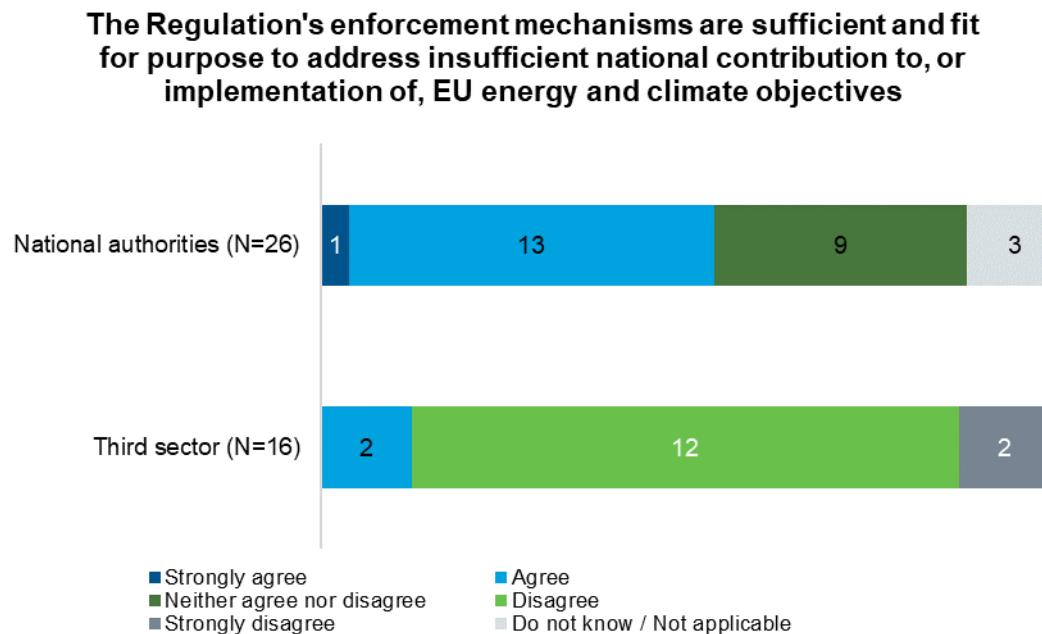
²⁰⁴ DE, DK, FI, HR (2), HU, LT, LV, PL.

²⁰⁵ DE, FI (2).

²⁰⁶ AT, DE (2), PL, SE (2).

EU energy and climate objectives (see Figure 20). Only two third sector stakeholders agreed and four respondents did not reply.

Figure 20. National authorities and third sector stakeholders' views on the Governance Regulation's enforcement mechanisms



Source: ICF, based on surveys of national authorities and third sector stakeholders.

Fifteen out of 33 national authorities agreed (14)²⁰⁷ or strongly agreed (one)²⁰⁸ that the Regulation's enforcement mechanisms were effectively deployed when there was a need to address insufficient national contributions to or implementation of EU energy and climate targets. Two national authorities disagreed²⁰⁹, four neither agreed nor disagreed²¹⁰, five did not know²¹¹, and seven did not reply²¹². Results from the survey with third sector stakeholders were mixed. Of the 20 respondents, five agreed with the statement that the enforcement mechanisms were effectively deployed, and others either disagreed (four) or strongly disagreed (one). Four respondents neither agreed nor disagreed and four did not reply (see Figure 21).

²⁰⁷ BE, BG, CY, CZ, EE, ES (3), FR, HR, HU, LU, NL, SK.

²⁰⁸ MT.

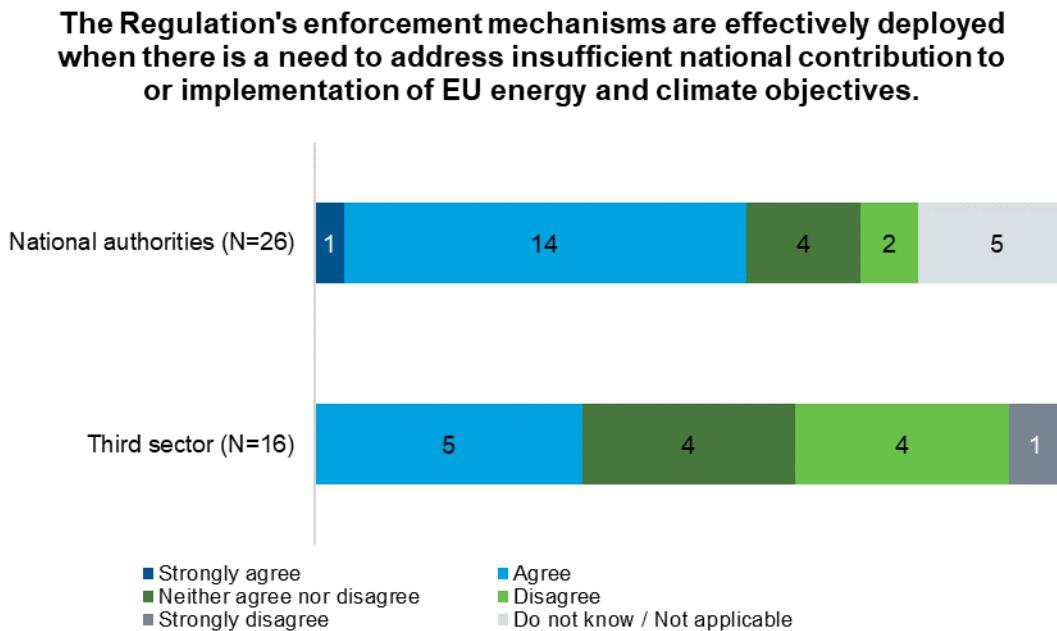
²⁰⁹ DK, HR.

²¹⁰ DE, DK, LV, PL.

²¹¹ DE, FI (3), LT.

²¹² AT, DE (2), PL (2), SE (2).

Figure 21. National authorities and third sector stakeholders' views on the effective deployment of the Governance Regulation's enforcement mechanisms



Source: ICF, based on surveys of national authorities and third sector stakeholders.

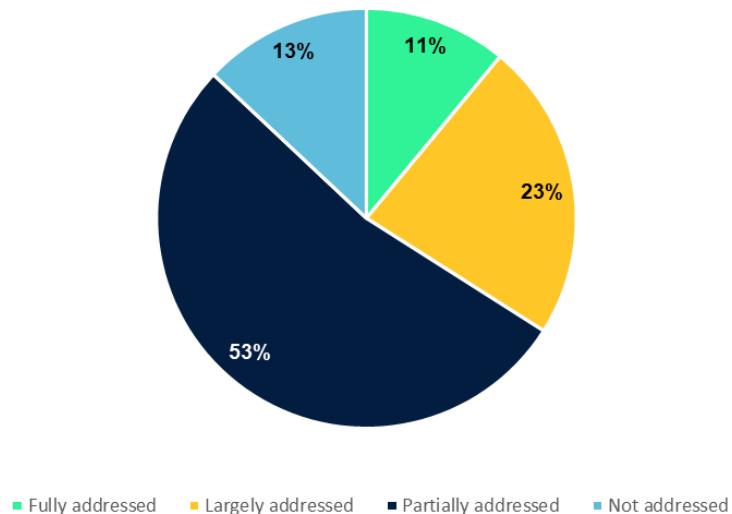
When asked why they think the enforcement mechanism is ineffective, six respondents to the survey of third sector stakeholders highlighted that the enforcement mechanism is largely ensured through recommendations, which are not legally binding.

Evidence from the CfE and targeted interviews similarly shows that some stakeholders doubt the effectiveness of the Governance Regulation's enforcement mechanisms. More specifically, 16 respondents to the CfE and 16 interviewees (mainly from the third sector and EU institutions) reported that the Governance Regulation has not been effective in ensuring a strong enforcement framework²¹³. The main weakness of the enforcement mechanism, according to stakeholders, lies in the fact it is based on recommendations, which are not legally binding. Stakeholders also explained that infringement procedures may only be initiated in response to Member States' non-compliance with procedural obligations (e.g. failure to submit the NECP on time), but not following instances of failure to achieve targets. They also underlined that the Commission's recommendations following the draft NECPs were not all addressed in the final NECPs. This is confirmed by the Commission's assessments of the final NECPs. An ICF review of the annexes included in the Commission's country-specific assessments (looking at the extent to which the Commission's recommendations were addressed by Member States in their final NECPs) revealed that the majority (66 %, 378) of recommendations were either partially

²¹³ Replies to CfE: NGOs (10): EEB; CAN Europe; Transport and Environment; Renewables Grid Initiative (RGI); Natural Resources Defense Council; Youth and Environment; Germanwatch e V; WWF Greece; Environmental Justice Network Ireland (EJNI); Association for the Sustainability of the Earth System. Business association (1): European Renewable Energies Federation. Environmental organisations (3): Estonian Fund for Nature, Estonian Green Movement, Green Liberty; Baltic environmental organizations; WWF European Policy Office. Academics/Research institutes (2): Ecologic Institute; Brussels School of Governance. Interviews with third sector stakeholders (12); Interviews with EU Institutions (2); Scoping interviews with EU Institutions (2); Feedback gathered at the stakeholders' event on 11 January 2024.

addressed (53 %, 304), or not addressed at all (13 %, 74) by Member States (see Figure 22).

Figure 22. Status of recommendations as per the annexes included in the Commission's country-level assessment of final NECPs (N=571)



Source: ICF, based on mapping of the annexes included in the country-level assessments of the final NECPs produced by the European Commission²¹⁴

Industry and national authorities interviewed did not have specific opinions on the effectiveness of the enforcement mechanism. However, two national authorities underlined challenges or factors related to actual implementation of the targets. One highlighted that deficits in the ambition of targets do not depend on NCAs but on political decision-making²¹⁵. For example, evidence shows that contentious discourse and politicisation of climate issues have hindered progress on several fronts, including adopting binding legal architecture at national level²¹⁶.

5.1.1.4 EQ4 - What difference has the Governance Regulation made in terms of stimulating spending and investment?

The limited evidence on the extent to which the Governance Regulation has stimulated spending and investment that targets the achievement of the EU's energy and climate objectives is mixed. The Commission's assessments revealed that NECPs lack detail on investment needs and funding sources. Stakeholders were unable to link targeted spending and investment to the Governance Regulation, although some acknowledged the positive impact of the Governance Regulation in creating a more predictable environment for investors.

The Governance Regulation sought to enhance regulatory and investor certainty and facilitate opportunities for economic development, investment stimulation, job creation and social cohesion (Article 1 (1)(d)). Accordingly, Article 7 of the Regulation requires Member States to provide a general overview of the investment needed to achieve the objectives, targets and contributions set out in their national plans, as well as a general assessment

²¹⁴ Commission assessments, https://commission.europa.eu/energy-climate-change-environment/implementation-eu-countries/energy-and-climate-governance-and-reporting/national-energy-and-climate-plans_en

²¹⁵ Interview with national authority (BE).

²¹⁶ Evans, N. Schöberlein, P. and Duwe, M. *Raising the bar on national climate governance in the EU*, Ecologic Institute, Berlin, forthcoming.

of the sources of that investment. In accordance with Article 17(2)(a) and Article 21(b)(7), Member States must report information on their progress towards financing the PaMs, or groups of PaMs, and must review actual investment against initial investment assumptions.

Evidence from the desk research shows that the draft NECPs did not provide sufficient detail on investment needs and financing sources²¹⁷. That lack of structurally reported data on investment needs and financing sources reduces predictability for investors and hinders informed policy analysis²¹⁸.

The 2020 EU-wide assessment of the final NECPs found that, compared to the draft NECPs, Member States presented an improved overview of the expected investments needed to achieve the various objectives, targets and contributions²¹⁹. Nevertheless, some of the NECPs lacked sufficient detail to enable total investment needs for energy and climate objectives to be summed or compared²²⁰. A 2022 study led by CAN Europe found that this was particularly true of investment needs in circular economy and biodiversity²²¹. To address the lack of detail on investment needs, the 2022 Commission guidance to Member States for the update of the NECPs urged Member States to provide a detailed financing plan addressing the investment needs for each of the five dimensions of the Energy Union²²².

A 2022 assessment of the national LTSs by the Ecologic Institute found that almost all LTSs contain information on financing aspects²²³. Four Member States provide guidance on finance qualitatively, while 12 also provide data on investment needs until 2050²²⁴. These investment needs are mainly the 'additional investment needs', i.e. those associated with reaching the 2050 climate target and are in addition to what would have been invested in the reference case.

²¹⁷ NET ZERO 2050, *Planning for Net Zero: Assessing the Draft NECPs*, 2019, https://www.ecologic.eu/sites/default/files/publication/2019/2149-necp-assessment-ecologic-institute-climate_20190516.pdf; Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, United in delivering the Energy Union and Climate Action - Setting the foundations for a successful clean energy transition, COM/2019/285 final, <https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1565713062913&uri=CELEX:52019DC0285>

²¹⁸ The EU Climate Funding Tracker was developed by Agora energiewende that aims to provide an overview of funding sources, showing their allocation across Member States and sectors, and an assessment of the EU funding contribution in closing the national investment gaps, <https://www.agora-energiewende.org/data-tools/eu-climate-funding-tracker>

²¹⁹ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, An EU-wide assessment of National Energy and Climate Plans: Driving forward the green transition and promoting economic recovery through integrated energy and climate planning, COM(2020) 564 final, <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020DC0564>

²²⁰ Ibid., European Court of Auditors, *EU climate and energy targets. 2020 targets achieved, but little indication that actions to reach the 2030 targets will be sufficient*, Special report, 2023, https://www.eca.europa.eu/ECAPublications/SR-2023-18/SR-2023-18_EN.pdf

²²¹ CAN Europe, *Taking Stock & Planning Ahead. NECPs as a tool to achieve climate safety and energy security*, 2022, p. 8, <https://caneurope.org/taking-stock-planning-ahead-national-energy-and-climate-plans-as-a-tool-to-achieve-climate-safety-and-energy-security/>

²²² The guidelines also provide that 'innovative approaches such as insurance policies and fiscal measures addressing the climate protection gap, may also be considered, as well as investments aimed at preserving biodiversity that would contribute to climate adaptation' (Commission Notice on the Guidance to Member States for the update of the 2021-2030 national energy and climate plans, 2022/C 495/02, [https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52022XC1229\(02\)](https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52022XC1229(02))).

²²³ Velten, E.K., Evans, N., Spasova, D., Duwe, M., de la Vega, R., Duin, L. and Branner, H., *Charting a path to net zero: An assessment of national long-term strategies in the EU*, Ecologic Institute, Berlin, 2022.

²²⁴ CZ, EL, ES, FI, FR, HU, LV, MT, PT, SI, SK. Excluding countries that do not provide any figure and those without LTSs (BG, CY, IE, PL, RO). Velten, E.K., Evans, N., Spasova, D., Duwe, M., de la Vega, R., Duin, L. and Branner, H., *Charting a path to net zero: An assessment of national long-term strategies in the EU*, Ecologic Institute, Berlin, 2022.

On progress towards financing, the 2023 Commission assessment of progress towards the objectives of the Energy Union and Climate Action found that²²⁵:

- Some Member States (Austria, Italy, Romania) did not report on the financing of PaMs. Those that did provide information often reported incomplete or inconsistent data;
- Overall, the most important data gaps related to actual investments and appropriate accounting of the source of the funds employed (national public, European, private funds). Several Member States failed to report any support from the EU budget, which appears inconsistent with other information available at EU level (e.g. allocations from Cohesion Policy funds). This lack of proper reporting on funding sources fails to accurately identify funding needs and gaps, which is central to sound strategic planning and implementation. It also makes it impossible to assess the effectiveness of public support and its impact on public finances;
- The high level of incompleteness prevents an actual division between national, European, and private funds allocated by Member States.

It was not possible to compare Member States' submissions, as the timelines for investment assumptions differ. Implementation periods of single PaMs vary because investment assumptions – especially those related to financial allocations to specific national financing schemes/programmes or specific investments – are determined by national procedures setting budgetary allocations for the specific measure. In the next reporting cycle, it will be important to reflect on ways to increase the consistency and comparability of information on financing.

Survey respondents had mixed views on the Governance Regulation's contribution to improving predictability and certainty for public and private investors. Although there were no substantial differences between respondent types (see Figure 23; Figure 24; and Figure 25), public authorities tended to feel more positively about the impact of the Governance Regulation compared to representatives from industry and the third sector.

Across all surveys, 27 respondents reported that the Governance Regulation contributed to increased predictability and certainty for public and private investors to some extent (17), a large (eight)²²⁶, or a very large extent (two)²²⁷. Conversely, 14 reported that the Governance Regulation contributed to increased predictability and certainty for investors to only a small extent²²⁸, and others reported no contribution at all (seven)²²⁹. In addition, 22 respondents indicated a lack of knowledge (11)²³⁰ or chose not to answer (11)²³¹ (see Figure 23).

²²⁵ Report from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, State of the Energy Union Report COM(2023), 650 final, https://eur-lex.europa.eu/resource.html?uri=cellar:b27b8b93-725d-11ee-9220-01aa75ed71a1.0001.02/DOC_1&format=PDF

²²⁶ Survey of national authorities (4): BE, CY, ES, SK; Survey of industry stakeholders (2); Survey with third sector stakeholders (2).

²²⁷ Survey of national authorities: ES (2).

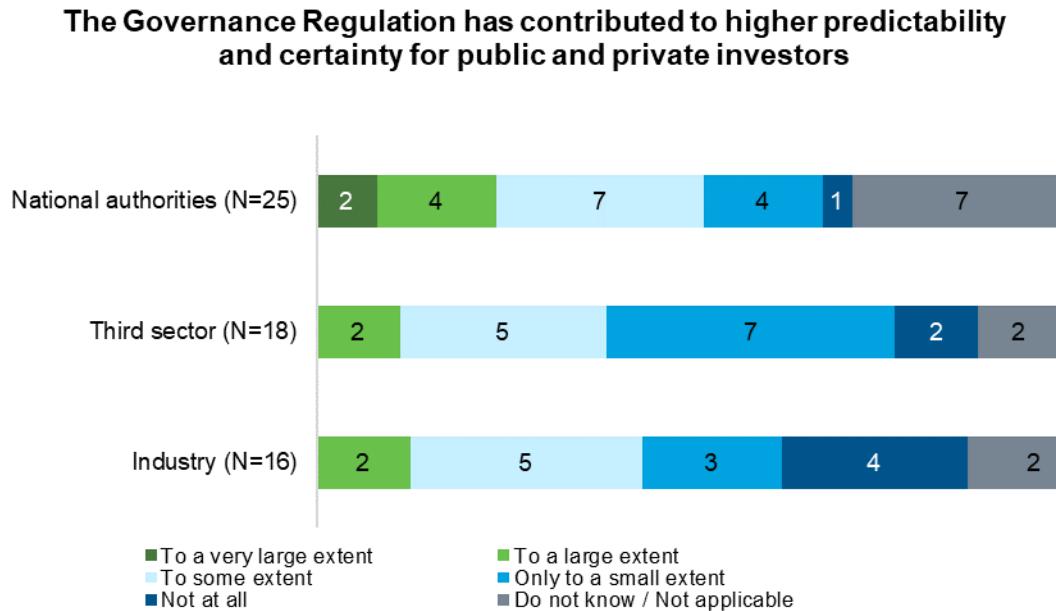
²²⁸ Survey of national authorities (4): AT, DK, FI, FR; Survey of industry stakeholders (3); Survey of third sector stakeholders (7).

²²⁹ Survey of national authorities (1): LV; Survey of industry stakeholders (4); Survey of third sector stakeholders (2).

²³⁰ Survey of national authorities (7): DE (2), DK, FI (2), HR, NL; Survey of industry stakeholders (2); Survey of third sector stakeholders (2).

²³¹ Survey of national authorities (8): DE (2), EE, LU, PL (2), SE (2); Survey of industry stakeholders (1); Survey of third sector stakeholders (2)

Figure 23. Survey respondents' views on the Governance Regulation's contribution to higher predictability and certainty for public and private investors



Source: ICF, based on surveys of national authorities, industry stakeholders, third sector stakeholders.

Twenty-six respondents (across all surveys) indicated that **national plans and reports** have created a clearer, more predictable environment and have stimulated **public** investment to some extent (14)²³², a large extent (10)²³³, or a very large extent (two)²³⁴. Conversely, 18 reported that national plans and reports have created a clearer, more predictable environment and have stimulated public investment to a small extent only (11)²³⁵, or made no contribution at all (seven)²³⁶. Fifteen respondents indicated a lack of knowledge²³⁷ and 11 did not reply²³⁸ (see Figure 24).

²³² Survey of national authorities (7): BG, CZ, ES, FR, HU, LT, PL; Survey of industry stakeholders (5); Survey of third sector stakeholders (2).

²³³ Survey of national authorities (5): BE, CY, HR, MT, SK; Survey of third sector stakeholders (3); Survey of industry stakeholders (2).

²³⁴ Survey of national authorities (2): ES (2).

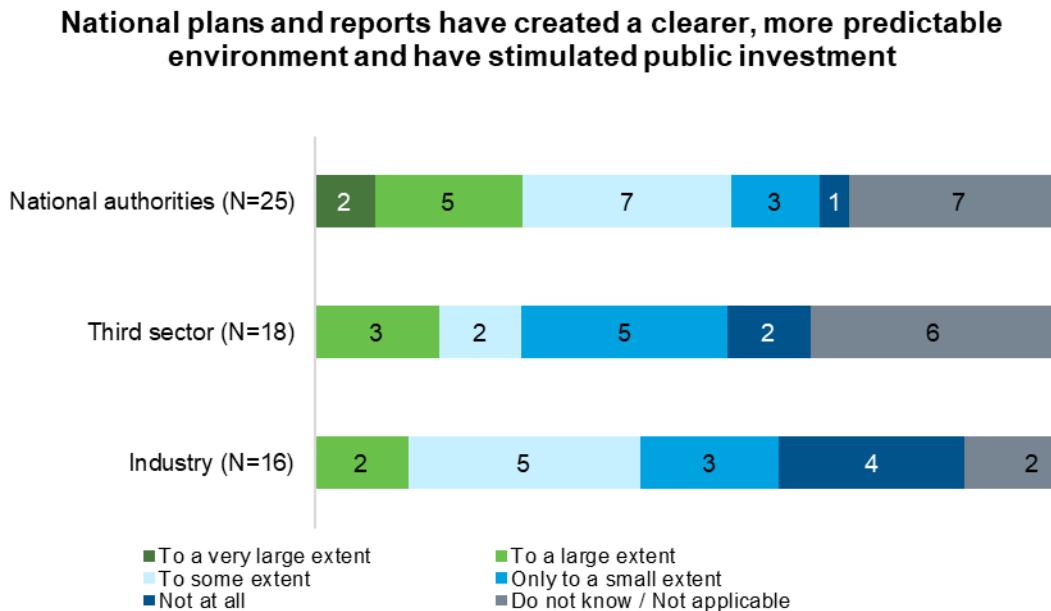
²³⁵ Survey of national authorities (3): AT, DK, LV; Survey of industry stakeholders (3); Survey of third sector stakeholders (5).

²³⁶ Survey of national authorities (1): FI; Survey of industry stakeholders (4); Survey of third sector stakeholders (2).

²³⁷ Survey of national authorities (7): DE (2), DK, FI (2), HR, NL; Survey of third industry stakeholders (6); Survey of industry stakeholders (2).

²³⁸ Survey of national authorities (8): DE (2), EE, LU, PL (2), SE; Survey of third sector stakeholders (2); Survey of industry stakeholders (1).

Figure 24. Stakeholders' views on whether national plans and reports created a clearer and more predictable environment and stimulated public investment



Source: ICF, based on surveys of national authorities, third sector stakeholders, industry stakeholders.

Twenty-three respondents (across all surveys) indicated that national plans and reports have created a clearer, more predictable environment and stimulated private investment to some extent (13)²³⁹, a large extent (eight)²⁴⁰, or a very large extent (two)²⁴¹. A slightly smaller number (19) reported that national plans and reports have created a clearer, more predictable environment and stimulated private investment to only a small extent (12)²⁴² or made no contribution at all (seven)²⁴³. Nineteen respondents indicated a lack of knowledge²⁴⁴ and nine chose not to answer (see Figure 25).

²³⁹ Survey of national authorities (8): BG, CY, ES, FR, HR, LT, MT, PL; Survey of third sector stakeholders (2); Survey of industry stakeholders (3).

²⁴⁰ Survey of national authorities (2): BE, SK; Survey of third sector stakeholders (3); Survey of industry stakeholders (3).

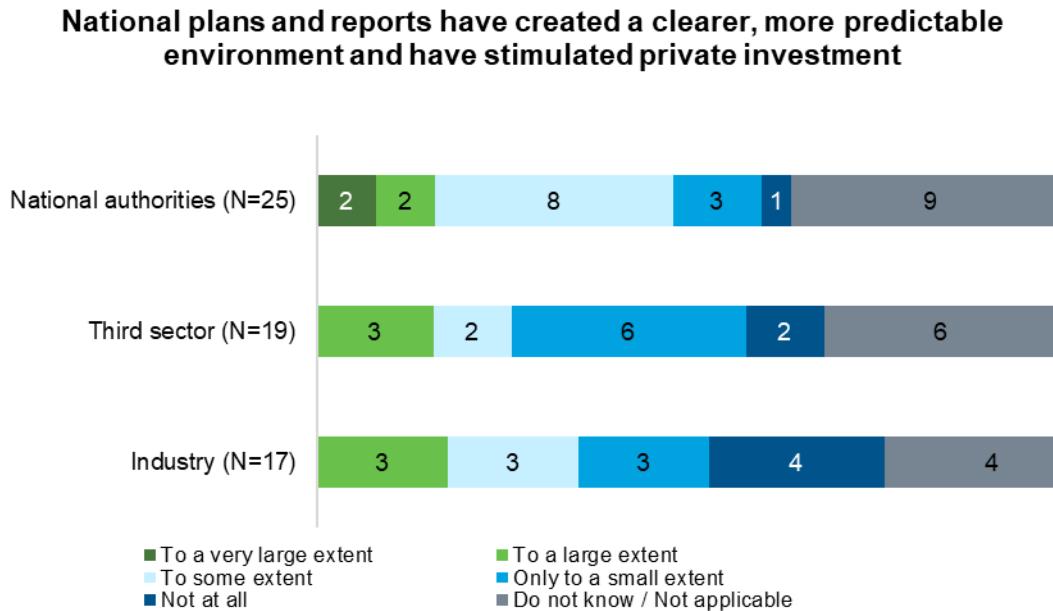
²⁴¹ Survey of national authorities (2): ES (2).

²⁴² Survey of national authorities (3): DK, FI, HU; Survey of third sector stakeholders (6); Survey of industry stakeholders (3).

²⁴³ Survey of national authorities (1): LV; Survey of third sector stakeholders (2); Survey of industry stakeholders (4).

²⁴⁴ Survey of national authorities (9): AT, CZ, DE (2), DK, FI (2), HR, NL; Survey of third sector stakeholders (6); Survey of industry stakeholders (4).

Figure 25. Stakeholders' views on whether national plans and reports created a clearer and more predictable environment and stimulated private investment



Source: ICF, based on surveys of national authorities, third sector stakeholders, industry stakeholders.

Table 13 presents some examples of key investments stimulated by national plans and reports under the Governance Regulation. The information was collated from stakeholders' replies to the surveys.

Table 13. Investments mentioned by stakeholders in their survey responses

Survey stakeholder type	Examples of investments mentioned by survey respondents
National authorities	<ul style="list-style-type: none"> Belgium: H2 backbone. Cyprus: National planning for RRP and structural funds was based on the NECP. Support schemes and other projects under national funds were based on the NECP. Spain: Investments in renewable energy private projects, stimulated by the implementation of the Recovery, Transformation and Resilience Plan in Spain. Lithuania:

Survey stakeholder type	Examples of investments mentioned by survey respondents
	<ul style="list-style-type: none"> • Offshore wind farms, requiring key private investments. • Hungary: • Investments of the power sector (network, storage, electrolyzers). • Malta: • Support schemes for solar PVs in households and businesses (grants and feed-in-premiums), installation of battery energy storage systems in combination with solar PVs, installation of solar water heaters and heat pump water heaters in residential.
Industry stakeholders	<ul style="list-style-type: none"> • Investment in renewable energy technologies.
Third sector stakeholders	<ul style="list-style-type: none"> • The Greek government's NECP provided a clear roadmap for the country's transition to a low-carbon economy, which has helped to attract public investment in renewable energy, energy efficiency and other clean technologies (reply from a research institution from Greece). • In Belgium, ECOLISE has been able to continue research on energy communities (in EU-funded projects, such as COMETS) (reply from a non-profit association).

Source: replies to surveys of national authorities, industry stakeholders, third sector stakeholders.

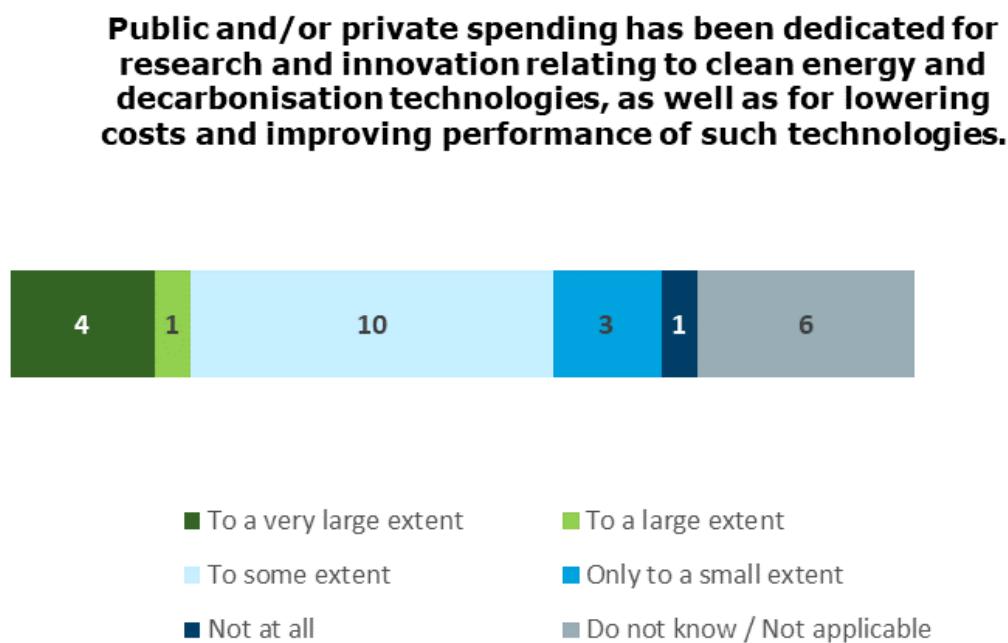
On public and private spending on R&I relating to clean energy technologies, the 2023 Commission assessment of progress towards the objectives of the Energy Union and Climate Action revealed that²⁴⁵:

- Nineteen Member States provided some information on quantifiable national objectives relating to public spending on R&I, and five reported against a target. Of the 13 Member States that reported data for both 2020 and 2021, 12 recorded an increase in R&I investment (Austria, Czechia, Germany, Finland, France, Lithuania, Malta, the Netherlands, Portugal, Romania, Spain, Sweden), and only one a slight decrease (Greece). Five Member States also provided some information on private expenditure on R&I. As several Member States reported only partially, and there were seemingly encoding errors, it was difficult to provide an informed assessment at EU level, beyond stressing the need to improve capacity and consistency in monitoring and reporting of R&I spending in clean energy technologies;
- Eighteen Member States reported on non-quantifiable national objectives related to public spending on R&I. There were significant differences in Member States' approaches to reporting. Member States reported a wide range of targets related to the development of clean technologies. In several cases, the support measures or programs were technology-specific.

²⁴⁵ European Commission, Assessment of progress towards the objectives of the Energy Union and Climate Action, SWD(2023), 646 final.

- In the targeted survey of national authorities, participants were reminded that one of the objectives of the Governance Regulation is to encourage public and private investment and economic development towards delivering climate and energy goals. Participants were then asked to consider whether public and, where available, private spending has been dedicated to R&I relating to clean energy and decarbonisation technologies, as well as lowering costs and improving the performance of such technologies. Of the 33 national authorities that replied, 15 indicated that public and/or private spending has been dedicated to R&I relating to clean energy and decarbonisation technologies, at least to some extent²⁴⁶. Of these 15, five reported this is the case to a very large extent (four)²⁴⁷, or to a large extent (one)²⁴⁸. Three authorities indicated that this objective has been achieved only to a small extent²⁴⁹, and one reported 'not at all'²⁵⁰. Six authorities indicated a lack of knowledge²⁵¹ and eight chose not to reply (see Figure 26)²⁵².

Figure 26. National authorities' views on allocation of public/private spending for R&I relating to clean energy and decarbonisation technologies (N=25)



Source: ICF, based on survey of national authorities.

Six industry stakeholders noted an increase in public spending for R&I associated with cleaner energy and decarbonisation technologies to some extent. However, contrasting views were expressed, with three respondents stating no increase at all, two indicating only a small increase, and four expressing uncertainty (see Figure 27). It appears that national authorities and industry stakeholders concur.

²⁴⁶ Survey of national authorities (10): AT, BG, CY, CZ, ES, FR, HR, HU, MT, PL.

²⁴⁷ Survey of national authorities (4): ES (2), NL, SK.

²⁴⁸ Survey of national authorities (1): BE.

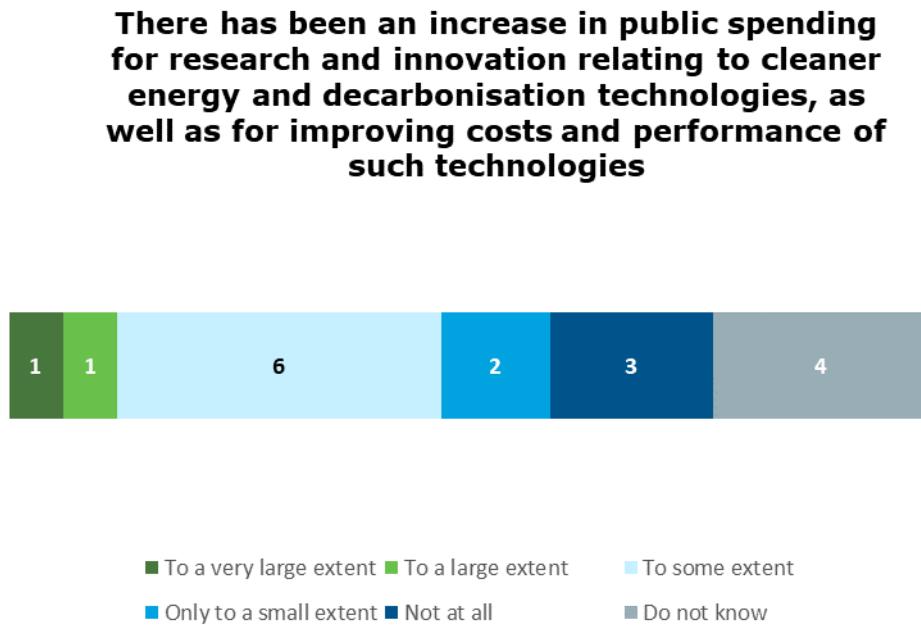
²⁴⁹ Survey of national authorities (3): DK, FI, LT.

²⁵⁰ Survey of national authorities (1): LV.

²⁵¹ Survey of national authorities (6): DE (2), DK, FI (2), HR.

²⁵² Survey of national authorities (8): DE (2), EE, LU, PL (2), SE (2).

Figure 27. Industry stakeholders' views on increased public spending for R&I relating to cleaner energy and decarbonisation technologies (N=17)



Source: ICF, based on survey of industry stakeholders.

During the interviews, 11 stakeholders indicated that the NECPs might have contributed to creating a more predictable environment for investors²⁵³. They noted that the NECPs provided a useful overview of national policies and intended actions on the different Energy Union dimensions, which is important background for investors. However, 14 stakeholders expressed uncertainty about the extent to which the Governance Regulation has stimulated spending and investment, with several noting that it is difficult to monitor or attribute increases to the Regulation²⁵⁴. Stakeholders noted some factors that may have hindered the potential of the Governance Regulation in creating a more predictable environment for investors:

- Twenty-one stakeholders highlighted information gaps within the NECPs on investment needs for the green transition and their sources²⁵⁵. It is not clear whether these data deficiencies originate directly from the Governance Regulation or issues at national level, although three third sector stakeholders pointed to Member State capacity to effectively map this type of information²⁵⁶;

²⁵³ Interviews with industry stakeholders (1); Interviews with national authorities (3); Interviews with third sector stakeholders (3); Interviews with EU institutions (1); Scoping interviews with EU institutions (2); Scoping interview with national authority (1). During the stakeholder event on 11 January 2024, one national authority from Germany underlined that NECPs constitute a helpful tool that enhance certainty for investors.

²⁵⁴ Interviews with industry stakeholders (1); Interviews with national authorities (1); Interviews with EU institutions (3); Interviews with third sector stakeholders (5); Scoping interviews with EU institutions (2), NCAs (2).

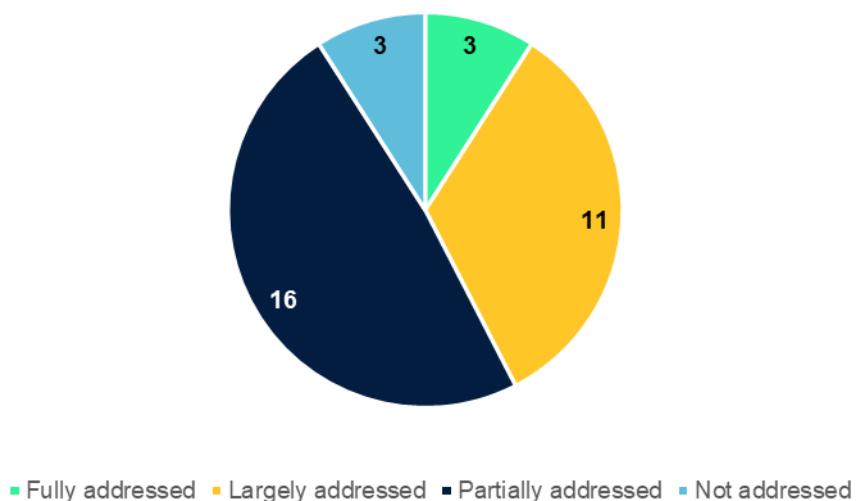
²⁵⁵ Interviews with EU institutions (2); Interviews with third sector stakeholders (8); Interviews with industry stakeholders (2); Scoping interviews with EU institutions (3), Scoping interview with national authorities (2); Replies to CfE: NGOs (2): Transport and environment; Renewable Grid Initiative; Environmental Organisation (1): WWF European Policy Office; Academic/Research Institute (1): Ecologic Institute.

²⁵⁶ Interviews with third sector stakeholders (3).

- Seven stakeholders reported that investors might need information with a more extended timeframe and a long-term perspective²⁵⁷. They deemed the timeframe of the NECPs (2021-2030) too short, with some noting that the LTSs are more relevant in this sense (taking a perspective of at least 30 years). This potentially hinders the development of a comprehensive forward-looking perspective, which is crucial for investors;
- Four stakeholders mentioned that NECPs provide information aimed at an expert audience, that investors might not find the NECPs particularly user-friendly, and that third sector stakeholders are more interested in the NECPs processes²⁵⁸. One stakeholder underlined a similar concern about the NECPRs, while other industry stakeholders stressed the importance of fully understanding what investors need in terms of the type and granularity of data from NECPs (e.g. at regional and local level)²⁵⁹.

A review of the annexes included in the Commission's country-specific assessments (on the extent to which the Commission's recommendations were addressed by Member States in their final NECPs) reveals that while 14 (out of 33) recommendations related to investments and funding sources were addressed largely (11) or fully (three), 16 recommendations were only partially addressed, and three were not addressed at all (see Figure 28).

Figure 28. Status of recommendations on investments and funding sources as per annexes included in the Commission's country-level assessment of final NECPs (N=33)



Source: ICF, based on mapping of the annexes included in the Commission's country-level assessments of the final NECPs.

Article 33 of the Governance Regulation established, as of January 2021, a Union Renewable Energy Financing Mechanism (REFM) to tender support for new renewable energy projects, with the aim of covering a gap in the indicative Union trajectory.

²⁵⁷ Interviews with industry stakeholders (1); Interviews with third sector stakeholders (2); Survey response from industry stakeholders (1); Survey response from third sector stakeholders (1); Survey response from national authorities (2).

²⁵⁸ Interview with national authority (1); Interview with third sector stakeholder (1); Feedback gathered during the stakeholders' event on 11 January 2024 (2).

²⁵⁹ Feedback gathered during the stakeholders' event on 11 January 2024 (3).

Renewable Energy Financing Mechanisms (REFM)

The European Commission established the REFM to better support renewable energy projects and encourage greater uptake of RES across the EU. The Mechanism allows two or more countries to jointly support new renewable projects by providing the funding and the territory. The REFM links countries that voluntarily pay into the Mechanism (contributing countries) with countries that agree to have new projects built on their soil (hosting countries). The Commission facilitates the common agreement of the contributing and host countries on the conditions and criteria under which the support will be granted.

Following a binding commitment by Finland and Luxembourg, the first cross-border tender for renewables opened on 18 April 2023 and closed on 27 September 2023. It provides investment support to solar PV installations located in Finland with a minimum capacity of 5 MW and a maximum of 100 MW. The maximum total capacity of the call is 400 MW. For the next 15 years, Luxembourg and Finland will share the statistical benefits of the electricity produced by the supported projects. The Commission is organising the next call for proposals in 2024.

Sources: European Commission, EU renewable energy financing mechanism, https://energy.ec.europa.eu/topics/renewable-energy/financing/eu-renewable-energy-financing-mechanism_en

Only three stakeholders mentioned the REFM during the interviews or in the CfE and none mentioned it during the surveys. Two stakeholders questioned whether the REFM is used to its full extent²⁶⁰. For instance, one stakeholder reported that the first tender under the REFM was not particularly successful, with only Finland (host) and Luxembourg (contributor) willing to cooperate.

One public authority (Denmark), replying to the CfE, underlined that the current setup of the REFM is not suitable, especially for offshore wind projects. It noted that the Mechanism is only partially adequate for procurement purposes (e.g. timing, creating the right incentives for Member State participation when the fund beneficiary is a private actor, and the Commission's role) and financing projects not producing renewable energy until after 2030, where there are currently no targets for renewable energy production or consumption²⁶¹.

5.1.1.5 EQ5 - How successful has the Regulation been in ensuring regional cooperation?

The Governance Regulation has stimulated regional cooperation to some extent. Although several Member States engaged in regional cooperation through various forums and initiatives on different dimensions of the Energy Union, evidence shows that the potential of regional cooperation has yet to be fully exploited.

Article 12(1) of the Governance Regulation requires Member States to take account of all existing and potential forms of regional cooperation to effectively meet the objectives, targets and contributions set out in their NECPs. To promote such regional cooperation, in 2022 the European Commission:

²⁶⁰ Reply to CfE: (1) NGO: CAN Europe; Interview with third sector stakeholder (1).

²⁶¹ Reply to CfEL Public authority DK (Danish Ministry of Climate, Energy and Utilities).

- Adopted a guidance notice to Member States on the update of the NECPs, which includes guidance to strengthen regional cooperation for a better coordinated response and promotion of solidarity²⁶²;
- Published guidance on cost-benefit sharing in cross-border renewable energy cooperation projects²⁶³ to support Member States willing to engage in cross-border cooperation projects pertaining to renewable energy;
- Launched the EU Energy Platform to coordinate the work to diversify EU gas supplies away from Russian sources. The platform also created five regional groups (South-East Europe, Central Eastern Europe, North-West Europe, South-West Europe, Baltics) to identify needs, opportunities for common use of infrastructure, and potential new suppliers. These regional groups meet regularly and discuss the potential for joint purchasing in each region.

Both the 2019 EU-wide assessment of the draft NECPs and the 2020 EU-wide assessment of the final NECPs indicated the need to enhance regional cooperation efforts²⁶⁴. The 2020 EU-wide assessment found that while Member States properly understood and described the need for regional cooperation, with some making use of existing regional forums in drawing up their NECPs, the full potential of regional cooperation has yet to be realised. The 2020 EU-wide assessment found that very few Member States described specific measures to optimise access and use of regional facilities, or to better plan renewable energy deployment and energy efficiency measures in cooperation with other Member States. It also indicated that Member States should make better practical use of regional cooperation, for example by using existing forums²⁶⁵ to address common issues affecting energy transition priorities, enhancing energy transition regionally.

The 2023 Commission assessment of progress towards the objectives of the Energy Union and Climate Action revealed that most of the Member States reported progress in implementing regional cooperation, with most reporting some advances in at least one of their regional cooperation initiatives or projects²⁶⁶. There was insufficient information on progress in some cases, with very few not reporting at all. Reported regional cooperation projects or initiatives span the five dimensions of the Energy Union, and most Member States reported projects related to more than one dimension. The majority focus on energy security, internal energy market and decarbonisation, with fewer projects or initiatives related to energy efficiency and research, innovation, and competitiveness. Some Member States reported cooperation only on one dimension, while others reported cooperation on all five dimensions (see Box 4).

²⁶² Commission Notice on the Guidance to Member States for the update of the 2021-2030 national energy and climate plans, 2022/C 495/02, [https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52022XC1229\(02\)](https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52022XC1229(02))

²⁶³ Commission Notice on the Guidance on cost-benefit sharing in cross-border renewable energy cooperation projects, C(2022) 9284 final, https://energy.ec.europa.eu/system/files/2022-12/C_2022_9284_F1_OTHER_AUTONOMOUS_ACT_EN_V2_P1_2356829.PDF

²⁶⁴ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, United in delivering the Energy Union and Climate Action - Setting the foundations for a successful clean energy transition, COM(2019) 285 final, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52019DC0285>; Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, An EU-wide assessment of National Energy and Climate Plans: Driving forward the green transition and promoting economic recovery through integrated energy and climate planning, COM(2020) 564 final, <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020DC0564>

²⁶⁵ Some positive examples identified included cooperation in the following groups: the Pentalateral, the Central and Southeastern Europe energy connectivity (CESEC), the Northern Seas initiative, and the Baltic countries (for example Estonia and Latvia are planning a joint auction for offshore wind).

²⁶⁶ European Commission, Assessment of progress towards the objectives of the Energy Union and Climate Action, SWD(2023), 646 final.

Box 4. Regional cooperation initiatives

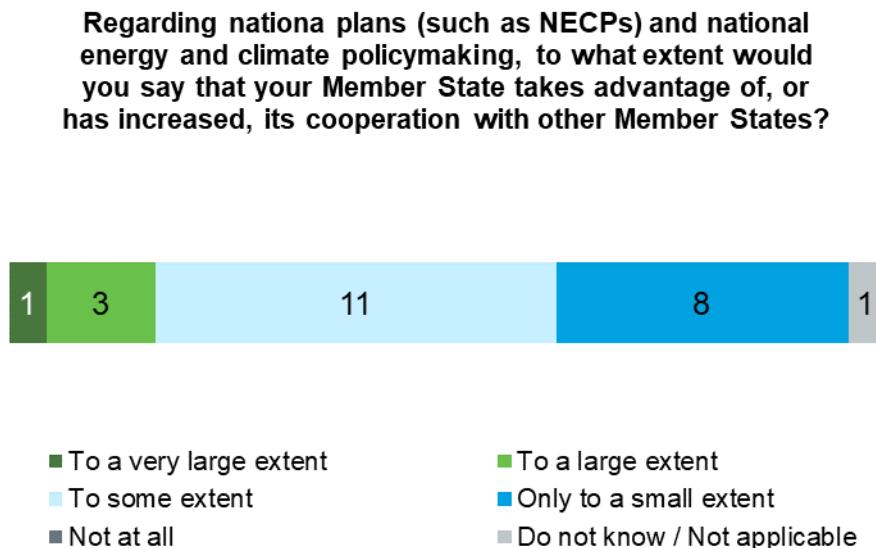
- **High-level groups:** providing strategic and policy guidance, monitoring progress of PCIs in priority regions. These include cooperation within the North Seas Energy Cooperation (see below), Interconnections for South-West Europe, the Baltic Energy Market Interconnection Plan, and the Central and South Eastern Europe Energy Connectivity.
- The **Pentalateral Energy Forum:** a regional energy cooperation between Austria, Belgium, France, Germany, Luxembourg, the Netherlands and Switzerland, which was created in 2005. This forum contributes to objectives related to energy security, an integrated internal energy market, and decarbonisation (e.g. study on system flexibility in the Penta region (including synergies from regional cross-border exchange of flexibility); implementing the risk preparedness regulation).
- The **North Seas Energy Cooperation**, which facilitates the development of offshore grid development and the large renewable energy potential in the region. Agreeing to reach at least 260 GW of offshore wind energy by 2050, for example.
- The **EU Energy Platform**, within which five regional groups were set up. The Platform was established in April 2022 to support the EU's security of supply and access to affordable energy, including international outreach, demand aggregation, and efficient use of EU gas infrastructures. The regional groups agree action plans on gas demand, including potential gas demand reduction, infrastructure opportunities and supply options. On 1 June 2022, the Regional Energy Platform for South-East Europe agreed an action plan to diversify supply and bolster energy security due to the disruption of gas supplies from Russia.
- **Strategies** (e.g. EU Strategy for the Adriatic Ionian Region, Mediterranean CCS Strategies Plan, the EU Strategy for the Baltic Sea Region, the Strategy for the Danube Region, joint regional risk assessment related to the security of natural gas supply – Ukrainian group and Belarusian group) and **projects** on market integration implemented by ENTSO-E (IGCC, MARI and PICASSO projects, CORE CCR and South-Eastern Europe Regional Security Coordinator), Interreg programmes, CEF (e.g. the Baltic Synchronisation project), Trans-European Networks for Energy (TEN-E) initiatives, as well as the SET roadmap and the TARES technical assistance project.
- **Bilateral cooperation** initiatives with **other Member States**, as well as bilateral gas solidarity agreements or multi-country Memoranda of Understanding (MoU), including with **third countries** (e.g. Croatia with Bosnia and Herzegovina, Montenegro and Albania, or Greece with Israel, Egypt, Jordan, Saudi Arabia, United Arab Emirates, United States of America (US), and Italy with Tunisia, Switzerland and Montenegro).
- **Multilateral cooperation** in the frame of the Transatlantic Partnership for Energy and Climate Cooperation. Several references have been made to the Union for the Mediterranean (Gas platform, Regional Electricity Market Platform and Renewable Energy and Energy Efficiency Platform), the Organisation of the Black Sea Economic Cooperation (BSEC) and the Eastern Mediterranean Gas Forum (EMGF), enhancing regional cooperation among EU Member States and non-EU countries.

Source: European Commission, Assessment of progress towards the objectives of the Energy Union and Climate Action, SWD(2023, 646 final; European Commission website, Energy: high-level groups.

Of the 33 national authorities that participated in the survey, 14 (Belgium, Bulgaria, Croatia, Cyprus, Denmark, Finland (three), France, Germany (two), Latvia, the Netherlands, Poland) reported that their respective Member States have taken advantage

of, or increased, cooperation with other Member States, at least to some extent (11)²⁶⁷, to a large extent (three)²⁶⁸, or to a very large extent (one)²⁶⁹ (see Figure 29). Eight reported that regional cooperation occurred to a small extent only²⁷⁰. One authority indicated a lack of knowledge²⁷¹ and nine did not reply²⁷².

Figure 29. National authorities' views on the extent to which their Member States took advantage of, or have increased, their cooperation with other Member States



Source: ICF, based on survey of national authorities.

A review of the annexes included in the Commission's country-specific assessments reveals that 29 (of 51) recommendations related to regional cooperation were either fully (17) or largely (12) addressed in Member States' final NECPs. Eighteen recommendations were partially addressed and four were not addressed (see Figure 30).

²⁶⁷ Survey of national authorities (11): BG, CY, DE (2), DK, FI (3), FR, HR, PL.

²⁶⁸ Survey with national authorities (3): BE, LV, NL.

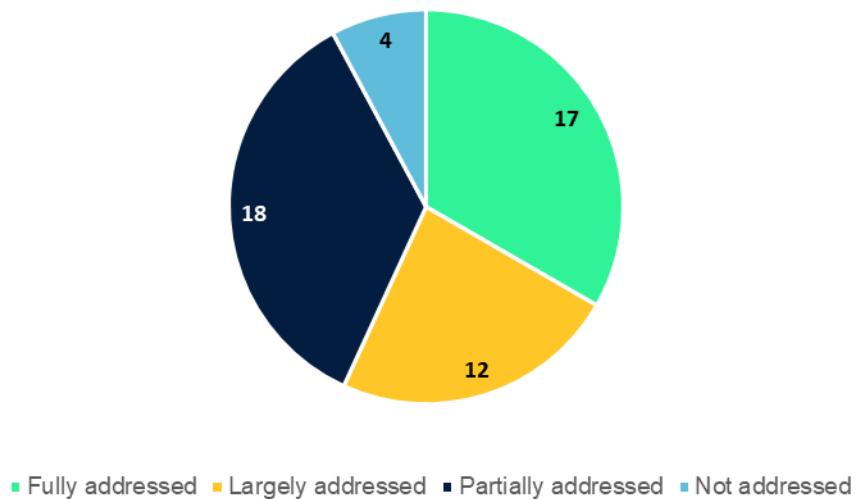
²⁶⁹ Survey with national authorities (1): LT.

²⁷⁰ Survey of national authorities (8): AT, CZ, DK, ES (3), HU, SK.

²⁷¹ Survey with national authorities (1): HR.

²⁷² Survey with national authorities (9): DE (2), EE, LU, MT, PL (2), SE (2).

Figure 30. Status of recommendations on regional cooperation as per annexes included in the Commission's country-level assessment of final NECPs (N=51)



Source: ICF, based on mapping of the annexes included in the Commission's country-level assessments of the final NECPs.

When interviewed, few stakeholders expressed an opinion on the Governance Regulation's effectiveness in ensuring regional cooperation. However, four indicated that the Regulation had a positive impact in ensuring and increasing regional cooperation among Member States²⁷³.

Seven national authorities underlined that even before the adoption of the Governance Regulation, their countries were engaged in a form of regional cooperation with other Member States²⁷⁴. Findings from the case studies indicate regional cooperation between Member States, particularly through initiatives such as the Central and South-Eastern Europe Connection Initiative, Pentalateral Energy Forum, and the North Seas Energy Cooperation²⁷⁵.

Stakeholders emphasised some factors that hindered regional cooperation, such as short timelines to consult NECPs from other Member States²⁷⁶ and limited comparability or accessibility of data from other Member States (reports are lengthy and not always user-friendly)²⁷⁷. All agreed that there is scope to enhance regional cooperation²⁷⁸, as does the evidence from the case studies on France, Germany and Poland²⁷⁹.

²⁷³ Interview with national authority (1); Interviews with third sector stakeholders (2); Scoping interview with EU institution.

²⁷⁴ Interviews with national authorities (3); Scoping interview with national authority (1); Case study on France: interview with national authority; Case study on Germany: interview with national authority; Case study on Malta: interview with national authority.

²⁷⁵ Case studies on BE, DE, DK, FR, MT, PL, RO.

²⁷⁶ Interview with national authority (1).

²⁷⁷ Interview with national authority (1).

²⁷⁸ Interviews with national authorities (4); Interviews with third sector stakeholders (2); Interview with EU institution (1); Scoping interview with national authority; Scoping interview with EU institutions.

²⁷⁹ Case study on DE, FR, PL.

5.1.1.6 EQ6. How successful has the Regulation been in ensuring adequate multi-level and multi-stakeholder dialogue and consultation?

The available evidence shows that although the introduction of Articles 10 and 11 of the Governance Regulation was perceived as a significant step forward, the Regulation has not been particularly successful in ensuring adequate multi-level and multi-stakeholder dialogue and consultation.

Article 10 of the Governance Regulation requires Member States to ensure that the public is given early and effective opportunities to participate in the preparation of the draft NECPs and LTSs. It also specifies that each Member State must set reasonable timeframes allowing sufficient time for the public to be informed, participate, and express their views.

Member States and the EU are Parties to the Aarhus Convention²⁸⁰, which regulates access to information, public participation in decision-making, and access to justice in environmental matters. Article 7 of the Aarhus Convention provides for public participation on plans, programmes and policies relating to the environment, mandating that 'public participation procedures shall include reasonable timeframes for the different phases, allowing sufficient time for informing the public' and 'for the public to prepare and participate effectively during the environmental decision-making'. Article 6 of the Aarhus Convention requires that public bodies in charge of such plans 'ensure that in the decision due account is taken of the outcome of the public participation'. Article 10 of the Governance Regulation, read together with Recitals 28 and 29, is intended to support the Aarhus Convention requirements on public participation in national plans. This was clarified in the European Commission's guidance to Member States for the update of the 2021-2030 NECPs²⁸¹.

However, according to a recent report issued by the Brussels School of Governance²⁸², the Governance Regulation does not fully meet the environmental democracy standards established by the Aarhus Convention, as it does not set specific qualitative reporting obligations or mandatory minimum standards with which Member States must comply when involving the public. Article 17(7) of the Governance Regulation requires Member States to make their integrated NECPs available to the public. NECPs are submitted via two electronic platforms: Reportnet3 and ReportENER. The Reportnet3 website is available to the public, although reporting countries can restrict some information from public view²⁸³. Meanwhile, the European Commission has published all of the NECPs on ReportENER²⁸⁴.

Annex I, Section A, Chapter 1.3 of the Governance Regulation, setting the general framework for integrated NECPs, asks for a narrative description of the 'consultations of stakeholders, including the social partners, and engagement of civil society and the general public'. However, Article 10 fails to provide clear instructions, reporting obligations or minimum standards. According to a report recently issued by the EEB²⁸⁵, lack of clarity on reporting on Article 10 (and on the confusion between Article 10 and Article 11) is evident,

²⁸⁰ United Nations Economic Commission for Europe (UNECE) Convention on Access to Information, Public Participation in Decision-making, and Access to Justice in Environmental Matters (Aarhus Convention), <https://unece.org/DAM/env/pp/documents/cep43e.pdf>

²⁸¹ Commission Notice on the Guidance to Member States for the update of the 2021-2030 national energy and climate plans, 2022/C 495/02, [https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52022XC1229\(02\)](https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52022XC1229(02))

²⁸² The EU's climate and energy framework in light of the Aarhus Convention - assessing environmental democracy rights in the Governance Regulation, https://www.greendealnet.eu/sites/default/files/2023-12/20231026-Aarhus%20Convention%20and%20Governance%20Regulation_0.pdf

²⁸³ Reportnet3, <https://reportnet.europa.eu/public/dataflows>

²⁸⁴ CIRCABC, EU energy and climate reporting, https://circabc.europa.eu/ui/group/da8e36ea-9d6e-47fd-bc85-a485cf354922/library/a15083a8-8613-402c-8ea7-6c1608cafdb6?p=2&n=10&sort=modified_DESC

²⁸⁵ EEB, NECP Reporting - The missing voice of the public, 2023, <https://eeb.org/wp-content/uploads/2023/09/NECPs-reporting-report-Dec-23.pdf>

as some Member States used Annex XXIII of the Implementing Regulation for the NECPs²⁸⁶ to describe their public consultations as per Article 10 of the Governance Regulation (that specific annex should have been used for reporting on Article 11).

According to a recent publication by the Ecologic Institute²⁸⁷, seven Member States (as of end-August 2023) had successfully established public consultation processes or citizens' juries for the draft updated NECPs. By contrast, according to the draft updated NECPs themselves, most have successfully established consultation processes. However, almost none provide a comprehensive description of the process, the number of respondents, nor how they intend to integrate the comments into the final updated NECPs. This is stressed in the Commission's EU-wide assessment of the draft NECP updates, as well as in the Commission's recommendations to each Member State²⁸⁸. It was also confirmed by some of the stakeholders interviewed, who stated that:

- In some Member States, consultations were not timely or were open only for a short period;
- In some Member States, there was no text (draft NECP) available when the consultation was open;
- The opportunity to provide feedback was sometimes limited in choice or length.

Some interviewees commented on specific Member States:

- In Estonia, public accessibility of the data has to be enhanced (printable, forwardable and transferrable) and has to be improved;
- In Italy, the consultation process was not adequate, meaningful or timely. A draft of the document was not shared with the public and no information was published on the official ministerial website;
- In Belgium, there was a lack of return to the public following the consultation process organised for the drafting of the first NECP in 2018-2019.

Some Member States (Denmark, Lithuania, Malta, Spain, Sweden) indicated that they intend to use the time between the submission of the draft updated NECP and the submission of the final updated NECP to carry out a comprehensive public consultation process, the results of which will be used, together with the European Commission's assessment, to improve the final version of the text.

Article 11 of the Governance Regulation provides that Member States must establish a multi-level climate and energy dialogue pursuant to national rules, in which local authorities, civil society organisations, business community, investors and other relevant

²⁸⁶ Commission Implementing Regulation (EU) 2022/2299 of 15 November 2022 laying down rules for the application of Regulation (EU) 2018/1999 of the European Parliament and of the Council as regards the structure, format, technical details and process for the integrated national energy and climate progress reports, <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32022R2299&qid=1707831881860>

²⁸⁷ Faber, R., Kocher, D. and Duwe, M., *Progress on the implementation of national Multilevel Climate and Energy Dialogues: Assessing Member States' own reporting*, 2023, <https://www.ecologic.eu/sites/default/files/publication/2023/33007-Multilevel-Climate-Energy-Dialogue-Reporting-Preliminary-Assessment.pdf>

²⁸⁸ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, EU-wide assessment of the draft updated National Energy and Climate Plans An important step towards the more ambitious 2030 energy and climate objectives under the European Green Deal and RePowerEU, COM(2023) 796 final, https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM%3A2023%3A796%3AFIN&pk_campaign=preparatory&pk_source=EURLEX&pk_medium=TW&pk_keyword=EUGreenDeal&pk_content=Communication&pk_cid=EURLEX_todaysOJ; The EU-wide assessment mentioned that 'the quality of the consultation processes varies, and many did not cover all the above-mentioned obligations. In particular, the plans contain few details on the communication channels used to reach the public and, on the methods, used to involve a wide range of interest groups, including social partners and ordinary members of the public. Many plans lack reasonable timeframes to enable the public to express their views. Most draft plans do not include the summary of the public's views and how they were considered. Furthermore, details on the information provided to the public, and how the consultations contributed to the final content of the draft plans were not very comprehensive.'

stakeholders and the general public are able to actively engage and discuss the achievement of the Union's climate-neutrality objective set out in Article 2(1) of the European Climate Law, as well as the different scenarios envisaged for energy and climate policies (including long term), and review progress, unless it already has a structure which serves the same purpose. The NECPs may be discussed within the framework of such dialogue.

Evidence for compliance with Article 11 is more difficult to compile. According to the European Commission's assessment of the NECPs in 2023²⁸⁹, most Member States reported activities related to setting up or enhancing pre-existing permanent structures to discuss national energy and climate policies (including NECPs and LTSs) with sub-national authorities and other relevant stakeholders. It appears, however, that without clear guidance on the size and type of stakeholders that need to be involved, and without clear guiding principles on how these structures need to be operationalised (e.g. structure of the dialogue, sharing responsibilities between participants – including organisation in charge, frequency of meetings), Member States had the flexibility to interpret Article 11 in different ways. The EEB report²⁹⁰ highlights that coherence and comparability between Member States is almost non-existent. It also notes that the handful of countries that have carried out commendable dialogues have reported on them unsatisfactorily.

According to a recent study by CAN Europe²⁹¹, most Member States did not provide sufficient evidence of existing multi-level governance platforms. The exceptions were Austria, Croatia, Cyprus, Czechia, Denmark, Finland, France, Luxembourg and Portugal, with different levels of maturity and a wide margin for improvement.

The LIFE NECPlatform project²⁹² has supported six Member States (Bulgaria, Croatia, France, Italy, Portugal, Romania) to set up multi-level governance dialogues, with mixed results. In June 2023, the project drafted some conclusions on impediments to the process²⁹³: 'In generic terms it can be said that national governments are accustomed to working with a top-down approach, and generally tend to work against European deadlines, rather than perceive the need of having long-term plans and strategies as a structured and continuous process. In some cases, then, the NECP is seen as a bureaucratic tool rather than a political priority. Moreover, different ministries tend to think in silos, so that priorities are competing instead of building on one another. Furthermore, the non-binding nature of the NECP trajectories and the long-term horizon of the reduction targets leads national governments to dedicate little focus on the implementation of these targets and the necessary measures. The main challenge for any national planning exercise is to put measures into practice. However, this should be done consistently, in a concerted manner (including other stakeholders and sub-national authorities) and not according to political convenience'.

- One respondent to the CfE mentioned that the framework for public participation in the NECPs is not sufficiently clear and precise and that there has not been a consistent well-designed public participation process in all Member States²⁹⁴. Several respondents also highlighted shortcomings with respect to the Aarhus

²⁸⁹ European Commission, Assessment of progress towards the objectives of the Energy Union and Climate Action, SWD(2023), 646 final.

²⁹⁰ EEB, *NECP Reporting - The missing voice of the public*, 2023, <https://eeb.org/wp-content/uploads/2023/09/NECPs-reporting-report-Dec-23.pdf>

²⁹¹ CAN Europe, Together for 1.5, *Time to step up national climate action - An assessment of the draft National Energy and Climate Plans updates*, 2023, https://caneurope.org/content/uploads/2023/10/NECPs_Assessment-Report_October2023.pdf

²⁹² LIFE NECPlatform, <https://energy-cities.eu/project/life-necplatform/>

²⁹³ LIFE NECPlatform policy brief, https://energy-cities.eu/wp-content/uploads/2023/06/NECPlatform_First-Policy-Brief_Formatted_Final.pdf

²⁹⁴ Reply to CfE: Environmental Justice Network Ireland.

obligations²⁹⁵, with one arguing that this undermines both the Commission's ability to hold Member States accountable for their failures and the public's right to access information, participation, and justice on climate (in)action²⁹⁶. Respondents noted that the NECPs submitted in 2019 and 2023 showed weak compliance with the Governance Regulation rules on public participation, respect for deadlines, and transparency and availability of information underpinning the plans. One respondent argued that while a lot of these rights are already granted in theory, in practice, better implementation and enforcement may increase the Regulation's added value in this area²⁹⁷.

The interviews carried out for this study confirmed that most stakeholders view the Governance Regulation as having set a somewhat 'revolutionary' precedent in European legislation, requiring the drafting of climate and energy plans in a concerted manner, together with sub-national authorities and other relevant stakeholders. However, most stakeholders agreed that Member States have yet to adequately reply to this call for cooperation. Suggested reasons include vague, non-prescriptive requirements in the Governance Regulations. According to some national and European authorities, the administrative structure of some of the Member States can hinder the process. For example, federal countries such as Belgium or Germany allocate responsibilities to various levels (e.g. the final document is at national level, but consultations should happen at regional level), making it more difficult to comply with Article 11. According to another national authority, there must be a clear national political will to involve stakeholders in a permanent multi-level way. In fact, given the current formulation of Article 11, it is quite easy to comply with low levels of effort. Member States that involved stakeholders through a multi-level dialogue were very satisfied with the exercise, particularly smaller Member States (e.g. Croatia, Lithuania).

There are diverging views on the quality of the multi-level and multi-stakeholder dialogue implemented, suggesting that even where satisfactory dialogue is in place, the reporting framework does not allow the processes and their results to be presented in the best way. According to the EEB, the level of detail delivered in the reporting is generally low, with some Member States not submitting a report on Article 11 (e.g. Slovakia, Sweden).

5.1.2 Efficiency

This section synthesises information from the data collection tasks (desk research, survey, interviews, CfE, case studies and stakeholder event) on the efficiency of the Governance Regulation.

The efficiency analysis shows mixed results: the Regulation has streamlined some aspects of energy policy planning and reporting, but several Member States noted increased administrative burdens, while others reported actual savings in time and/or resources. However, it is difficult to disentangle the workload created by the Governance Regulation from organisational aspects of the national administrations (including limited coordination between those involved in the reporting obligations, the evolution of the legislative framework, and the additional workload imposed by the Regulation – if any – compared to reporting obligations already in place). Recognised advantages of the Governance Regulation include increased transparency and predictability, better coordination and cooperation between national authorities involved in the reporting process, greater coherence of planning and reporting timelines and procedures, and better-established processes, policies and procedures. The benefits of the Governance Regulation include its role in providing a stable framework for clean energy businesses, which is crucial for long-

²⁹⁵ Replies to CfE: Youth and Environment Europe, Renewables Grid Initiative, Environmental Justice Network Ireland, *Fertő tó Barátai Egyesület*.

²⁹⁶ Reply to CfE: Environmental Justice Network Ireland.

²⁹⁷ Reply to CfE: Transport and Environment.

term investment and development in the sector. Although not yet fully materialised, many stakeholders (especially national authorities) believe that the Governance Regulation is pushing national administrations to work more closely together and establish new coordination procedures. They also acknowledged an initial ‘learning curve’ – the first reporting cycles were relatively complex and burdensome, but the whole process will become easier and simpler over time, as more reports are prepared, submitted and assessed, the expected content becomes clearer, and more tools and templates are fine-tuned.

The evidence showed that the Governance Regulation has partially streamlined planning, reporting and monitoring processes by introducing digital tools. Yet it falls short of achieving complete harmonisation and timely alignment with EU and international obligations, as indicated by the mixed stakeholder feedback and survey responses. Among the difficulties, stakeholders mentioned: the short timeframe for strategic decisions in the energy sector reflected in the NECP updates, as significant shifts in energy systems typically require planning beyond 10 years; and the alignment of timetables for various tasks, such as preparing the NECPs and Directives (NEC Directive) reporting prevents adequate incorporation of lessons from previous planning cycles, and the overlapping of draft NECP updates and NECPRs in 2023. The yearly frequency of some reporting obligations (especially those under Article 26 on GHG inventory data) strains resources for both Member States and EU institutions, suggesting a need for a different (lower) frequency of reporting. There are difficulties in synchronisation with other EU obligations, such as under Directive (EU) 2016/2284 on the reduction of national emissions of certain atmospheric pollutants, and national air pollution control programmes under the NEC Directive, leading to challenges in coherent implementation. Turning to international obligations, both frameworks on GHG emissions include biennial reporting obligations, but on alternate years (even years for UNFCCC/ and odd years for NECPRs) (see section 5.1.3).

Stakeholders surveyed expressed mixed views on the benefits of common templates and platforms, with equal numbers of national authorities agreeing and disagreeing that the use of information technology (IT) tools led to savings in time and/or resources and more efficient planning and reporting. Although the majority of national authorities shared that entering data on EU electronic platforms led to cost increases (e.g. reformulating data before uploading, lack of an easily sharable tool for authorities within the same country), almost the same number stated that the costs remained the same or decreased. The reasons for cost/burden decrease included the fact that the platforms show the information and data to be collected and submitted, avoid the need for national tools, and allow multiple users to check and validate information, minimising the possibility of errors. The existence of two separated platforms was criticised, notably because of the poor interlinkages between the two, including formats. Nevertheless, stakeholders appreciated the role of the two platforms in systematising and standardising data collection, thereby facilitating the availability and comparability of information.

5.1.2.1 EQ7 - To what extent have the integrated and streamlined planning and reporting processes led to cost savings (in terms of policy coherence and administrative burden) and can costs and administrative burden be considered as proportionate?

As stated in its Preamble, the Governance Regulation sought to establish a governance mechanism resulting in ‘a significant reduction of administrative burden and complexity for the Member States and relevant stakeholders, the Commission and other Union institutions’ (Preamble, par. 23). Prior to the introduction of the Regulation, the landscape of EU energy policy was characterised by a highly fragmented system of planning and

reporting²⁹⁸. This fragmentation was evident in the existence of numerous obligations, each designed for specific aspects of the EU energy policy acquis, leading to inefficiencies and inconsistencies. Significant overlaps in reporting duties added to the administrative burden on Member States, often involving redundant data submissions to different EU bodies (see section 4.1).

The lack of coherence in the timing and intervals of these obligations compounded the challenge, making it difficult to streamline efforts effectively²⁹⁹, while the combined administrative burdens strained the resources of Member States and the Commission. This context underscored the urgent need for a governance mechanism to simplify these processes, enhance policy coherence and reduce the administrative load, while ensuring alignment with the overarching goals of the EU. In this context, and as already reflected in the 2016 IA, strong emphasis was given to the objectives of streamlining of planning, reporting, and monitoring obligations, and reducing administrative and reporting costs for all stakeholders, especially Member States and the Commission³⁰⁰ (see section 4.1; Annex 9).

Evidence from the desk research, public consultation, stakeholder event, and stakeholder consultation provides varied opinions on the extent to which the Governance Regulation has delivered on its aim to enhance streamlining and coherence (and, thus, its efficiency). For instance, while agreeing on the benefits of the Governance Regulation for fulfilling obligations under the Paris Agreement, experts from two EU institutions held mixed opinions on its implementation. One interviewee highlighted the importance of the Governance Regulation in fulfilling obligations under the Paris Agreement, but noted that reports sometimes contain irrelevant information, suggesting a need for more focus and quantitative data³⁰¹. Conversely, another interviewee acknowledged potential synergies resulting from integrating planning and reporting processes but cautioned against the risk of oversimplification³⁰². The literature similarly identifies the need for a balance between streamlining processes and maintaining the quality and relevance of information³⁰³. Feedback from the public consultation reinforced these concerns. Various entities, including NGOs and public authorities, echoed the sentiment of increased administrative workload due to the Governance Regulation. Notably, entities like CAN Europe, Eurocities, and ministries from Denmark and Latvia raised specific concerns about the planning and reporting processes, suggesting that the Regulation has compounded rather than alleviated administrative challenges³⁰⁴. The public consultation found that the Regulation imposes sometimes detailed reporting obligations not directly linked to target fulfilment. This suggests simplifying reporting by prioritising key indicators such as energy balance and GHG emissions, while streamlining and removing duplicate information³⁰⁵. This could significantly reduce administrative burden and enhance efficiency in reporting processes, facilitating interoperability with EU and international reporting tools and alleviating Member States' reporting burdens.

²⁹⁸ Williams, R., Veenstra, E., Rademaekers, K., Svatikova, K., Baroni, L., Fitness Check Evaluation in the EU Energy acquis and Impact Assessment of Planning, Reporting and Monitoring for the Energy Union, Trinomics B.V, 2016.

²⁹⁹ European Commission, Fitness Check Reporting, Planning and Monitoring Obligations in the EU Energy acquis Accompanying the document Proposal for a Regulation of the European Parliament and of the council on the Governance of the Energy Union, SWD(2016) final.

³⁰⁰ Ibid.

³⁰¹ Interview with EU institution (1).

³⁰² Interview with EU institution (1).

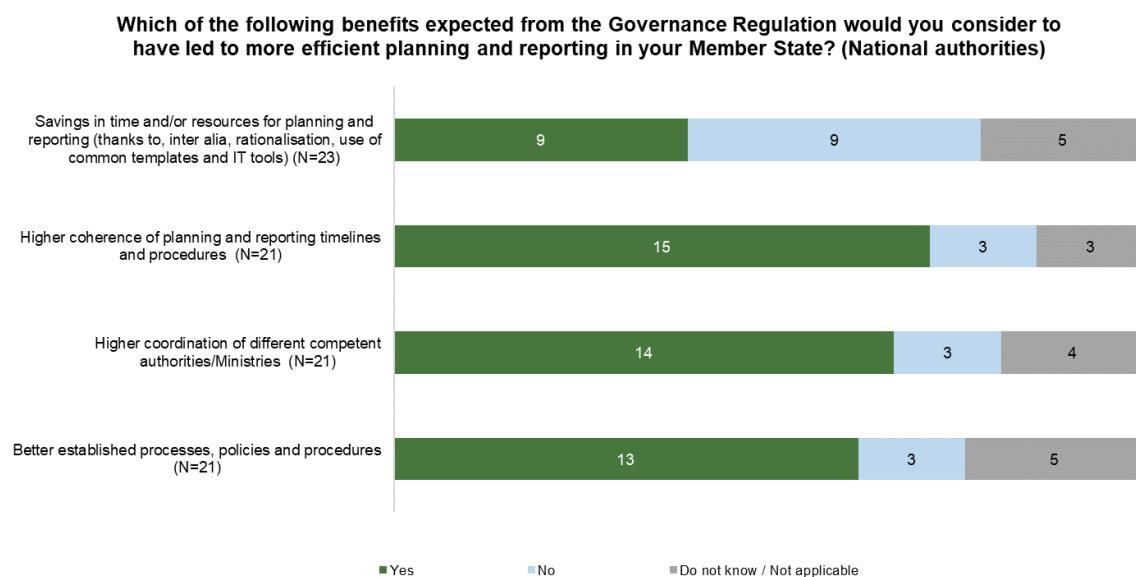
³⁰³ Menner, M. and Reichert, G., *Governance of the Energy Union: Regulating EU energy and climate policy*, 2019.

³⁰⁴ Reply to CfE: NGOs (2) – CAN Europe & Eurocities; Public Authority (2) Ministry of Climate and Energy (Latvia), Danish Ministry of Climate, Energy and Utilities.

³⁰⁵ Ibid.

The survey results provided additional evidence on the Regulation's effects. The survey of NCAs showed mixed perceptions on cost-efficiencies (see Table 14). While some respondents noted improved coherence in planning and reporting, and better coordination between authorities, others did not observe significant changes or experienced challenges. Approximately 71 % of survey respondents³⁰⁶ agreed that there is higher coherence in planning and reporting. This opinion was shared by other stakeholder groups. For instance, an interviewee from the third sector highlighted the benefit of consolidating most obligations into one instrument for better visibility and understandability. However, the need for improvement in data submission procedures and for more publicly accessible data was also noted, suggesting that while the Regulation has streamlined some processes, there is room to enhance its efficiency by improving the user-friendliness of data collected³⁰⁷.

Table 14. Expected benefits of the Governance Regulation



Source: ICF, based on survey of relevant national authorities.

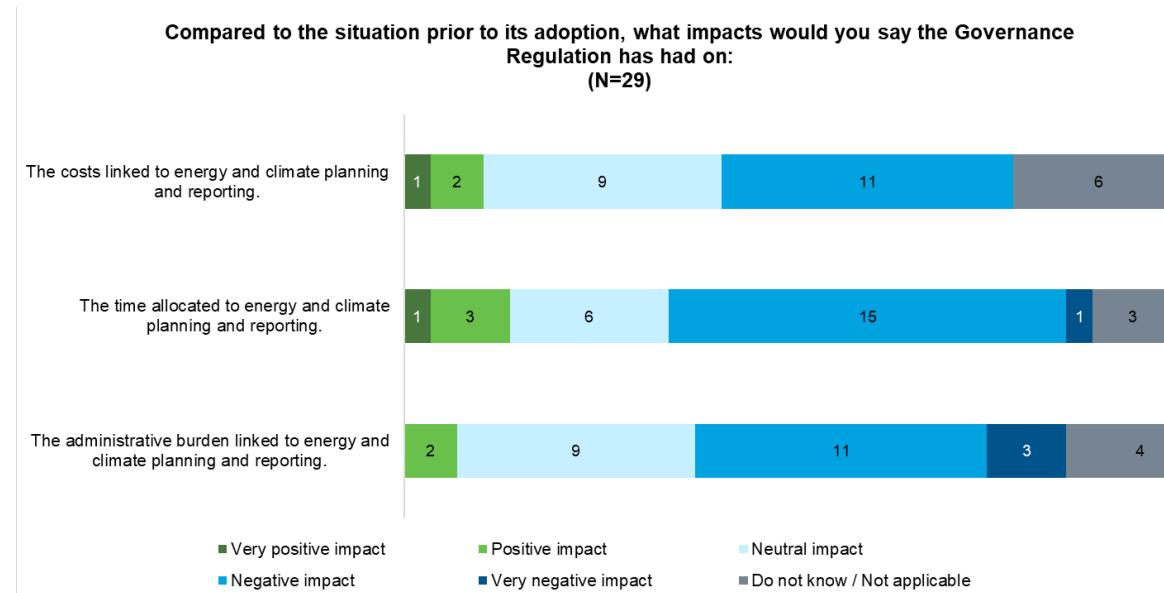
Some survey respondents believe that the Governance Regulation has had a negative or very negative impact on the costs (38 % of respondents) and the time allocated (55 %) to energy and climate planning and reporting (see Table 15). This suggests that the Regulation may have increased both the financial and time investment in these activities for some NCAs in some cases. One interviewee pointed out that despite not incurring major financial costs, the Regulation has intensified the workload and responsibilities for a limited number of staff, without an increase in supporting resources³⁰⁸. These observations suggest that the organisational structure of national authorities has not necessarily adapted to the stricter cooperation needed to comply with the reporting obligations set by the Governance Regulation.

³⁰⁶ Survey of national authorities: 15/21.

³⁰⁷ Interview with third sector organisation (1).

³⁰⁸ Scoping interview with NCA.

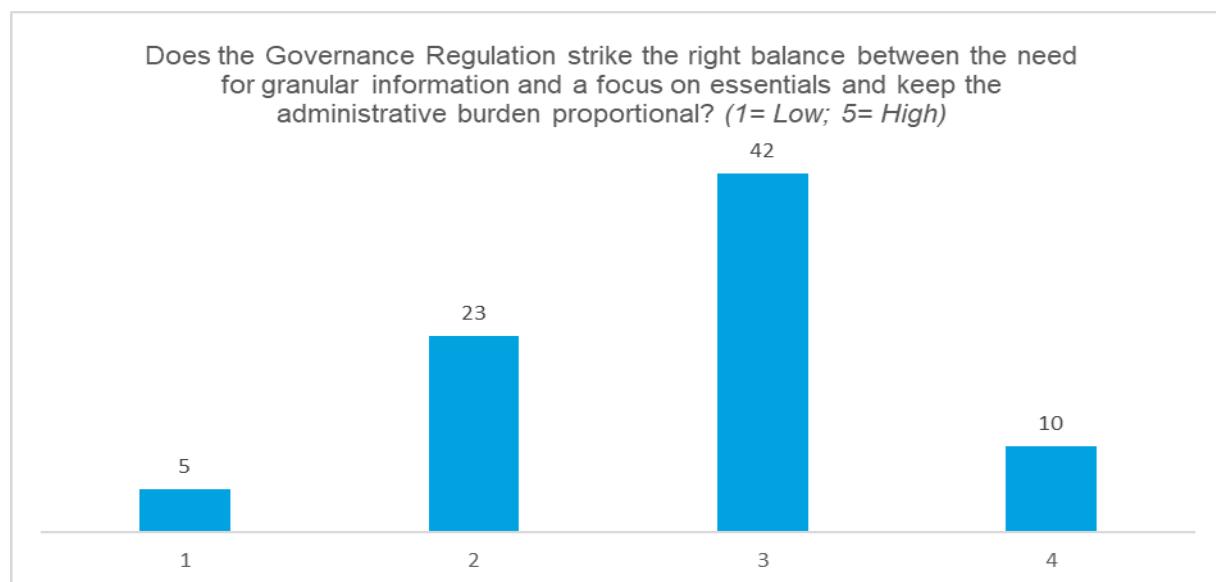
Table 15. Changes since adoption of the Governance Regulation (NCAs)



Source: ICF, based on survey of national authorities.

During the stakeholder event, participants were polled on whether the Regulation achieves an appropriate balance between the demand for detailed information and a focus on essentials, while also considering the proportionality of the administrative burden involved (see Figure 31). Most stakeholders felt that the Regulation could better align its administrative demands and benefits. Representatives from NCAs emphasised the inherent complexities in the development of NECPs within an ever-evolving regulatory framework. Both the Polish and the Dutch NCAs highlighted the critical need for a more balanced approach to administrative demands versus the level of detail required in NECPs to inform investment decisions effectively. The representative from the Polish NCA believed the Regulation to require overly extensive documentation, hindering stakeholders' ability to track progress and strategic planning in the NECPs.

Figure 31. Stakeholder event SLIDO Question 2 poll



Source: SLIDO Q3 responses (N=80; average responses: 2.7. Range between 1=Low and 5=High, e.g. 1 indicates that the Regulation strikes the right balance between the need for granular information and a focus on essentials and keeping the administrative burden proportional to only a very small extent.

Increased time and investment are often more justifiable when the data generated are used effectively. Conversely, incomplete or unused data due to inadequate reporting can exacerbate inefficiencies. For instance, while projections that reporting would demand substantial time and resources, it yields high-quality datasets crucial for decision-making. By contrast, reporting on the costs and benefits of PaMs is similarly intricate but less utilised, potentially indicating resource constraints.

The advantages of this approach extend beyond monetary gains – the increased transparency and predictability, although intangible, hold substantial value, making it cost-effective in the long term. However, the streamlining process is continuous and inefficiencies still need to be addressed (e.g. adaptation strategies and new methane strategies are not integrated). Despite these challenges, some entities anticipate potential cost-effectiveness in the future as stakeholders become more familiar with the Regulation's processes. The administrative burden is also viewed negatively, with survey respondents indicating a negative (38 %) or very negative (10 %) impact³⁰⁹. This suggests that the Regulation may have increased the complexity or volume of administrative work involved. When asked to provide examples of increased costs, survey respondents suggested that the Regulation has led to increased administrative costs due to additional reporting requirements and lack of coherence with national policy planning. This has resulted in the need for parallel planning processes, increased resources, and heightened uncertainty in short-term reporting structures. Nevertheless, some national authorities³¹⁰ have found that integrating strategic documents and reporting into a streamlined process with prescribed templates has reduced administrative burdens and led to cost savings. The implementation of the e-platform has also decreased administrative burden, although quantifying specific cost savings remains challenging. Despite measurement difficulties, this unified approach has likely improved efficiency, shown by enhanced interlinkages between reporting personnel and increased consistency in data usage.

A notable number of respondents indicated a neutral impact (nine for costs, six for time, nine for administrative burden) or did not know/it was not applicable (six for costs, three for time, four for administrative burden) in the three categories, suggesting either a lack of noticeable change or uncertainty about the Regulation's effects.

Additional survey data indicate a trend of increased costs in several areas (see Figure 32). For instance, 81 % of respondents reported cost increases in preparation and cross-service coordination for national plans and reports. Similarly, 81 % of respondents reported increased running costs for coordination and data compilation, while 89 % reported increased costs in terms of the human resources necessary to fulfil obligations. In the survey, the only area where more than one respondent reported decreased costs was in entering data on the EU electronic reporting platform(s) (25 %). These findings suggest that, contrary to the Regulation's goals, the administrative burden might not have reduced as substantially as expected, or benefits are yet to manifest. However, improved planning and reporting processes has been consistent, mirroring Member States' increased climate and energy ambitions in recent years, i.e. not solely attributable to the Governance Regulation. The Regulation's integrated planning approach has generated other

³⁰⁹ Administrative burden refers to the time, effort and resources required to comply with administrative tasks, while costs generally refer to the financial expenses incurred in carrying out activities. While administrative burden encompasses both tangible and intangible costs associated with compliance, costs may include a broader range of financial outlays beyond administrative tasks (Better Regulation Guidelines, Tool #56).

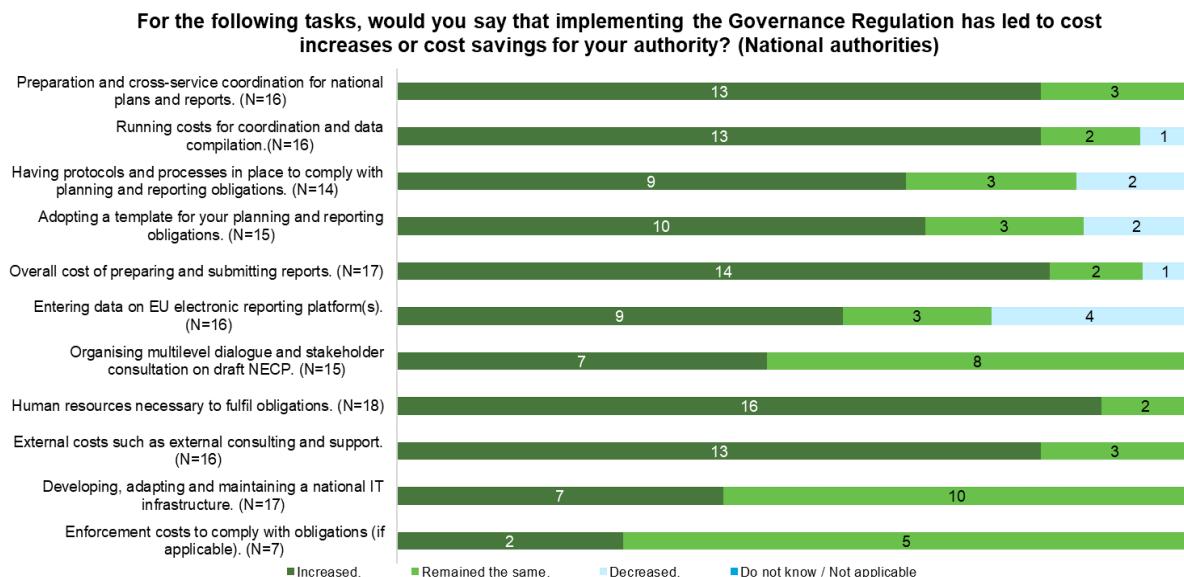
³¹⁰ Survey results: BG, ES, FR, HR, HU, LT, NL, PL.

advantages, such as enhanced policies and stakeholder cooperation, which should be recognised in conjunction with broader developments in climate and energy initiatives.

When asked to provide examples of reduced cost and burdens resulting from the implementation of the Regulation, survey respondents noted that integration of multiple strategic documents into a single report has streamlined the information gathering process, reducing costs and burdens. The unified approach to NECPR reporting has improved interlinkages between individuals involved in reporting and monitoring, leading to greater data consistency and enhancing both the efficiency and quality of the reporting process. This was reinforced by NCA and EU institution interviewees. For instance, one interviewee shared their experience of improved efficiency in reporting due to a more unified platform³¹¹, while another noted efficiency gains from the adoption of structured formats (Excel tables instead of PDFs), simplifying data management and analysis³¹². There is an expectation of future cost-effectiveness as familiarity with the process improves, suggesting potential long-term benefits from these structured reporting methods.

Several of the representatives from national authorities did not have direct experience of the situation before the Governance Regulation. Their answers may simply represent the complexities of complying with the different reporting obligations, without appreciating the benefits of the Regulation in simplifying the pre-existing framework. The overlapping of draft NECP updates and NECPRs in 2023 may have created a recency bias in national authorities' answers.

Figure 32. Associated cost of the Regulation



Source: ICF, based on survey of national authorities.

The evidence (particularly case studies and desk research) provided limited and fragmented information on the current costs of implementing the Governance Regulation for Member States and the European Commission. The analysis is therefore based on a set of assumptions and simplifications and needs to be read with caution (see Annex 3).

The analysis focuses on the direct compliance costs for national authorities in Member States and EU institutions (including the European Commission and agencies) and considers direct staff costs (annual recurring costs and one-off adjustment costs).

³¹¹ Interview with NCA (1).

³¹² Scoping interviews with EU institution (1).

Information is provided on external costs (e.g. consultancies and research institutes contracted by national authorities and/or the European institutions to support them in complying with the different reporting obligations imposed by the Governance Regulation). No evidence was collected on additional costs for Member States attributable to the implementation of the Governance Regulation (e.g. IT costs) because none of the NCAs reported on those in any of the consultation activities.

The analysis of Member State compliance costs included all main planning and reporting obligations of the Governance Regulation:

- NECP (Article 3, Article 4, Annex I);
- LTSs (Article 15);
- NECPRs (Article 17, also covering Articles 20-25);
- Integrated reporting on GHG PaMs and projections (Article 18);
- National climate change adaptation planning and strategies (Article 19(1));
- Annual reporting, including reporting on oil stock, on offshore safety and GHG inventory data (Article 26);
- Reporting on 2020 targets (Article 27, one-off obligation).

In each case, the analysis included one-off costs and recurring costs, as well as the frequency of the obligations. All costs are reported on an annual basis. In case of multiannual obligations, costs were calculated for the whole cycle and then divided by the number of years covered (e.g. the costs for NECPRs were calculated for the whole cycle of their preparation and assessment, then divided by two, as they are due every two years). The costs are also provided for the whole five years covered by the evaluation (2018-2023) to provide a more accurate depiction of the order of magnitude. Table 16 presents an overview of the (estimated) direct compliance costs for Member States.

Table 16. Overview of costs for NCAs (EUR million)

Obligation	Frequency	Yearly basis				2018-2023			
		FTEs - one-off costs		FTEs - recurring costs		FTEs - one-off costs		FTEs - recurring costs	
		Mi n	Ma x	Min	Ma x	Mi n	Ma x	Min	Ma x
NECP	Every 5 years (draft and final)	2.9	3.7	2.9	3.7	2.9	3.7	14.4	18.4
LTS	Every years	10	2.1	2.9	1.0	1.4	2.1	2.9	5.2
NECPR	Every years	2	1.5	1.9	3.7	4.7	1.5	1.9	18.4
GHG reporting and projections	Every years	2	0.6	0.8	1.4	1.9	0.6	0.8	7.0
									9.6

National plan/strategy	adaptation	Every years	2	0.0	0.0	1.9	3.2	0.0	0.0	9.5	16.2
Annual reporting (oil stock, offshore safety, GHG inventory data))		Every year	0.0	0.0	2.9	4.5	0.0	0.0	14.7	22.5	
Reporting targets	on 2020	One-off	0.8	1.3	0.0	0.0	0.8	1.3	0.0	0.0	
TOTAL			7.8 5	10. 9	13. 5	19. 5	7.8 5	10. 3	69. 4	97.	

Source: ICF calculations based on data collected from NCAs and desk research. Costs were monetised using salary data for staff employed in public administration in the EU for 2023 provided by Eurostat and applying a 25 % uplift as per recommendations of the Review Scrutiny Board (see Annex 3). Data are reported in 2023 prices.

Note: One-off costs are estimated at approximately 20 % of the recurring costs (annual basis.)

Preparation of the NECP represents the most complex and resource-intensive individual obligation, involving large numbers of staff from different national authorities and representing approximately 20 % of the recurring costs incurred by NCAs each year. The figures vary widely across Member States, depending on the specific circumstances of the country, its institutional organisation (centralised or federal administration) and its capacity to comply with the pre-existing planning, reporting, and monitoring obligations before the Governance Regulation. Member States were clustered into three groups based on those factors and the three clusters were used for the estimations (see Annex 3). The first cluster groups smaller countries, with a centralised institutional organisation and showing a somewhat improving capacity to comply with planning, reporting and monitoring obligations over time³¹³. The second cluster includes Member States of medium dimension and/or with a devolved or federal institutional organisation, showing a limited capacity to comply with planning, reporting and monitoring obligations over time³¹⁴. The third cluster includes large countries, with different institutional organisations, showing a somewhat improving capacity to comply with planning, reporting and monitoring obligations over time³¹⁵.

The staff involved in the preparation of the NECP ranges from 10-15 full-time equivalent staff (FTEs) to 20-25 FTEs per country in each cycle, encompassing both the draft and the final version of the report. Of these, only a limited number (5 to 15, in most cases) work on the NECP full time, while others participate in the process at different stages (e.g. as part of working groups, providing specific information and data). Similarly, the commitment is not constant throughout the full five years of the process, but becomes more intense ahead of specific milestones (e.g. deadline for presenting the draft NECP). Overall, the effort to produce and update the NECP amounts to an estimated EUR 2.9 million to EUR 3.7 million per year across the EU-27, and to EUR 14.4 million to EUR 18.4 million over the five years of the study. When considering the effort of NCAs to comply with the reporting obligations and produce the report, the national LTSs are also quite resource-intensive, requiring an estimated 8-10 to 15-20 FTEs in each country. Again, not all staff work full-time on this obligation – many only participate in some steps. The low

³¹³ Cluster 1: BG, CY, DK, EE, FI, HR, HU, IE, LT, LU, LV, MT, NL, SI, SK.

³¹⁴ Cluster 2: AT, BE, CZ, EL, ES, PL, PT, RO, SE.

³¹⁵ Cluster 3: DE, FR, IT.

frequency of this obligation (LTS are due every 10 years) generates comparatively low costs for NCAs on a yearly basis (calculated between EUR 1 million and EUR 1.4 million per year and between EUR 5.2 million and EUR 7.2 million over the five years of the study, i.e. about 7.5 % of the annual compliance costs of Member States).

NECPRs are resource-intensive obligations, requiring from 6-8 FTEs to 10-12 FTEs in each country. Their relative high frequency compared to NECPs and LTSs (due every two years while NECPs are updated every five years and LTS are prepared every 10 years) makes their costing higher than that of NECPs (EUR 3.7 to EUR 4.7 million yearly across the EU-27, and EUR 18.4 to EUR 23.6 million in the five years of the study, approx. 25 % of the annual compliance costs of Member States).

GHG reporting and projections under Article 18 of the Regulation are estimated to require from 2-3 FTEs to 5-6 FTEs, corresponding to EUR 1.4 million to EUR 1.9 million on a yearly basis, and to EUR 7 MILLION to EUR 9.6 million over the five years of the study, i.e. approx. 10 % of the annual compliance costs of Member States.

National climate change adaptation planning and strategies under Article 19 are estimated to require from 2-5 FTEs to 8-10 FTEs, corresponding to EUR 1.9 million to EUR 3.2 million on a yearly basis, and EUR 9.5 million to EUR 16.2 million over the five-year period, i.e. approx. 14-16.5 % of the annual compliance costs of Member States.

Annual reporting obligations on oil stock, offshore safety and GHG inventory data (Article 26) are also quite resource-intensive. Reporting on oil stocks and offshore safety requires less than 1 FTE, while climate data require from 1.5-2.5 FTEs to 3.5 to 4.5 FTEs. Annual frequency makes these prominent obligations, corresponding to EUR 2.9 million to EUR 4.5 million per year, and EUR 14.4 million to EUR 22.5 million over the five years of the evaluation, or approx. 22 % of the annual compliance costs of Member States. A lower frequency (e.g. every two years) would lower compliance costs, as would streamlining the reporting system.

Finally, the one-off reporting on 2020 targets under Article 27 requires from 2-5 to 8-10 FTEs, corresponding to EUR 0.8 million to EUR 1.3 million.

One-off adjustment costs primarily relate to the creation of reporting structures, processes and procedures connecting the different competent authorities in each Member States and enabling the broad set of data and information to be included in the NECPs, NECPRs, LTSs and GHG reporting and projections. These are estimated at between EUR 7.8 million and EUR 10.5 million, i.e. about 11 % of the recurring costs incurred by Member States in the five years of the study. While data and information were already available across the different competent authorities and information obligations prior to the Governance Regulation, each was produced individually rather than integrated into a broader and more complex document. Stakeholders recognise that this process enables more streamlined planning and reporting, as well as better coordination and cooperation among NCAs, even if it is not yet fully realised. In some cases, the reorganisation of procedures and processes among competent authorities was limited, as Member States already had coordination structures and procedures that could be reused and revised to better align with the needs of the Governance Regulation (e.g. Denmark). In other cases, the effort needed to redesign and reorganise the data collection and reporting process to align with the Governance Regulation was noticeable and is ongoing.

Insufficient data are available to conduct a structured analysis of **the external costs** for Member States resulting from the implementation of the Governance Regulation. The scarcity of evidence on external costs, particularly the extent to which Member States rely on consultancies or other external parties to comply with the obligations of the Governance Regulation, presents a challenge. While some information was gleaned from case studies, it remains limited, with little data on the magnitude of these costs.

The case studies reveal that some Member States, such as Germany, Poland and Romania, have received some support, including contractual agreements with external entities. However, the amounts or duration of these contracts were not disclosed. This information gap is partly filled through ICF's internal trackers³¹⁶ monitoring projects implemented by the European Commission's Directorate-General for Structural Reform Support (DG REFORM) through procurement since July 2019. These projects fall under two EU programmes: the Technical Support Instrument (TSI), providing tailored technical expertise to Member States to design and implement reforms since 2021, and its predecessor, the Structural Reform Support Programme (SRSP) for 2017-2020. The TSI assistance covers various policy areas and the analysis here focuses on projects related to the Energy Union, energy, and climate policies, given their relevance to the Governance Regulation. This source is used as a proxy for insights into the extent of overall external costs. This approach has limitations, such as excluding any external cost linked to national procurement processes and attributing the full cost to the compliance with the Governance Regulation (in reality it may be only a component of the overall project.) The values available from the tracker represent the maximum value of the contracts, not considering possible discounts by the contractors as part of the procurement process. Nevertheless, it can provide an indication of the number of Member States requesting some form of external support and the linked costs.

Information on requests for support from EU Member States was collected in relevant policy areas between 2020 and 2023, noting the year, country, maximum value of the reform projects and associated costs. These 18 projects indicate a diverse range of activities targeting sustainable growth, particularly in energy and climate sectors, including renewable energy, energy efficiency, climate adaptation, and policy development across different Member States. While assuming that actual costs and project values are likely lower, these data provide a foundational understanding. The findings show that:

About half of the Member States requested EU support³¹⁷. Belgium, Croatia, Estonia, Finland, Greece, Hungary, Poland and Portugal participated in one project each, while Czechia, Ireland, Italy, Latvia, Romania, Slovakia, Slovenia and Spain engaged in multiple projects;

The total value of the 18 relevant projects was EUR 9 million, which could be used as a proxy for the external costs across Member States;

The average value of such projects is approx. EUR 500 000³¹⁸. Individual project values show notable variation, ranging from EUR 150 000 to EUR 1 million. Larger projects (valued between EUR 1 million and EUR 3.7 million)³¹⁹ typically involve multiple countries, although there is an exception where only one country is involved. Interestingly, this exception also boasts the longest project duration (26 months);

The 18 projects have an average duration of about 1.5 years (16.63 months per project), ranging from six to 26 months.

The European institutions (European Commission and its agencies) have also borne costs related to the obligations of the Governance Regulation. Table 17 presents an estimation

³¹⁶ Two ICF trackers, one from July 2019 to May 2022 (SRSS tracker) and the other from June 2022 to date (DG REFORM tracker).

³¹⁷ Typically, such support would include a combination of expertise from the European Commission, EU Member States' national administrations, international organisations and/or the private sector to strengthen the capacity of an EU Member State to carry out reforms (https://commission.europa.eu/funding-tenders/find-funding/eu-funding-programmes/technical-support-instrument/technical-support-instrument-tsi_en#howdoesitwork).

³¹⁸ Considering all 18 projects, one of which involves 15 countries and is considered an outlier. The outlier value is adjusted by calculating a simple average based on 15 countries. The average value across all 19 projects is then determined.

³¹⁹ The total project value reaches EUR 3.75 million with the involvement of 15 countries, averaging EUR 250 000 per country.

based on the number of European Commission staff (FTEs) working on the different obligations, as well as outsourcing costs, based on consultations with the European Commission's DGs and agencies concerned with the implementation of the Governance Regulation. All costs are reported on an annual basis. In case of multiannual obligations, costs were calculated for the whole cycle and then divided by the number of years covered. Costs are also provided for the whole five years of the evaluation (2018-2023) to provide a more accurate depiction of the order of magnitude.

Table 17. European Commission's costs (EUR, estimated, 2023 prices)

Obligation	Art.	Frequenc y	EU COSTS (TOT)			
			One-off		Recurring	Recurring
			Over period	the	on a yearly basis	2018-2023
NECPs	3, Annex I	4 Every years	5 0		431 500	2 157 500
LTSs	15	Every years	10 0		70 300	351 500
NECPRs	17	Every years	2 711 500		439 375	2 196 875
GHG policies and projections	18	Every years	2 9		317 250	1 586 250
National adaptation plans and strategies	19	Every years	2 0		211 500	1 057 500
Annual reporting (oil stocks, offshore safety, GHG inventory data)	26	Every year	0		391 275	1 956 375
Reporting on 2020 targets	17	One-off	352 875	0	0	0
SO EUR (cumulated reporting)	35		0		748 744	3 743 719
TOTAL			1 064 384	3 749 963	18 749 813	

Source: ICF, based on data collected via exchanges with DGs ENER and CLIMA and expert assessment.

Notes: Total annual costs for staff time are estimated based on the AD7 entry salary for 2023 (EUR 7 050.14 per month), with a 25 % uplift as per recommendations of Review Scrutiny Board (see Annex 3).

The EU recurring costs related to the implementation of the Governance Regulation amount to EUR 3.8 million on a yearly basis, and to EUR 18.5 million across the five years of the study. Similar to the Member States, reporting obligations differ for level of complexity and frequency, generating different costs for the EU institutions. NECPs and NECPRs are very resource-intensive for the EU institutions and represent 11.5 % and 11.7 %, respectively, of the yearly recurring costs. Annual reporting under Article 26 represents 10.4 % of the annual costs of implementing the Governance Regulation for EU institutions, largely due to their annual frequency, and % of the resources needed for climate data (amounting to almost 10 % of the annual implementation costs for EU institutions), compared to reporting on oil stocks and offshore safety). The comparative relevance of the resources and costs needed to comply with this obligation for EU institutions and Member States could imply the need for a revision of the frequency of such reporting. Finally, the reporting obligations related to the State of the Energy Union under Article 35 of the Governance Regulation represent about 20 % of the implementation costs of the Governance Regulation for EU institutions. While none of the reporting obligations under Article 35 appears particularly complex and resource-intensive, with the possible exception of the subsidies report³²⁰, the cumulative effort may imply a need to streamline the many reporting obligations under the State of the Energy Union reporting.

Costs of the set-up and expansion of the e-platform supporting reporting under the Governance Regulations need to be considered. The additional design and development costs for EU institutions amounted to EUR 5 million, while the additional maintenance costs are quantified at about EUR 750 000 per year (i.e. 15 % of design and development costs).

These figures are estimates and need to be read cautiously. The extent to which the information collected via desk research, provided by stakeholders during the different consultation activities, and via the case studies reflects the full range of activities, staff, and costs (both internal and external) related to the implementation of the Governance Regulation is unclear. While several parameters have been applied to the data to improve the accuracy and robustness of the estimates, they nevertheless remain estimates, with an associated degree of uncertainty.

Similarly, any comparison of these figures with the estimated baseline costs and the adoption and implementation of the preferred options included in the 2016 IA³²¹ need to be taken cautiously. In the IA, Options S4 and S5 (the closest to the actual text of the Governance Regulation) were estimated to cost approx. EUR 20.1 million for Member States on a yearly basis (recurrent costs). This figure encompassed all types of costs – administrative and reporting costs, ICT/equipment costs and service outsourcing costs (planning and reporting costs, as well as costs for integrated planning and reporting, are sub-components of administrative and reporting costs)). Compared to Table 16, the estimates placing the recurring costs for Member States between EUR 13.8 million and EUR 19.5 million on a yearly basis are higher than those of the 2016 IA, which did not include IT and outsourcing costs. However, several factors should be considered when comparing the two estimates:

³²⁰ Based on the data collected, the subsidies report alone represents 8.3 % of the implementation costs related to the Governance Regulation for EU institutions.

³²¹ European Commission, Impact Assessment accompanying the document Proposal for a Regulation of the European Parliament and the Council on the Governance of the Energy Union, amending Directive 94/22/EC, Directive 98/70/EC, Directive 2009/31/EC, Regulation (EC) No 663/2009, Regulation (EC) No 715/2009, Directive 2009/73/EC, Council Directive 2009/119/EC, Directive 2010/31/EU, Directive 2012/27/EU, Directive 2013/30/EU and Council Directive (EU) 2015/652 and repealing Regulation (EU) No 525/2013, SWD(2016) 394 final, <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:52016SC0394&from=FR>

Differences between the preferred options included in the 2016 IA and the final text of the Governance Regulation, where several obligations from other pieces of legislation were changed due to subsequent revisions and amendments³²²;

Evolution of the EU policy and legislative framework, which included developments such as the European Green Deal, European Climate Law, Fit for 55 (see section 4.1.2) that were not included in the IA analysis and broadened the scope of the Governance Regulation over time;

Difference in prices from 2016 (time of the IA) and 2023. The cumulative inflation rate for the 2016-2023 period is calculated at 22.89 %, such that the EUR 20.1 million of annual recurrent costs for Member States in 2016 would correspond to EUR 24.7 million in 2023 prices³²³. While not necessarily the change in prices if reflected in full in Member States' costs, such differences need to be considered. The IA may also have underestimated the implementation and compliance costs related to the Governance Regulation for both Member States and EU institutions. A possible underestimation would reflect the hypothetical nature of every IA, which is subject to many assumptions and conditions.

The legislative framework relevant to the planning, monitoring and reporting obligations set in the Governance Regulation is continuously evolving. When one of the pieces of legislation whose reporting obligations are integrated in the Governance Regulation is amended, the Governance Regulation needs to align the reporting obligations with the new needs. This implies additional work from both the European Commission and Member States to identify the changes, adapt the templates and formats of the reporting, and align the information collected. The legislative procedures for revising the EED and EPBD are recent examples.

The literature underscores the Regulation's significant role in providing a stable framework for clean energy businesses, which is crucial for long-term investment and development in the sector. For instance, a report published by E3G emphasised the Regulation's contribution to bringing the Paris Agreement mechanisms into European law and guaranteeing the delivery of 2030 energy efficiency and renewable energy targets³²⁴. This stability and predictability is essential for clean energy businesses to plan, invest and innovate with confidence. The Ecologic Institute report, 'Charting a path to net zero', highlighted how the Regulation ensures coherence and consistency between national and EU climate and energy objectives, providing transparency and facilitating cooperation among Member States³²⁵. These aspects are noted as vital for enhancing policy coherence across the EU.

During the stakeholder event, participants were asked if information included in the NECPs on planned and needed investments informed investment decisions, including by private operators, and whether NECPs contain information relevant to investors and civil society (see Figure 33). On average, stakeholders felt the NECPs are somewhat informative, scoring them three out of five. This suggests that they provide some relevant information that supports investment decisions or that they get society involved, but there is scope to make the NECPs better and more useful for everyone.

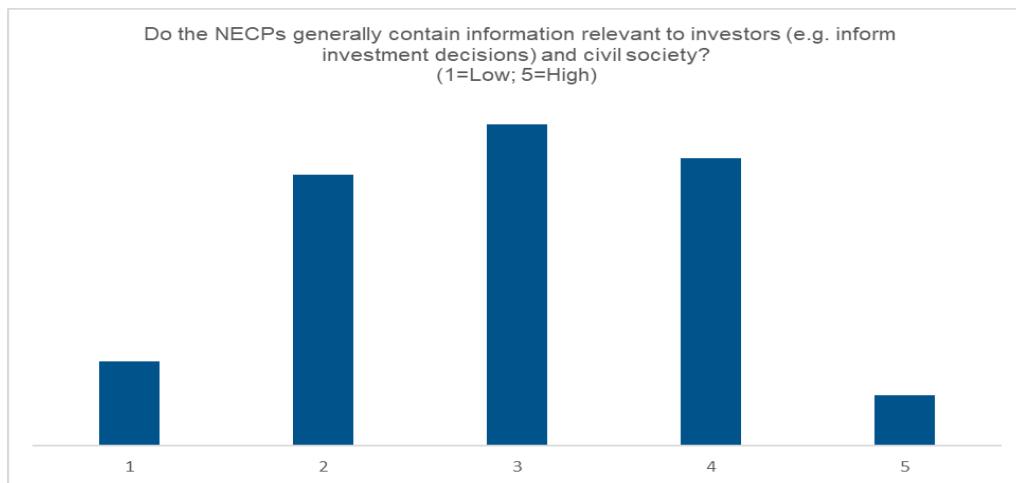
³²² Ibid.

³²³ Eurostat, Inflation in the Euro area, https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Inflation_in_the_euro_area; Inflation tool, <https://www.inflationtool.com/euro>

³²⁴ E3G, Countdown to a 2030 European Clean Energy Framework, 2018, <https://www.e3g.org/publications/countdown-to-a-2030-clean-energy-framework/>

³²⁵ Velten, E. K., Evans, N., Spasova, D., Duwe, M., de la Vega, R., Duin, L. and Branner, H. *Charting a path to net zero: An assessment of national long-term strategies in the EU*, Ecologic Institute, Berlin, 2022.

Figure 33. Stakeholder event, SLIDO Question 3 poll



Source: SLIDO Q4 responses (N=60; average responses = 3. Range between 1=Low and 5=High. For instance, 1 indicates that the NECPs contain information relevant to investors and civil society only to a very small extent).

At the stakeholder event, clear and actionable NECP data were highlighted by some stakeholders as crucial for investment decisions³²⁶. Likewise, detailed information on implementation schedules, specific indicators for capacity planning, and the harmonisation of information across Member States were also deemed crucial for effective investment planning and the broader goal of achieving climate targets. ECLE Europe highlighted challenges in understanding the investment specifics at the local level due to unharmonised data. They pointed out the need for transparent and granular data to comprehend how EU and local budgets will fund climate neutrality goals, especially as over 100 cities are developing climate city contracts seeking funding. WindEurope acknowledged the value of NECPs for investors, highlighting their role in advancing net-zero ambitions via electrification. This was also emphasised by one interviewee, who pointed out the necessity for internal integration of processes within governments, emphasising that such integration could lead to better outcomes and cost savings in the long term³²⁷. However, the EU may have missed an opportunity to embed a detailed monitoring system that effectively observes the transition, which is crucial for informed policy decisions and assessing the Regulation's impact on administrative burden³²⁸.

Determining whether or not the benefits of the Regulation outweigh its complexity and costs is challenging, as reflected in the varied survey responses. For example, the stakeholder survey of national authorities showed that while some noted improvements in the quality and timeliness of information (57 % of respondents), others did not observe significant changes or experienced challenges. More specifically, 57 % agreed that the quality and timeliness of information have improved, but 39 % disagreed that there have been savings in time and/or resources (see Table 14). One interviewee provided an example of the financial implications, noting the substantial costs incurred (including the need for external consultants and IT system improvements) to comply with the Regulation. This highlights the significant resource allocation required by some Member States for effective implementation³²⁹.

³²⁶ Discussions by industry associations (2) and NCA (1).

³²⁷ Interview with third sector institution (1).

³²⁸ Interview with third sector institution (1).

³²⁹ Interview with NCA (LT).

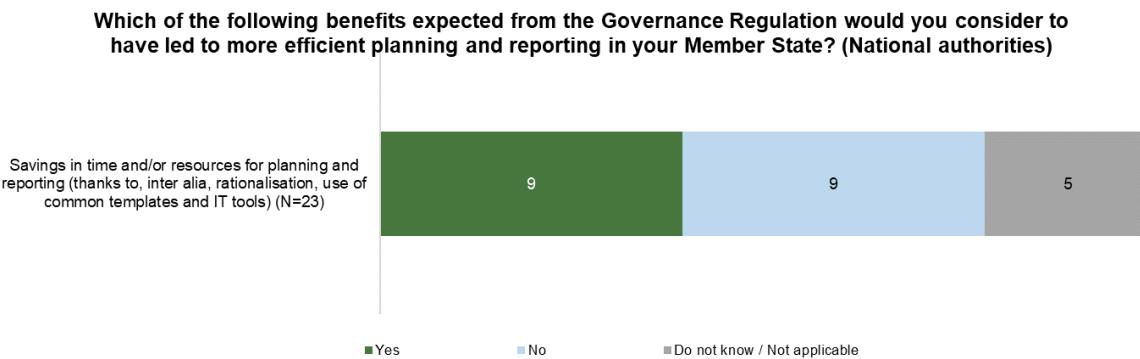
5.1.2.2 EQ8. What is the role played by the electronic reporting platform and/or common templates as well as digital technologies?

According to Article 28 of the Governance Regulation, the European Commission had to establish an online platform (e-platform) to facilitate access to information and cooperation among Member States and to provide Member States with a platform to submit their reports. Article 28 requires Member States to use the e-platform for submitting all reports referred to in Chapter 4 of the Regulation:

- Integrated NECPRs (Articles 17, 20-25);
- Integrated reporting on GHG PaMs and projections (Article 18);
- Integrated reporting on national adaptation actions, financial and technology support provided to developing countries and auctioning revenues (Article 19);
- Annual reporting including information on oil stocks, offshore safety and GHG inventory (Article 26);
- Reporting on the 2020 targets (Article 27).

The e-platform consists of two separate systems: *ReportNET3*, an e-Reporting platform for reporting environmental and climate data to the EEA; and the online reporting system, *ReportENER*, which facilitates the collection of energy data and information. The costs for the set-up and expansion of the e-platform supporting reporting under the Governance Regulations amounted to EUR 5 million, with additional maintenance costs of about EUR 750 000 per year (i.e. 15 % of design and development costs). NCAs did not report specific IT costs related to the alignment of their own IT systems with the EU platforms. NCA survey respondents held mixed views on the benefits of using common templates and platforms. When asked if they believed that savings in time and/or resources (rationalisation, use of common templates and IT tools) led to more efficient planning and reporting in their Member States, nine out of 23 replied positively³³⁰, nine replied negatively³³¹, and five did not know (see Figure 34).

Figure 34. Contribution of rationalisation, common templates and IT tools to efficient planning and reporting (N= 23)



Source: ICF, based on survey of national authorities.

Nine out of 23 authorities shared that entering data on EU electronic reporting platform(s) led to cost increases³³², three noted that costs remained the same³³³ and four said that costs decreased³³⁴ (see Figure 35).

³³⁰ Survey of national authorities (9): BG, ES, FR, HR (2), HU, LT, NL, PL.

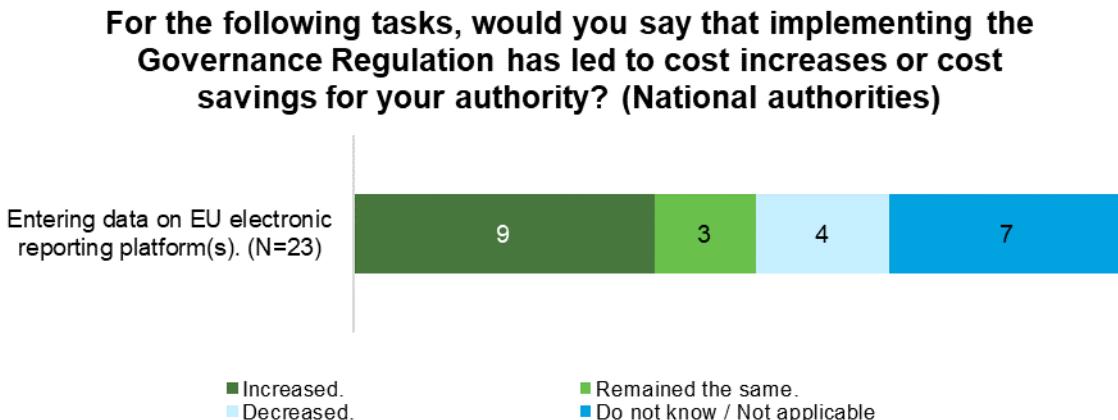
³³¹ Survey of national authorities (8): BE, CZ, DK, ES (2), FI (2), LV.

³³² Survey of national authorities (9): BE, CZ, DE, DK, ES (3), LV, MT.

³³³ Survey of national authorities (3): FI, HR, SE.

³³⁴ Survey of national authorities (4): BG, HR, HU, LT.

Figure 35. Cost increases or savings linked to entering data on EU electronic reporting platforms (N=23)



Source: ICF, based on survey of national authorities.

Potential reasons for cost increases and administrative burden were raised by some competent authorities during the interviews. Two interviewees pointed out that the word limit introduced for some reporting obligations in the platforms requires reformulation of the text, necessitating more time filling in details on the platform and a higher administrative burden to approve the newly drafted text³³⁵. Two authorities emphasised that they had limited time to adapt and familiarise to the new platforms, creating a certain (albeit one-off) burden³³⁶. The repetitive use of these platforms should ensure greater efficiency over time.

Further information on extra costs or burden was provided by national authorities responding to the targeted survey. One stated that an example of extra costs or burden linked to submitting information via the EU's electronic reporting platform was the collection of data across different units and institutions without a tool that could be easily sharable³³⁷. Another noted that burden was imposed by the fact that the two platforms are poorly interlinked and contained bugs³³⁸. This aspect was emphasised by different stakeholders across the different consultation activities.

Some stakeholders reported cost savings and reduced burden linked to submitting information via the platforms. One authority appreciated the platforms showing the information and data to be collected and submitted and avoiding the need to develop national tools for submission³³⁹. Another authority emphasised that the e-platform allows several users to access the information at the same time to check and validate information, minimising the possibility of errors³⁴⁰.

Although the limited number of answers to the survey, compared to the number of stakeholders who use the platforms should be borne in mind, respondents have mixed views about the potential of the EU electronic platform to make their reporting easier.

³³⁵ Interviews with NCAs (2,3).

³³⁶ Interviews with NCAs (3,5).

³³⁷ Survey of national authorities (1): DE.

³³⁸ Survey of national authorities (1): FI.

³³⁹ Survey of national authorities (1): HR.

³⁴⁰ Survey of national authorities (1): SK.

Twelve out of 28 national authorities³⁴¹ shared that the EU electronic platform made the reporting easier, but five out of 28 disagreed³⁴² and three strongly disagreed³⁴³. In the case study on Belgium, one stakeholder shared that ReportNET3 is perceived as an improvement from the previous version, but there is still room to simplify ReportENER³⁴⁴. Another NCA interviewed for the case study on France shared that certain features of both platforms can be improved, notably the difficulties in importing data to the platforms and data visualisation when exporting. The review of data, including proofreading, on the platforms was sometimes difficult and time-consuming³⁴⁵. The policy officers interviewed suggested improving the ergonomics of the platforms, especially for importing and reporting data, and making the review of data easier. Third sector organisations interviewed for the case study, where aware of the ReportNET platform, did not find it user-friendly³⁴⁶. Similarly, authorities interviewed for the case study on Poland felt that ReportNET should be made more cohesive and intuitive by providing clear guidance³⁴⁷. In the case study on Romania, the national authorities interviewed were very satisfied with the support offered by the European Commission and the EEA in response to requests for support with technical issues with the platforms (short tutorials with guidance on how to use the platforms were deemed particularly useful)³⁴⁸. In their experience, ReportNET3 was more difficult to use, particularly when uploading files, with frequent crashes that required data to be entered multiple times³⁴⁹.

About one-third (nine out of 27) respondents agreed³⁵⁰ and two strongly agreed³⁵¹ that authorities in their Member State had to revise internal tools and procedures as a result of the adoption of an EU electronic platform (see Figure 36). However, five disagreed³⁵² and two strongly disagreed³⁵³. Consequently, many of the respondents either disagreed (10 out of 28)³⁵⁴ or strongly disagreed (five out of 28)³⁵⁵ that the platform has saved Member States the costs of introducing or maintaining a similar reporting platform at national level. Among the Member States that disagreed or strongly disagreed, most (e.g. Austria, Belgium, Denmark, Finland, Latvia, Lithuania, the Netherlands, Spain) were above the EU average for 'overall e-government maturity' according to the e-government benchmark 2023 report³⁵⁶. However, in the absence of major revamp of the EU electronic platforms, no major revisions of Member States' internal tools and procedures is expected to be needed in the coming years.

³⁴¹ Survey of national authorities who replied 'strongly agree or agree' (11): BG, CZ, DE, ES (2), FR, HR, HU, LT, NL, SE.

³⁴² Survey of national authorities (5): DE, DK, ES, LV, PL.

³⁴³ Survey of national authorities (3): AT, BE, FI.

³⁴⁴ Case study: BE.

³⁴⁵ Case study: FR.

³⁴⁶ Ibid.

³⁴⁷ Case study: PL.

³⁴⁸ Case study: RO.

³⁴⁹ Ibid.

³⁵⁰ Survey of national authorities (8): AT, CZ, DE, ES, HR, LT, MT, NL, SK.

³⁵¹ Survey of national authorities (2): ES, LV.

³⁵² Survey of national authorities (5): DE, DK, ES, FI, PL.

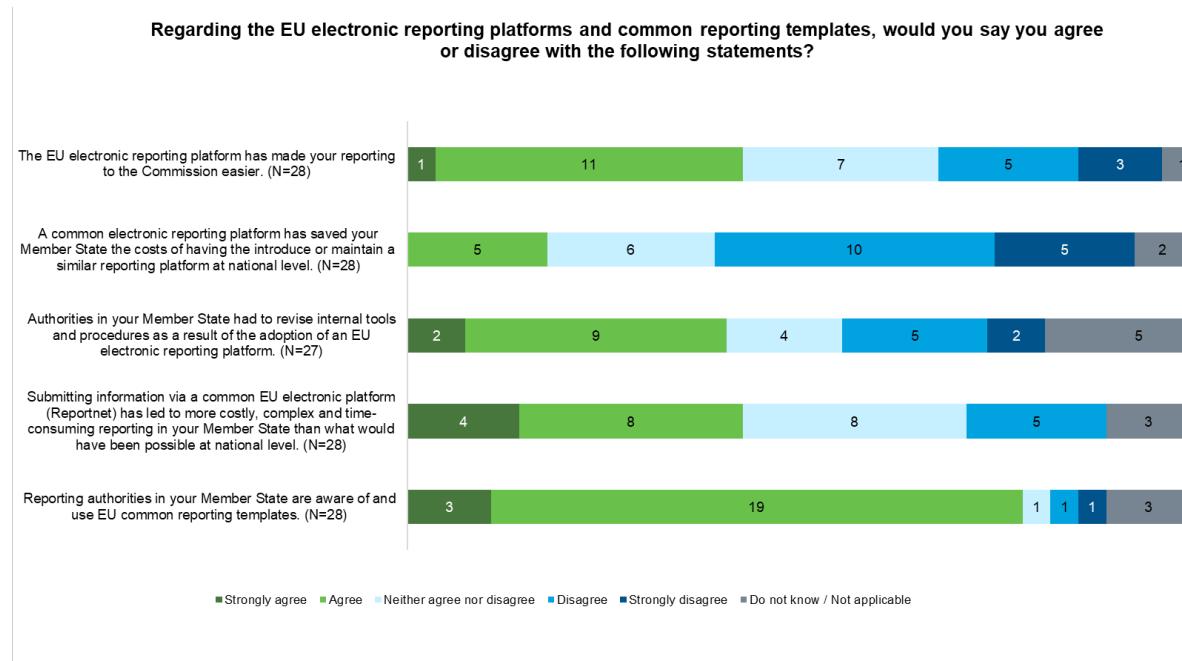
³⁵³ Survey of national authorities (2): DE, HR.

³⁵⁴ Survey of national authorities (9): AT, CZ, DE, DK, ES, HR, LT, LV, NL.

³⁵⁵ Survey of national authorities (5): BE, DE (2), ES, FI.

³⁵⁶ European Commission, *E-Government Benchmark 2023 – Insight Report*, 2023 (EU average was 70 points).

Figure 36. Reporting platforms (N=28)



Source: ICF, based on survey of national authorities.

Stakeholders raised a concern about the efficiency of the reporting platforms used for Member States' submissions, with the division into ReportNET3 and ReportENER garnering some criticism. Some national authorities interviewed emphasised that the existence of the two platforms makes their work more difficult, as it requires more time to understand the platform to which data should be reported and does not allow full visualisation of the information provided³⁵⁷. This suggests non-alignment with the digital-ready policy recommendations, in particular Recommendation 1 on 'User-centric processes ready for automation', insofar as reporters are required to adapt to different reporting formats and platforms' requirements.

Two interviewees from the third sector noted that the two platforms scatter the information, making the systems less user-friendly³⁵⁸. The use of two reporting platforms was critiqued by another interviewee, who stressed the potential redundancy in maintaining two platforms³⁵⁹. This perception was reflected in the CfE and public consultation³⁶⁰: one interviewee noted some initial challenges using the platform due to validation checks, although they acknowledged that the platform simplified reporting in some areas (e.g. climate finance)³⁶¹.

One interviewee emphasised the platform's role in standardising reporting, making it unnecessary for each Member State to develop independent systems³⁶². It thus transformed unstructured information, often in PDF format, into accessible, structured

³⁵⁷ Interviews with national authorities (3,4,5).

³⁵⁸ Interview with the third sector (2,5).

³⁵⁹ Scoping interview with NCA.

³⁶⁰ Replies to CfE: Public authority – Ministry for the Ecological Transition and the Demographic Challenge (EE); NGO – CAN Europe.

³⁶¹ Scoping interview with NCA.

³⁶² Scoping interview with EU institution.

data³⁶³, which two interviewees from the third sector noted made information easy to access³⁶⁴. It also enables economies of scale, as well as availability and comparability of information. However, three other interviewees from the third sector shared that the information provided is not easily understandable³⁶⁵. They reported difficulties with the readability of downloaded information, which was fragmented and not accessible to the general public (overly complex). One of these three stakeholders suggested that information could be provided in a more understandable manner, for instance by systematising information received from the different Member States, or by providing the information in a comparative fashion.

5.1.2.3 EQ9 - To what extent has the Regulation contributed to streamlined planning, reporting, and monitoring including through further digitalisation or consolidation?

Responses to the targeted survey indicate a divided perspective among NCAs. Nine out of 25³⁶⁶ agreed that the timing of different obligations within the Governance Regulation is consistent and reasonable, while 11 disagreed (six disagreed, five strongly disagreed) (see Figure 37). Similarly, on alignment with Member State obligations, 10 out of 26 respondents agreed and 12 disagreed (eight disagreed, four strongly disagreed). Feedback from one stakeholder described the initial phase of drafting the NECPs as challenging, but they anticipate more fluidity in the future³⁶⁷. The skills and structures have now been established and this is likely to make reporting more cost-effective. Evidence from the public consultation highlighted some issues with reporting. One stakeholder noted that the finalisation of the reporting guidelines and the commissioning of the reporting platforms occurred very close to the reporting deadline³⁶⁸. They urged consideration of this point when identifying potential reporting gaps and emphasised the need for both the guidelines and access to the platform to be available earlier. Although a specific timeline was not provided, it was suggested to consider time needed for implementors to test and provide hands-on training with the system before implementation, which would also reduce pressure on Commission staff to respond to queries.

³⁶³ European Commission, *Reporting system for EU countries*.

³⁶⁴ Interviews with third sector stakeholders () .

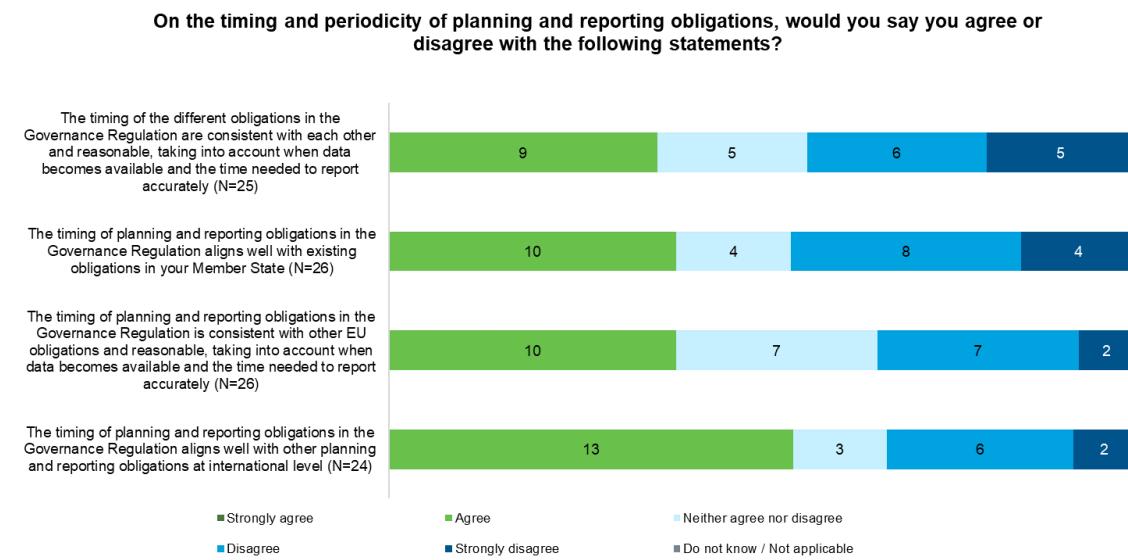
³⁶⁵ Ibid.

³⁶⁶ Survey of national authorities (8): BG, CY, CZ, DE, FR, HR, NL, SK.

³⁶⁷ Scoping interview with EU institution.

³⁶⁸ Reply to CfE: Public authority – Ministry for the Ecological Transition and the Demographic Challenge (EE).

Figure 37. National authorities' views on timing and periodicity of planning and reporting



Source: ICF, based on survey of national authorities.

The survey data provide insight into stakeholders' perceptions of the Governance Regulation's alignment with EU and international reporting obligations. Of the 26 respondents from national authorities, 10 agreed that the timing is consistent and reasonable, while nine disagreed (seven disagreed, two strongly disagreed), indicating considerable difference of opinion within the EU context. Seven respondents remained neutral, suggesting either uncertainty or insufficient knowledge. In terms of the Regulation's alignment with international obligations, the data from 24 respondents skew more positively, with 13 agreeing that the timing aligns well with international reporting frameworks. However, eight respondents disagreed (six disagreed, two strongly disagreed), revealing concerns about international consistency among a significant minority. Only three respondents were neutral on this matter, implying a more decisive viewpoint on international alignment compared to EU obligations.

When asked about challenges with the timing of obligations within the Governance Regulation, stakeholders voiced several concerns. Firstly, they noted that the prescribed five-year timeframe for strategic decisions in the energy sector often falls short, as significant shifts in energy systems typically require longer-term planning (except in cases of geopolitical changes). Secondly, stakeholders highlighted difficulties in aligning the timetables for various tasks, such as preparing the NECPs and NEC Directive reporting, preventing adequate integration of lessons from previous planning cycles. Stakeholders pointed to the resource-intensive nature of reporting and updating NECPs, with overlapping responsibilities straining human resources. They also raised concerns about close deadlines between NECPs and NECP review processes, leading to workload challenges. The fact that key amendments to legislation linked to the Governance Regulation was negotiated and adopted shortly before the update of the NECPs was noted as a barrier to fulfilling obligations under the Regulation. Stakeholders highlighted data utilisation challenges and concerns about regulatory integrity due to infrequent updates to the Governance Regulation, which could lead to misinterpretation and incorrect implementation of definitions. Further concerns were the timing and sequencing of reporting obligations, such as the overlapping of draft NECP updates and NECPs in 2023, and the legislative process of the Fit for 55 package, which created additional workload and uncertainties about what needed to be taken into account in preparing the draft NECP update. The sequencing of GHG inventory data, projections, and NECP update reporting all have a March deadline.

However, some national authorities observed that it would be more logical to have projects following the energy data, and the NECP updates following both. Such order would also simplify the work of national authorities. Similarly, some national authorities considered that the LTSs should precede the medium-term plans of the NECPs and their updates.

When asked about the alignment of obligations within the Governance Regulation with other national, EU or international obligations, stakeholders pointed out several discrepancies. For example, one national authority (Croatia) noted that the timing of obligations in the case of Directive (EU) 2016/2284 on the reduction of national emissions of certain atmospheric pollutants is not aligned with Governance Regulation. Another national authority (Spain) explained that conflicts arise with other national reporting requirements, such as those stemming from the national air pollution control programmes under the NEC Directive (see section 5.1.3).

Despite mixed perceptions of the consistency of the Governance Regulation and alignment with other obligations, there appeared to be a stronger sentiment that the timing aligns better with international than EU obligations.

Interviews with third sector representatives and NCAs echoed these survey findings. Two third sector interviewees highlighted sequencing issues within the Governance Regulation, particularly the timing of submissions and the connection between processes such as target setting and progress assessment, which can lead to information gaps and outdated plans, especially during government transitions³⁶⁹. Other third sector interviewees reinforced this perspective, emphasising that digital templates have improved data access and comparability, but data quality and granularity vary widely between Member States, hindering full harmonisation³⁷⁰. The perceived difficulty in accessing NECPs compared to the more readily available NECPs complicates streamlined monitoring³⁷¹.

One NCA interviewee suggested that integrating EU and international reporting cycles could reduce the administrative burden resulting from misalignment, allowing Member States to fulfil their obligations more effectively³⁷². Another recommended that the frequency and timing of reviews and reports be reconsidered, considering the dynamic nature of the Regulation's objectives. As these decisions have long-term implications, establishing a task force for regular meetings to discuss NECPs would enhance the effectiveness of the regulatory process and maintain relevance in the face of policy shifts and administrative changes³⁷³. These proposals correspond with the survey respondents' calls for better alignment and reflect a shared desire for more dynamic and responsive planning and reporting mechanisms.

While the Regulation has laid the groundwork for more streamlined planning, reporting and monitoring through the introduction of digital templates and structured processes, its contribution is varied. Stakeholder feedback and survey responses suggest that inconsistencies in data quality, access to information, and alignment with existing EU and international obligations present ongoing challenges that impede the full realisation of streamlined operations. Despite progress, especially in digitalisation, the Regulation's impact on streamlining is only partial, implying a need for continued refinement and adaptation to achieve its intended goals.

³⁶⁹ Interview with third sector (EEB).

³⁷⁰ Interview with third sector (E3G).

³⁷¹ Interview with third sector (1).

³⁷² Interview with NCA (1).

³⁷³ Interview with NCA (1).

5.1.3 Coherence

This section synthesises information from the desk research, CfE, surveys, interviews and stakeholder event on the internal coherence of the Governance Regulation (EQ10) and its external coherence with other EU and international obligations (EQ11).

- **Internal coherence** is between the different planning/monitoring/reporting processes and related timeframes under the Governance Regulation. As a key objective of the Regulation, it raises practical aspects: internal timeline, definitions, reporting templates and guidelines. Important internal coherence issues include possible duplications and contradictions, and coverage and (im)balances among fields of policy intervention.
- **External coherence** is between the Governance Regulation and the broader EU policy framework (notably the European Green Deal and its derived policies and regulations) and with relevant international policy frameworks (especially the UNFCCC and Paris Agreement). A high level of coherence offers potential for synergies. This also raises practical aspects, particularly in the timing of reporting obligations. A major issue is the challenge to maintain external coherence over time while the international context and the EU policy framework are changing rapidly compared to the process initially planned at the time of adoption of the Regulation (end 2018). External coherence may have strong links with EQ6, on multi-stakeholder dialogue (coherence between local, regional, and national level can be seen as multi-level coherence).

Overall, evidence from the stakeholder consultations indicates that the Governance Regulation streamlined previous planning and reporting obligations from various pieces of legislation across energy, climate, and other Energy Union-related policy areas. However, stakeholders highlighted some inconsistencies in both the internal (between the NECPs and LTSSs) and external (especially with the European Climate Law, the Paris Agreement and UNFCCC) coherence of the Governance Regulation.

In respect of internal and external coherence, the Governance Regulation needs to find the right balance between:

- Providing an integrated and comprehensive view, covering and structuring all interactions so as to create synergies and effectiveness gains; and
- Creating peak loads in reporting efforts, with considerable complexity, difficulties in setting a timeline that meets all purposes, challenges to maintain an umbrella planning/monitoring/reporting framework (given that it is connected to many pieces of legislation).

In practice, the Governance Regulation and the related Implementing Regulation, guidelines and guidance are living documents that can support an iterative and learning-by-doing process. None of the stakeholders consulted criticised the principles of the Governance Regulation or its general contribution to improving coherence in energy and climate policies. Whether explicitly or implicitly, most of the comments acknowledge the challenge of ensuring coherence in a broad and complex framework and make suggestions to correct possible flaws or fine-tune practical aspects (particularly the timeline).

The Governance Regulation was strongly identified by stakeholders as an umbrella planning/monitoring/reporting framework, indicating successful coherence.

EQ10 - To what extent does the harmonised and integrated nature of planning, reporting, and monitoring obligations lead to improved coherence of Member States and EU climate and energy policy within the remit of the Regulation? (internal coherence)

The majority of stakeholders acknowledged that the Governance Regulation has improved coherence between Member State and EU climate and energy policies. Nevertheless, there are still some inconsistencies, largely due to the complexity of integrating many obligations

in a single framework and the many changes that have occurred since the Governance Regulation was adopted in December 2018. The following general conclusions can be drawn from the evidence:

A large majority of stakeholders believe the Governance Regulation to be internally coherent and to provide a single framework to gather the various planning, monitoring and reporting due from the Member States. Evidence also indicates that the Regulation streamlined previous planning and reporting obligations from various pieces of legislation across energy, climate, and other related policy areas (see EQ1 and EQ2);

Some evidence suggests that coherence is lacking between the reporting obligations of the Governance Regulation, particularly between NECPs and LTSs, in relation to both the process and the timeline;

There is room to improve coherence between the overall picture/structure (provides the strategic view for integration) and the many practical details (enables coherent implementation), particularly in relation to coverage, interactions and timelines;

A better balance between the dimensions and topics could help to avoid bias in prioritisation. However, it is not always clear whether this would be a matter for the Governance Regulation or for related legislation (e.g. requirements related to adaptation);

Coherence issues also derive from the challenge of keeping the Governance Regulation up-to-date.

The Governance Regulation covers three types of obligations: planning, reporting and monitoring.

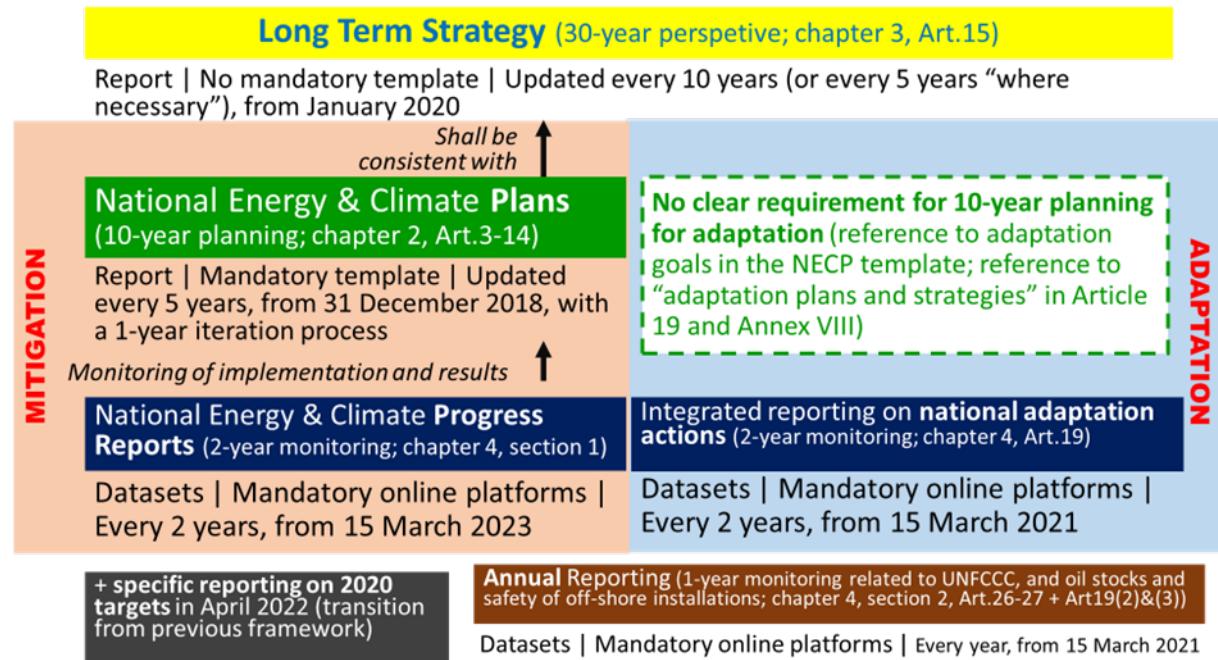
The Commission's proposal for the Governance Regulation highlighted that the planning and reporting requirements in place at the time provided detailed information on specific policy areas to support sectoral legislation, but were spread in 'a wide range of separate pieces of legislation adopted at different points in time, which has led to certain redundancy, incoherence and overlaps and lacking integration between energy and climate areas'³⁷⁴. The Regulation thus sought to bring together the previous 'scattered planning and reporting obligations from the main pieces of EU legislation across energy, climate, and other Energy Union related policy areas and thereby achieve a major simplification of obligations'³⁷⁵. In total, the Regulation integrated, streamlined or repealed more than 50 individual planning, reporting and monitoring obligations of the energy and climate acquis (integrating 31 and deleting 23). It also introduced new requirements, notably the introduction of NECPs, and emphasised several cross-cutting issues (e.g. EEF principle, energy poverty). The Governance Regulation also translated an invitation in the Paris Agreement to prepare long-term climate strategies by 2020 into a binding obligation under EU law for the Member States and the Commission to prepare LTSs.

The overall structure of the Governance Regulation is designed to effectively present the Energy Union's dimensions, with provisions sequentially addressing different targets and dimensions. The structure of the templates used for the NECPs or NECPRs aligns with the goal of facilitating a unified reporting process for both planning and progress evaluation.

³⁷⁴ Proposal for a Regulation of the European Parliament and of the Council on the Governance of the Energy Union, amending Directive 94/22/EC, Directive 98/70/EC, Directive 2009/31/EC, Regulation (EC) No 663/2009, Regulation (EC) No 715/2009, Directive 2009/73/EC, Council Directive 2009/119/EC, Directive 2010/31/EU, Directive 2012/27/EU, Directive 2013/30/EU and Council Directive (EU) 2015/652 and repealing Regulation (EU) No 525/2013, COM/2016/0759 final/2 - 2016/037, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM:2016:759:REV1>

³⁷⁵ Ibid.

Figure 38. Overview of the main planning and reporting components of the Governance Regulation



Source: ICF elaboration.

This section analyses how the internal coherence of the Governance Regulation is perceived by stakeholders and the specific coherence issues that have been identified. It reviews the coherence of the components of the Regulation, primarily between NECPs and LTSSs, and within its overall timelines. It also analyses potential overlaps, duplications and contradictions within the Governance Regulation. Coherence issues in the practical aspects of the Regulation (e.g. templates and guidelines) are also covered. Finally, the topics of energy poverty and the EEF principle are examined to illustrate how the Governance Regulation can contribute to improved coherence in EU and Member State legislation, planning and reporting.

As shown in Figure 38, national authorities had somewhat mixed views about the internal coherence of the Governance Regulation:

- Overall, a majority of respondents (42-55 %) agreed with the three statements about internal coherence, while about 20-30 % disagreed. Agreement was strongest for overall coherence (55 %, compared to 21 % disagreement). The strongest disagreement (32 %, including two that strongly disagreed) concerned the overlap or duplication of obligations;
- Just over half (16 out of 29) of the national authorities agreed³⁷⁶ that the planning and reporting obligations in the Governance Regulation are coherent overall, while only six disagreed³⁷⁷. No respondent strongly agreed or strongly disagreed, indicating that views on overall coherence are moderate;
- 12 out of 28 national authorities agreed³⁷⁸ that there are no contradictions between planning and/or reporting obligations contained in the Governance Regulation, while

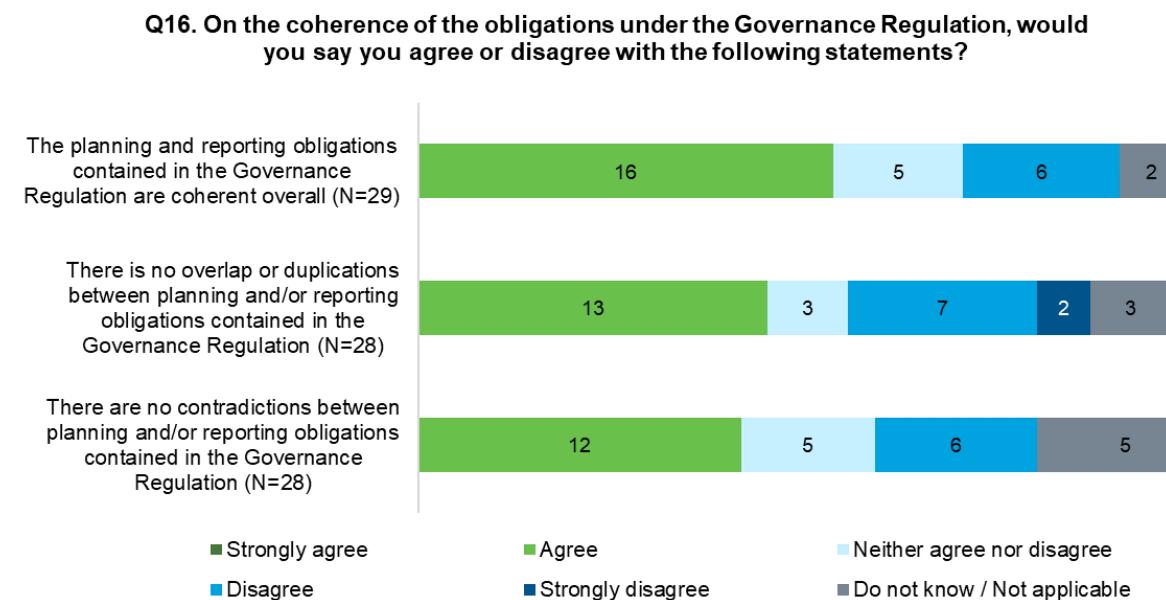
³⁷⁶ BG (1), CY (1), CZ (1), DE (1), DK (1), ES (2), FI (1), FR (1), HR (1), HU (1), LT (1), MT (1), NL (1), SE (1), SK (1).

³⁷⁷ BE (1), ES (1), DE (1), FI (1), PL (2).

³⁷⁸ BG (1), CY (1), CZ (1), ES (3), FI (1), FR (1), HR (1), HU (1), NL (1), SK (1).

- only six disagreed³⁷⁹. Again, moderate views were evident from the lack of strongly agree/strongly disagree responses;
- Just under half (13 out of 29) of the national authorities agreed that there are no overlaps or duplications between the planning and/or reporting obligations contained in the Governance Regulation³⁸⁰, while nine disagreed (seven disagreed³⁸¹ and two strongly disagreed³⁸²). The views on this issue were the most balanced, featuring the only two 'strong' opinions among the responses to the three statements on internal coherence.

Figure 39. Survey respondents' views on the Governance Regulation's internal coherence



Source: ICF, based on survey of national authorities³⁸³.

Further context was provided in the open survey questions and interviews, as described below. However, as improving coherence in EU energy and climate policy is one of the objectives of the Governance Regulation, stakeholders' feedback on issues or areas for improvement concerning coherence is also linked to the effectiveness evaluation criterion. This section summarises stakeholders' answers to the evaluation questions on coherence, some of which confirm the analysis of effectiveness (see section 5.1.1).

On the overall coherence of planning and reporting obligations, 13 stakeholders³⁸⁴ explained that the Governance Regulation created a single framework that integrates requirements (e.g. planning processes, monitoring systems, information to be reported) for Member States to comply with all of their obligations related to EU energy and climate policy. Notably, the introduction of NECPs and NECPRs streamlined EU-level requirements for climate and energy planning and reporting.

³⁷⁹ FI (1), LT (1), MT (1), PL (1), SE (2).

³⁸⁰ BG (1), CY (1), CZ (1), DE (1), DK (2), ES (3HR (1), HU (1), NL (1), SK (1)).

³⁸¹ DE (1), FI (1), LT (1), MT (1), PL (1), SE (2).

³⁸² BE (1), FI (1).

³⁸³ Answers from 18 Member States: BE (1), BG (1), CY (1), CZ (1), DE (4), DK (2), ES (3), FI (2), FR (1), HR (2), HU (1), LV (1), LT (1), MT (1), NL (1), PL (3), SK (1), SE (2).

³⁸⁴ Replies to CfE: Business associations (2): COGEN Europe; European Renewable Energies Federation. NGOs (2): Transport and Environment; Environmental Justice Network Ireland (EJNI). Academic/Research Institute (1): Brussels School of Governance (VUB). Other (1): The Coalition for Energy Savings. Seven scoping interviews with EU institutions (3), EU Agency (1), NGO (1), NCA (2).

Answers from six stakeholders³⁸⁵ highlighted that having a single framework helps to reduce siloed approaches, with better integration of policies³⁸⁶ and aggregation of targets and policies³⁸⁷. The Governance Regulation sets clear and aligned processes for each time horizon, from yearly reporting to long-term planning (30 years), covering all of the dimensions and policy areas of EU energy and climate policy and stimulating enhanced cooperation among different ministries at national³⁸⁸ and EU level³⁸⁹. The NECPs also provide an opportunity to identify possible misalignments of dimensions/topics and to assess whether they form a coherent whole. Similarly, mandatory templates increase comparability, which is especially helpful for benchmarking³⁹⁰.

Three stakeholders³⁹¹ reported that implementing the Governance Regulation has helped to improve consistency in national data by aligning national data collection with the Regulation, as well as better implementation of reporting. However, despite a similar structure in reporting (templates), there was significant variation in Member States' level of detail and complexity of reporting³⁹². For example, although the template for the NECPs ensures that all Member States provide minimum data about their scenarios, those scenarios are explained with different levels of detail. Some NECPs include more data than others (e.g. multiple impacts). Similarly, data on investments and financing needs vary significantly, meaning that stakeholders (e.g. investors) have access to different levels of information in different countries.

NECPs were sometimes 'a compilation of existing plans', suggesting a lack of meaningful integration (see EQ1 and EQ2). Some also perceived the NECP as merely a reporting obligation, rather than an opportunity for more interaction between the various units involved in compiling the NECP. The integration of the five Energy Union dimensions can be seen as a progressive approach. The previous separate reporting processes already supported more integrated and strategic planning, monitoring and reporting of the main energy and climate targets (reducing GHG emissions, developing RES and improving energy efficiency). A 2022 study³⁹³ analysed the experience gained and improvements in the planning, monitoring and reporting of energy efficiency policies since the first NEEAPs in 2007-2008 until 2020 and the switch to the Governance Regulation process. The same

³⁸⁵ Scoping interviews with EU institutions (2), NCAs (CZ, DK); Interviews with third sector organisations (2).

³⁸⁶ For example, the NECP template includes dedicated sections on energy poverty, where Member States must report how they assess energy poverty, and their strategy and policy measures to tackle it. This usually implies coordination between social, energy market and energy efficiency policies.

³⁸⁷ Chapter 2 of the NECP template relates to objectives and targets, followed by chapter 3, on PaMs in place or planned to achieve the targets. Section B is about the scenarios and IAs of the PaMs, which, in theory, should verify that the aggregation of expected impacts would enable meeting the umbrella targets, particularly the reduction in GHG emissions.

³⁸⁸ Completing the reporting for the NECPR, NECP and LTS requires that the different ministries (e.g. energy, industry, transport, construction, R&I) and even the different units within a ministry (e.g. Ministry of Energy: units in charge energy supply, units in charge of energy markets, units in charge of energy efficiency), and possibly other public bodies (e.g. national energy agency, energy regulatory body; body in charge of the national GHG emission inventory) coordinate to follow the same timeline, use the same underlying scenarios and assumptions, etc.

³⁸⁹ All Member States must provide planning data about the same target year (e.g. 2030) by the same deadline. This creates more favourable conditions for EU-wide assessment and regional cooperation among neighbouring countries, compared to a situation where information is available from national processes only (different points in time, different time horizons) (see EQ5).

³⁹⁰ Interviews with EU institution (1) and third sector organisations (3). For example, the NECPR defines the indicators and metrics that Member States must use to report their data. This makes it easier for Member States to compare with each other, and for third sector organisations or European projects or studies to make cross-country comparisons, thereby identifying good practices (or gaps) that can be used to support experience-sharing.

³⁹¹ Scoping interview with NCAs (BE, DK) and EU institution (1).

³⁹² Interviews with third sector organisations (2).

³⁹³ Economidou, M., Ringel, M., Valentova, M., Castellazzi, L., Zancanella, P., Zangheri, P., Serrenho, T., Paci, D. and Bertoldi, P., 'Strategic energy and climate policy planning : Lessons learned from European energy efficiency policies', *Energy Policy*, Vol. 171, 2022, 113225. <https://doi.org/10.1016/j.enpol.2022.113225>

trajectory can be expected with the NECPs: the first round has diverse degrees and forms of integration or juxtaposition among Member States, with subsequent rounds showing more convergence towards higher integration. The NEEAPs initially focused on complying with the reporting obligations, then progressively moved towards using the NEEAPs as a policy planning tool. Importantly, the 2022 study showed that the improvements in Member States' use of NEEAPs were partly driven by the new provisions introduced by the EED in 2012 and its amendments in 2018.

In the current context, this means that the Governance Regulation can provide the general framework for integration and coherence, but the actual achievement of better integration and coherence depends on the evolution of related legislation. For example, the EED recast requires the comprehensive heating and cooling assessment (Article 25(1) EED) to be accompanied by the assessment of RES potentials (previous Article 15(7) of RED). This explicitly requires integration on heating and cooling supply related to RES and energy efficiency, with the umbrella objective to decarbonise heating and cooling. Such integration is facilitated by the joint revision of the main pieces of energy and climate legislation (first done with the Clean Energy for All Europeans package in 2016-2018, and more recently with the Fit for 55 package).

The Governance Regulation sets an iterative process for the NECPs: for each round, the Member States first submit a draft, which is assessed by the Commission. The Commission then makes individual recommendations to each Member State before they submit their final NECPs. This can accelerate the learning phase initiated at the end of 2018 with the adoption of the Governance Regulation, and in early 2019 with the submission of the first draft NECPs. Such progress can be seen when comparing the successive assessments by the Commission of the draft NECPs, NECPs and draft updated NECPs.

The Fit for Future Platform underlined the need to ensure consistency of the Governance Regulation in view of lessons learnt from the first iteration of NECPs and LTSs³⁹⁴.

While the survey results and interviews indicated that the Governance Regulation is coherent overall and improved coherence in EU and national energy and climate policy, the interviews highlighted some major internal coherence issues, primarily between the NECPs and the national LTSs and the internal timeline of the Governance Regulation. Table 18 summarises the coherence issues between the NECPs and LTSs.

Table 18. Coherence issues between NECPs and LTSs

Coherence issue Explanations/evidence
(Mis)alignment The Governance Regulation requires coherence between Member States' NECPs between NECPs and LTSs but does not provide a clear process or guidelines for this integration ³⁹⁵ . (mid-term planning) and LTSS (long-term planning) While the intermediate update (after five years) is mandatory for NECPs, it is not for LTSs (only 'where necessary'), which may create misalignments ³⁹⁶ . Although

³⁹⁴ Final opinion 2022_SBGR1_03 Governance of Energy and Climate_fup.pdf (europa.eu)

³⁹⁵ Interviews with third sector organisations (2). Opinion of the Fit for Future Platform.

³⁹⁶ Interviews with third sector organisations (3).

Coherence issue Explanations/evidence

manifestly outdated³⁹⁷, the LTSs are not in the process of being reviewed³⁹⁸ (while final NECP updates are due by 30 June 2024). Consequently, the longer-term direction remains unclear and misaligned with the shorter-term action.

Stakeholders pointed to similar inconsistencies in the timeline.

Differences in stringency/requirements and importance Four stakeholders mentioned that, compared to the NECPs, LTSs have not been given sufficient attention³⁹⁹. This was also highlighted for effectiveness (see EQ1).

The NECP template is mandatory ('shall'), while the LTS template is only recommended ('should')⁴⁰⁰. In practice, Annex IV of the Governance Regulation (template for LTS) was fully followed by only five Member States, and partly followed by a further 12 (see EQ1).

The NECP process includes an iteration with the Commission for each cycle of update: Member States submit first a draft, assessed by the Commission, which makes recommendations, then Member States submit a final version. Such an iterative process has not been formally introduced for the LTSs.

Three stakeholders highlighted a need to more closely assess and monitor LTSs⁴⁰¹.

Table 19 presents the coherence issues in relation to the internal timeline of the Governance Regulation.

Table 19. Coherence issues related to the internal timeline of the Governance Regulation

Coherence issue Explanations/evidence

Between NECP and LTS Member States first submit their NECP and then their LTS. Some stakeholders believe it would be better to submit both at the same time, or submit the LTS first, to avoid a situation where the longer-term planning depends on the shorter-term planning, with the shorter-term planning then becoming inconsistent with the objectives of the longer-term planning⁴⁰².

Between NECP and NECPR The sequence between NECPR and NECP may create inconsistencies. For instance, one stakeholder underlined that, in 2023, the deadline for the NECPR was 15 March, while the deadline for the draft NECP update was 30 June. However, the

³⁹⁷ Some of the LTSs were prepared before COVID (e.g. PT: June 2019; NL: December 2019; FR: March 2020). Some of the LTSs are even older, as they correspond to national strategies adopted before the LTS was required as an EU reporting obligation (e.g. DE: November 2016). Overall, most LTS were prepared before the start of Russia's war of aggression against Ukraine and the related energy crisis, and before the pieces of the Fit for 55 package were adopted. Ecologic's assessment for the European Climate Foundation in 2022 concluded that some LTSs were already outdated (Velten, E.K., Evans, N., Spasova, D., Duwe, M., de la Vega, R., Duin, L. and Branner, H., *Charting a path to net zero: An assessment of national long-term strategies in the EU*, Ecologic Institute, Berlin, 2022, <https://www.ecologic.eu/18646>).

³⁹⁸ Article 15 Governance Regulation requires Member States to prepare their next LTSs by 1 January 2029 (with a 30-year perspective, i.e. until 2060). The provision on an update every five years is a 'should, where necessary'.

³⁹⁹ Replies to CfE: NGOs (2): CAN Europe; Transport and Environment. Academic/Research institute (1): Ecologic Institute. Environmental organisation (1): WWF European Policy Office.

⁴⁰⁰ Interview with third sector organisation (1) and opinion of the Fit for Future Platform. 'Adding a mandatory template asking for more detail on the long-term vision (scenarios and targets) and on preparation and use of the document' is the first recommendation on improving the EU framework for LTSs (Velten, E.K., Evans, N., Spasova, D., Duwe, M., de la Vega, R., Duin, L. and Branner, H., *Charting a path to net zero: An assessment of national long-term strategies in the EU*, Ecologic Institute, Berlin, 2022).

⁴⁰¹ Scoping interview with EU institution (1); Replies to CfE: NGO (2): CAN Europe, Transport and Environment.

⁴⁰² Interviews with third sector organisations (2) and opinion of the Fit for Future Platform.

Coherence issue Explanations/evidence

NECPR should comment on the NECP, which was still being updated at that time⁴⁰³. Another⁴⁰⁴ pointed out that the timeframe would not allow for the lessons of the NECPRs to be incorporated into the NECP review process.

Timeline assessments for In practice, the Commission may receive data very late from Member States (see EQ1). This results in Commission assessments being completed very rapidly. This occurred in 2023 in relation to the assessment of consistency of EU measures towards climate objectives (as required by the European Climate Law)⁴⁰⁵. More time is needed between receiving plans and reports and completing the assessment.

Similarly, there was late submission of draft NECPs in 2019 and draft NECP updates in 2023. The deadline for draft NECP updates was 30 June 2023. By the end of September, only 15 (of 27) draft NECP updates were available. By December 2023, four were still missing, although the Commission's deadline for sending its recommendations to the Member States was 31 December.

Other timeline challenges were raised in relation to external coherence (see EQ11).

On possible overlaps or duplication, some inconsistencies were identified (primarily from the survey):

Three national authorities⁴⁰⁶ pointed to possible overlaps about PaMs, projections and GHG inventories between NECPs and reporting obligations under Articles 17 and 18 of the Regulation (NECPRs) and Article 26 (annual reports)⁴⁰⁷;

Possible duplication of data collection or reporting with Eurostat (ESTAT) processes: some data may already be collected by ESTAT and may be required again for the biannual reporting (NECPRs)⁴⁰⁸. In practice, the reporting for NECPRs in Reportnet already includes data from ESTAT.

As the same information might be needed for multiple reporting purposes, the Governance Regulation could help to reduce duplication of reporting effort by creating a single reporting process for multiple purposes⁴⁰⁹.

Several possible contradictions were mentioned by one stakeholder⁴¹⁰:

Article 44 of the Governance Regulation established two committees (Climate Change Committee and the Energy Union Committee) which may contradict the objective of integration and breaking silos. Information is shared between the Committees, and the working groups on NECPs and NECPRs are set up jointly;

⁴⁰³ Interview with EU institution (1).

⁴⁰⁴ Survey of national authorities (1): ES.

⁴⁰⁵ Interview with an EU institution (1).

⁴⁰⁶ Survey of national authorities (3): LT, PL, SE.

⁴⁰⁷ Survey of national authorities (1): PL, 'Provisions included in Art. 17.3 do not solve the problem but in contrary introduce confusion, especially in the context of the fact that the report under Art. 18a is a separate, stand-alone report and in the context of the structure of reporting tables in Reportnet 3.0. PaMs report under Art. 18a is a separate report and has its own requirements (Commission Regulation 2020/1208) and acceptance path by the government, regardless the work on NECPR under Art.17 (and Commission Regulation 2022/2299). In addition, many GHG PaMs covered by the report under Art. 18a are also PaMs concerning RES and energy efficiency which go to the NECPR under other dimensions of the Energy Union'.

⁴⁰⁸ Scoping interview with EU institution (1).

⁴⁰⁹ Scoping interview with EU institution (1).

⁴¹⁰ Both examples from the same interview with EU institution (1).

Integration of reporting can result in workload peaks, especially when several processes occur in the same year, as in 2023 (NECPRs and draft NECP updates). 2023 was the first time NECPRs were to be reported, which increased the workload for national authorities.

The small number of overlaps, duplications and contradictions raised by stakeholders suggests that the Governance Regulation has a good level of internal coherence.

In their responses on internal coherence, stakeholders commented on aspects to be covered in the reporting obligations and the balance within the Governance Regulation (i.e. between the five dimensions of the Energy Union, and with other policy areas, such as adaption). The Governance Regulation aims to streamline the reporting obligations of EU energy and climate legislation. Most of these obligations are specified in their related pieces of legislation (e.g. RED for reporting obligations on RES). The Governance Regulation and related processes can make it easier to identify possible risks of inconsistency. However, the ambition and weight given to each policy area depends more on the political decisions when adopting the corresponding piece of sectoral legislation, than on monitoring in the processes of the Governance Regulation. Consequently, some of the comments in Table 20 apply to related pieces of legislation rather than to the Regulation itself.

Table 20. Coherence issues in relation to coverage and balance within the Governance Regulation

Policy area	Coherence issues and comments from stakeholders
Adaptation	<p>Evidence from the interviews indicates that adaptation, need for resilience, and effects of climate change on energy production were not covered well in the first (2019) NECPs. This might be because the template mentions adaptation only as a sub-section in the parts on decarbonisation⁴¹¹. Similarly, resilience is mentioned in the part on security of supply. However, the link between resilience of energy systems and adaptation may not be made systematically. These issues were also highlighted in the Commission's recommendations to Member States.</p> <p>There is no clear requirement for 10-year planning for adaptation.</p> <p>The climate dimension of the Governance Regulation might be less covered/given less attention than the energy dimension. In addition to adaptation, another example is non-energy sectors relevant for climate-relevant aspects, in particular agriculture⁴¹². One third sector organisation raised the same issue about biodiversity⁴¹³. The Commission's assessment of the draft NECP updates shows improvements on these issues and circular economy integration.</p>
Heating cooling	<p>andOne EU institution underlined the gap in reporting on heating and cooling assessment. The comprehensive assessments required by the previous EED were due every five years from 2015. The next ones would thus have been due by 2025. However, the new EED aligns this reporting with the NECP. Commission guidance in December 2022 clarified that Member States should include their updated comprehensive assessment with their final NECP update due by June 2024. Meanwhile, gaps in cooling data and about waste heat were identified in the draft NECP updates⁴¹⁴.</p>

⁴¹¹ Scoping interview with EU institution (1).

⁴¹² Scoping interview with EU institution (1) and third sector organisations (2).

⁴¹³ Interview with third sector organisation (1).

⁴¹⁴ Interview with EU institution (1).

Policy area	Coherence issues and comments from stakeholders
Financing	A third sector organisation stressed the importance for the NECPs to provide information on the financial means to achieve the targets ⁴¹⁵ . This was also stressed under effectiveness (see EQ1).
Just Transition	One NCA stated that there should be room for more provisions reporting on the Just Transition ⁴¹⁶ .

First assessments of draft NECP updates seem to indicate improvements between the first NECPs (2019) and the draft NECP updates (2023): in the first NECPs, health aspects (air quality) were covered to some extent, but energy poverty, employability skills or the Just Transition, as well as related policies (e.g. water quantity issues under adaptation) were poorly addressed. The new guidance for the draft NECP updates has improved this. However, some social aspects remain less well covered, such as growing social concerns about landscape related to the impact of renewables⁴¹⁷.

In respect of the practical details (templates and guidelines), stakeholders mentioned some other inconsistencies or suggestions for improvements (see Table 21)

Table 21. Coherence issues in relation to templates and guidelines

Template guidelines	or Coherence issue(s) or suggestion(s) for improvement
LTS template	The LTS template is recommended ('should') but not mandatory, whereas the other templates (NECP and NECPR) are mandatory. Showing pathways with intermediary targets towards 2050 would make it easier to assess consistency between NECPs and LTSs ⁴¹⁸ .
NECP template	The NECP template includes different chapters for each dimension of the Energy Union. Adding a horizontal chapter would help further integration (e.g. how energy efficiency targets can have an impact on renewable and energy security) ⁴¹⁹ . Article 3(3)(b) of the Governance Regulation states that the Member States shall 'take into account the interlinkages between the five dimensions of the Energy Union, in particular the Energy Efficiency First principle'. However, this principle is mentioned only in footnotes to the NECP template to remind Member States that 'Policies and measures shall reflect the energy efficiency first principle' in sections 3.3. (energy security) and 3.4 (internal energy market). One national authority ⁴²⁰ suggested that the NECP template could be simplified, pointing to overlaps in the elements included in sections 2, 3, 4 and 5 under each dimension.
NECPR template	The template lacks a reference to the EEF principle (Implementing Regulation (EU) 2022/2299), which is intended to be an overarching principle of the Governance Regulation.

⁴¹⁵ Interview with third sector organisation (1).

⁴¹⁶ Scoping interview with NCA (1): CZ.

⁴¹⁷ Interview with EU institution (1).

⁴¹⁸ Interview with third sector organisation (1).

⁴¹⁹ Interview with third sector organisation (1).

⁴²⁰ Survey of national authorities (1): MT.

Template guidelines	or Coherence issue(s) or suggestion(s) for improvement
Guidelines about statistics and data collection	One survey respondent ⁴²¹ noted that buildings and energy statistics are poorly aligned (e.g. renewable energies in buildings), suggesting a need to improve links to official (ESTAT) statistics.
Issues with definitions	A third sector organisation pointed to the lack of a definition of 'fossil fuel subsidies' and 'energy poverty' (the latter is addressed in the new EED), as both items are covered by reporting obligations ⁴²² .

Analysing the coherence of the Governance Regulation in relation to EU and national energy and climate policy first looks at how it has brought together various planning/monitoring/reporting obligations, then at the new aspects or requirements it introduced to promote a more integrated approach.

Reporting on energy poverty is one area where the Governance Regulation has made a difference and improved coherence significantly within EU legislation. Various pieces of legislation related to distinct Energy Union dimensions have provisions on energy poverty (e.g. Directive on internal market for electricity, EED, RED). The NECP and NECPR templates include dedicated sections (NECP) or annexes (NECPR) on energy poverty, where Member States must summarise the main information from policies or frameworks related to energy markets, energy efficiency or RES. The previous provisions on energy poverty (e.g. in the Electricity Directive or the EED) clearly raised the issue of energy poverty but did not define it⁴²³, leaving Member States to decide whether to apply the corresponding planning, monitoring and reporting requirements. This became more visible when Member States had to submit their first NECPs in 2019: their submissions in the sections dedicated to energy poverty greatly varied in quality and comprehensiveness, notably quantitative information on households affected by energy poverty and the details of policy action. Seven Member States simply mentioned that the issue was not significant or relevant to their national context⁴²⁴. This shows how Member States choices in respect of the implementation of the Governance Regulation can reduce its internal coherence.

A third sector organisation⁴²⁵ gave the example of the EEF principle. In theory, this principle should be overarching 'to take into account the interlinkages between the five dimensions of the Energy Union' (Article 3(3)(b) Governance Regulation). In practice, the Commission's assessment of the 2019 NECPs showed that Member States did not integrate this principle. An example of an interlinkage is energy security, where Member States should not solely focus on measures such as expanding gas storage and constructing new pipelines, but, rather, also assess whether strategies to reduce energy consumption could enhance energy security.

The EEF principle was first introduced and defined in EU legislation with the Governance Regulation (i.e. it was not transferred from separate reporting obligations). As stated in Article 3(3)(b), it was intended to better integrate the different dimensions of the Energy Union. However, at the time of preparing the first NECPs in 2019, no guidance was available to the Member States on how to take this principle into account. A recommendation and guidelines on the EEF principle were published by the European Commission in September

⁴²¹ Survey of national authorities (1): DE.

⁴²² Scoping interview with third sector organisation (1).

⁴²³ An official definition of energy poverty is now included in the EED (Article 2(52)).

⁴²⁴ DE, DK, EE, FI, MT, NL, SE. Bouzarovski, S., Thomson, H., Cornelis, M., Varo, A. and Guyet, R., *Towards an inclusive energy transition in the European Union: Confronting energy poverty amidst a global crisis*, Report of the EU Energy Poverty Observatory, 2020, <https://op.europa.eu/en/publication-detail/-/publication/4a440cf0-b5f5-11ea-bb7a-01aa75ed71a1>

⁴²⁵ Interview with third sector organisation (1).

2021⁴²⁶. The Commission's assessment of the draft NECP updates identified examples of where the EEF principle was reflected (e.g. draft NECP updates of Cyprus, Greece, Lithuania, Luxembourg, Romania, Spain). It concluded, however, that 'it is important that the final updated NECPs are more explicit in detailing how Member States will implement this principle'. The further improvements needed should be supported by Article 3 of the new EED, which sets a clearer legal basis for the implementation of the EEF principle⁴²⁷.

5.1.3.1 EQ11 – To what extent is the Regulation coherent with other EU and international obligations (external coherence)?

The Commission's proposal for the Governance Regulation was prepared in parallel with its reviews of the EED, the EPBD, the RED, and the various pieces of legislation encompassed by the Market Design Initiative, with a view to ensuring full coherence between these initiatives⁴²⁸, including the Electricity Market Design (EMD)⁴²⁹ reform and the Gas package⁴³⁰. These revisions or new pieces of legislation included changes or new reporting obligations linked to the processes of the Governance Regulation⁴³¹.

The Governance Regulation streamlined the provisions of the MMR with legislation in the energy field, updated the previous provisions to make them fit for monitoring the implementation of the ESR and LULUCF Regulation and for fulfilling the EU's commitments under the UNFCCC and the Paris Agreement. As the proposal covers a range of subject areas, it was decided not to propose a recast of the MMR⁴³².

Although the Governance Regulation streamlined previous scattered planning and reporting obligations, issues that affect the external coherence of the Governance Regulation with other EU and international obligations were identified⁴³³. The legislative

⁴²⁶ European Commission, 'Commission publishes recommendation and guidelines on the energy efficiency first principle', Press release, 28 September 2021, https://commission.europa.eu/news/commission-publishes-recommendation-and-guidelines-energy-efficiency-first-principle-2021-09-28_en

⁴²⁷ See, for example, discussions at the webinar 'Integrating Energy Efficiency First in the final update of National Energy and Climate Plans', <https://ieecp.org/2024/03/04/integrating-energy-efficiency-first-in-the-final-update-of-national-energy-and-climate-plans-enefirst-plus-webinar-materials/>

⁴²⁸ Proposal for a Regulation of the European Parliament and of the Council on the Governance of the Energy Union, amending Directive 94/22/EC, Directive 98/70/EC, Directive 2009/31/EC, Regulation (EC) No 663/2009, Regulation (EC) No 715/2009, Directive 2009/73/EC, Council Directive 2009/119/EC, Directive 2010/31/EU, Directive 2012/27/EU, Directive 2013/30/EU and Council Directive (EU) 2015/652 and repealing Regulation (EU) No 525/2013, COM/2016/0759 final/2 - 2016/0375, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM:2016:759:REV1>

⁴²⁹ Proposal for a Regulation of the European Parliament and of the Council amending Regulations (EU) 2019/943 and (EU) 2019/942 as well as Directives (EU) 2018/2001 and (EU) 2019/944 to improve the Union's electricity market design, 2023/0077(COD), <https://data.consilium.europa.eu/doc/document/ST-16964-2023-INIT/en/pdf>

⁴³⁰ Proposal for a Regulation of the European Parliament and of the Council on the internal markets for renewable and natural gases and for hydrogen (recast), 2021/0424(COD), <https://data.consilium.europa.eu/doc/document/ST-16522-2023-INIT/en/pdf>; Proposal for a Directive of the European Parliament and of the Council on common rules for the internal markets in renewable and natural gases and in hydrogen (recast), 2021/0425(COD), <https://data.consilium.europa.eu/doc/document/ST-16516-2023-INIT/en/pdf>

⁴³¹ For example, Article 19d EMD requires that the indicative national objective on flexibility, as well as measures to achieve this objective, shall also be reflected in Member States' NECPs. Another example in the Gas package comes from Article 51 of the Directive, that requires that the network development plan for natural gas and hydrogen to be in line with the NECP and its updates.

⁴³² Proposal for a Regulation of the European Parliament and of the Council on the Governance of the Energy Union, amending Directive 94/22/EC, Directive 98/70/EC, Directive 2009/31/EC, Regulation (EC) No 663/2009, Regulation (EC) No 715/2009, Directive 2009/73/EC, Council Directive 2009/119/EC, Directive 2010/31/EU, Directive 2012/27/EU, Directive 2013/30/EU and Council Directive (EU) 2015/652 and repealing Regulation (EU) No 525/2013, COM/2016/0759 final/2 - 2016/0375, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM:2016:759:REV1>

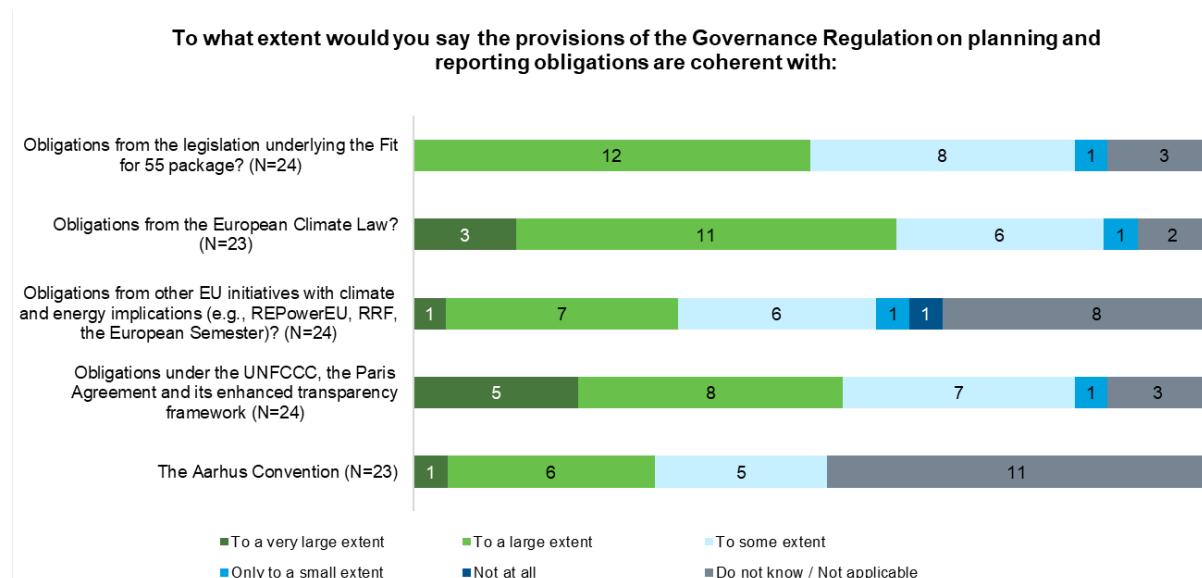
⁴³³ For example, due to changes in the flexibility mechanism between the LULUCF Regulation, ESR and ETS, where there are issues with the accounting and reporting of these flexibilities on an annual basis, and the comprehensive review will be in 2025 and 2027.

changes introduced after 2018 significantly impacted the external coherence of the Governance Regulation.

The evaluation discusses how the external coherence of the Governance Regulation is perceived by stakeholders overall, and how the Regulation provides an umbrella framework for external coherence. The main coherence issues identified are then summarised, including the challenge of maintaining coherence over time, timing and misalignments, multi-level coherence, and the complexity of ensuring coherence with the overall EU policy framework. This is complemented with summary tables on coherence issues specific to interactions with other parts of the EU policy framework or other relevant international frameworks: the Fit for 55 package, the European Climate Law, EU environmental laws, the Paris Agreement (and UNFCCC), and other laws or frameworks.

Similar to internal coherence, national authorities generally had a positive view of the external coherence of the Governance Regulation with major EU laws and international agreements (see Figure 40). Respondents were more certain of the coherence between the Governance Regulation and other legislation or agreements with direct interactions on planning, monitoring and reporting (Fit for 55 package, European Climate Law, UNFCCC/Paris Agreement) than for other EU initiatives and the Aarhus Convention. Nearly half (11 of 23) of the national authorities that responded did not know whether or not the Governance Regulation is coherent with the Aarhus Convention.

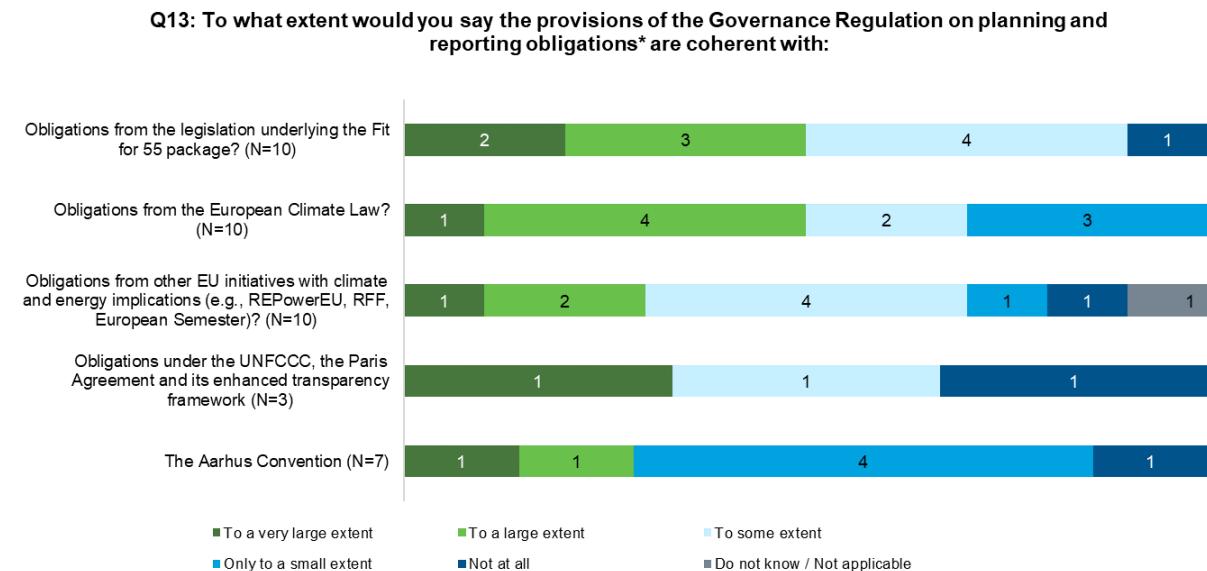
Figure 40. Respondents' views on the Governance Regulation's external coherence (national authorities)



Source: ICF, based on survey of national authorities.

Third sector organisations had a positive view of the external coherence of the Governance Regulation, albeit to a lesser extent than national authorities (see Figure 41). However, five of the seven third sector respondents did not believe that the Governance Regulation is coherent with the Aarhus Convention. These results should be read with caution as the number of answers is limited. Nevertheless, the answers on the Aarhus Convention are consistent with the analysis of multi-level and multi-stakeholder dialogue and consultation (see EQ6).

Figure 41. Respondents' views on the Governance Regulation's external coherence (third sector organisations)



Source: ICF, based on survey of third sector organisations.

5.1.4 Coherence issues with the Aarhus Convention

The EU and its 27 Member States are Parties to the Aarhus Convention. Under Article 7 of that Convention, they must fulfil certain standards in relation to public participation procedures 'concerning plans, programmes and policies relating to the environment'.

Recital 28 of the Governance Regulation recalls that Member States should involve the public in the preparation of NECPs 'where applicable', in accordance with the Aarhus Convention. Recital 29 also refers to the Convention, implying its applicability to the public consultation procedures required by Article 10 of the Regulation.

The UNECE's Aarhus implementation guidelines note that 'Article 7 applies to all plans and programmes regarding the environment. It does not expressly exclude modifications [...] from its scope'. In line with the Convention, the Governance Regulation recalls that the procedure of Article 10 on public consultation shall apply the preparation and assessment of the updated NECP. Along these lines, the Commission reminded Member States to ensure 'early and inclusive public participation in line with the Aarhus Convention' in its 2022 guidance on the NECP updates⁴³⁴. Most significantly, the UNECE's Aarhus Convention Compliance Committee (ACCC) recognised the Convention's applicability to both NECPs and their updates in its 2023 decision *A Sud Ecologia e Cooperazione Odv ETS v Italy*⁴³⁵.

With regard to national LTS, the ACCC has not yet had to rule on the applicability of the Convention, but in the course of the consultation stakeholders indicated that given the

⁴³⁴ Commission Notice on the Guidance to Member States for the update of the 2021-2030 national energy and climate plans, 2022/C 495/02, [https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52022XC1229\(02\)](https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52022XC1229(02))

⁴³⁵ Aarhus Convention Compliance Committee, Decision of 4 August 2023, https://unece.org/sites/default/files/2023-08/Communication_ASEC_05.08.2023_redacted.pdf

importance of the LTSs and the broad scope of Article 7 of the Aarhus Convention, as outlined in the UNECE implementation guidelines⁴³⁶.

On concrete plans and strategies adopted by the Member States under their obligations stemming from the Governance Regulation, the responsibility to comply with the Aarhus Convention arguably lies with the Member States rather than with the EU itself, as clearly stated by the relevant articles and recitals of the Governance Regulation. However, Article 7 also requires the Parties to the Convention (including the EU) to establish a 'transparent and fair framework' for public participation. With this in mind, third sector advocates have argued that the Governance Regulation's framework is itself insufficient. The ACC also invited the European union to provided evidence that it has adopted a regulatory framework and/or clear instructions for implementing article 7 of the Convention with respect to the adoption of National Energy and Climate Plans⁴³⁷.

The seventh Meeting of Parties to the Convention, in October 2021, was satisfied that the EU had put in place 'a regulatory framework that meets the requirements of Article 6(3) of the Convention [i.e. providing for reasonable consultation timeframes] with respect to [NECPs], but criticised that the EU has not yet demonstrated that it has adopted either a proper regulatory framework or clear instructions to ensure that the other requirements of Article 7 are met'⁴³⁸.

The Meeting of the Parties urged the EU to provide evidence of its legislative, regulatory or practical measures to ensure that in adopting the NECPs, Member States would meet the Aarhus Convention's standards for transparency, fairness and timeliness of public participation. It further asked the Commission to 'adapt the manner in which it evaluates [NECPs] accordingly'⁴³⁹.

The Commission submitted an action plan⁴⁴⁰ to the ACCC in July 2022. The plan contained concrete measures to implement the ACCC's recommendations, such as providing assistance to Member States or assessing progress on public participation in preparing the draft updated NECPs.

In line with its Action Plan, the Commission included, in its guidance of December 2022 for the Member States' NECP updates,⁴⁴¹ a section on 'Early and inclusive public participation in line with the Aarhus Convention', reiterating Member States' obligations regarding public participation under both the Governance Regulation and the Aarhus Convention. The Commission announced that it would conduct a more detailed assessment of Member States' compliance with Article 10 of the Regulation⁴⁴².

⁴³⁶ Robert, J., *The EU's climate and energy framework in light of the Aarhus Convention - Assessing environmental democracy rights in the Governance Regulation*, EEB, 2023, https://eeb.org/wp-content/uploads/2023/12/20231026-Aarhus-Convention-and-Governance-Regulation_0.pdf; Stockhaus, H., *Stakeholder exclusion likely? Public Participation under the Governance Regulation, An Assessment of Article 10 in the light of the Aarhus Convention*, Ecologic Institute, 2018, <https://www.ecologic.eu/15615>

⁴³⁷ Aarhus Compliance Committee, Decision VII/8f concerning the compliance by the European Union under the Convention of 18-20 October 2021

⁴³⁸ Decision VII/8f of the Meeting of the Parties on compliance by the European Union with its obligations under the Convention adopted by the Meeting of the Parties at its 7th session, <https://unece.org/env/pp/cc/decision-vii8f-concerning-european-union>

⁴³⁹ Ibid.

⁴⁴⁰ European Union (2022), Plan of action for decision VII/8f, available at <https://circabc.europa.eu/ui/group/3b48eff1-b955-423f-9086-0d85ad1c5879/library/c6f69753-45bc-4fc-a-961c-71d0dddf3c0d/details?download=true>.

⁴⁴¹ Commission Notice on the Guidance to Member States for the update of the 2021-2030 national energy and climate plans (2022/C 495/02).

⁴⁴² European Commission, *Progress report on the implementation of the recommendations in paragraphs 2(a)-(b), 8(a)-(b) and 10 of decision VII/8f as adopted by the Meeting of the Parties to the Aarhus Convention (MoP)*, 2023.

On 7 June 2024, the ACCC has welcomed the level of engagement and progress made in that direction by the European Union, but considers that it has not yet demonstrated that the requirements of its decision are fulfilled.

During the consultation activities conducted for the evaluation, some stakeholders' criticism persists in relation to:

- The Commission's acceptance of Member States' consultation proceedings, whose finalisation, critics point out⁴⁴³, is too late to enable 'effective public participation' at a time when 'all options are open' (as per Article 6(4) Aarhus Convention).
- Absence of an explicit reiteration of the Aarhus Convention's requirements under Article 7 in the text of the Governance Regulation.⁴⁴⁴

The open questions from the survey and interviews provided more detailed information.

Interview feedback highlighted that without the Governance Regulation there would be no comparable overview of information, making it more difficult to meet international obligations, especially under the Paris Agreement. Several stakeholders pointed out that the annual State of the Energy Union's progress report (due by the end of October) is available before each year's COP, which matches with international obligations and meetings⁴⁴⁵. On complementarity with international reporting, one NCA stressed that data used for NECPs can also be used for reporting to the International Energy Agency (IEA)⁴⁴⁶. This also implies that consistency between the Governance Regulation timeline and international reporting timelines should be reviewed regularly.

The Governance Regulation was acknowledged by three third sector organisations as the single tool that gathers together many plans, necessitating investment to implement these plans⁴⁴⁷. It sets an overall timeline, with regular deadlines that remain unchanged, even in times of broad context changes (e.g. European Green Deal, COVID-19 outbreak, Russia's war of aggression against Ukraine and the resulting energy crisis). This provides a ground for clarity and predictability for recipients and investor by maintaining the general process for planning/monitoring/reporting, while keeping the flexibility to revise legislation. The timeline provides both:

A feedback loop, through the NECPs every two years, with information on progress and possible gaps in implementation and achievements;

The possibility to update and refine planning (including targets, scenarios and sets of PaMs) every five years, with the NECPs and NECP updates. This is not ensured for longer term planning, however, as there is no mandatory intermediate update of the LTSs (see EQ10).

⁴⁴³ Swords, P., *Comments on first progress report*, UNECE, 2023, https://unece.org/sites/default/files/2023-11/frCommVII.8f_C54_C96_29.10.2023.pdf.

⁴⁴⁴ EEB, CAN Europe and others, *A revised and responsive Governance Regulation Respecting environmental democracy rights in climate planning*. Joint NGO position paper on the revision of Regulation 2018/1999 on the Governance of the Energy Union and Climate Action, 2024, https://unece.org/sites/default/files/2024-04/frObsVII.8f_CAN_others_29.03.2024_position_paper.pdf

⁴⁴⁵ Interviews with EU institutions (2) and NCA (1).

⁴⁴⁶ Interview with NCA (1).

⁴⁴⁷ Interviews with third sector organisations (3). However, how Member States report investment and financing needs varies significantly, especially in their comprehensiveness and clarity.

One stakeholder stressed that this was illustrated in the case of SET plans⁴⁴⁸: even if SET plans change, the Governance Regulation remains valid in relation to reporting on technologies, because it is sufficiently flexible rather than prescriptive⁴⁴⁹.

The timeline that includes the NECP process is iterative and supports a learning curve, particularly for the NECP (with a draft commented on by the Commission before submission of final version by the Member States). Member States receive an external view of their plans and can benchmark against other Member States' reports.

The Governance Regulation is considered when introducing or revising EU laws. This was the case, for example, when introducing the European Climate Law, which contributes to external coherence for the Governance Regulation through its requirement for the Commission to regularly assess consistency of EU measures towards climate objectives⁴⁵⁰.

Overall, stakeholders highlighted several coherence issues, chiefly the challenge of maintaining coherence over time:

Related pieces of legislation may change faster than the Governance Regulation, creating inconsistencies or misalignment, e.g. the new legislative framework with the European Climate Law, the Biodiversity Strategy, the Circular Economy Action Plans, or the Fit for 55 package;

Inconsistencies in the timeline may be addressed by updated legislative instruments, creating a conflict between (1) keeping the initial deadlines (e.g. for NECP updates) to maintain predictability and alignment with the general framework, and (2) considering adjusting deadlines where this may increase the relevance of the plans submitted (reflecting EU laws recently or about to be adopted or revised);

The need for future updates, such as the new article proposed by the NZIA⁴⁵¹ requiring NECPs to describe how Member States will contribute to the objectives of the Act. This might come too late for the current round of NECP updates by June 2024, meaning it would not be reflected in the NECPs until 2028⁴⁵².

According to one consulted stakeholder, a key point to clarify and communicate is that target-setting at EU level is a separate process from the Governance Regulation, as it follows the political, rather than reporting, cycle⁴⁵³. Stakeholders' responses suggest that this issue remains unclear to many.

Stakeholders raised other timing and (mis)alignment issues. For example, the timelines of different planning processes (e.g. NECPs, REPowerEU chapters, Social Climate Plans) are not aligned⁴⁵⁴. They also mentioned that energy data must be delivered at a certain time⁴⁵⁵

⁴⁴⁸ European Commission, Strategic Energy Technology Plan, n.d., https://energy.ec.europa.eu/topics/research-and-technology/strategic-energy-technology-plan_en

⁴⁴⁹ Interview with European institution (1).

⁴⁵⁰ Interview with EU institution (1).

⁴⁵¹ Articulation with National Energy and Climate Plans) in the provisional agreement between the Council and the Parliament, Article 30, February 2024, <https://www.consilium.europa.eu/en/press/press-releases/2024/02/06/net-zero-industry-act-council-and-parliament-strike-a-deal-to-boost-eu-s-green-industry/>

⁴⁵² Interview with a third sector organisation (1).

⁴⁵³ Interview with European institution (1).

⁴⁵⁴ Reply to CfE: NGO (1). Scoping interview with EU institution.

⁴⁵⁵ Annex B (point c) requires that Member States submit their data for annual energy statistics by 31 October of the year following the reported year (Commission Regulation (EU) 2022/132 of 28 January 2022 amending Regulation (EC) No 1099/2008 of the European Parliament and of the Council on energy statistics, as regards the implementation of updates for the annual, monthly and short-term monthly energy statistics, C/2022/380, <http://data.europa.eu/eli/reg/2022/132/oj>

for ESTAT, but this runs partly in parallel with preparing the NECPR, creating some inefficiencies⁴⁵⁶.

Stakeholders identified clashes with other national-level cycles for the adoption of local/national plans⁴⁵⁷. Rather than aligning all timelines at EU, national and local level, there appears to be a need to ensure better coordination (see EQ6). One example is assessing the contribution of sub-national targets (e.g. from Sustainable Energy and Climate Action Plans (SECAPs)) to achieving national targets. One third sector organisation advocated aligning sub-national planning with the NECP⁴⁵⁸. Another example is the local heating and cooling plans required by the new EED (Article 25(6)), which could be coordinated with the national comprehensive heating and cooling assessments, then taken into account in the NECP⁴⁵⁹. Similarly, when national plans are not coherent with EU targets, this may create difficulties for stakeholders needing to prepare scenarios considering interactions between countries (e.g. TSOs)⁴⁶⁰.

When considering external coherence with the overall EU policy framework, the main challenge is how to address complexity. The multitude of different national plans mandated by EU energy and climate legislation and other relevant legislation and processes risks incoherence and missed opportunities for synergies⁴⁶¹. This not only includes the consistency between NECPs and LTSs, but extends to a variety of other national plans, such as Just Transition, Social Climate Fund, RRP and CSPs⁴⁶². For example, the 2020 EU-wide assessment of the final NECPs found that they lacked a clear prioritisation of funding needs for the Just Transition and investment needs for reskilling, upskilling and support of labour market adjustments. A large majority of Member States still need to develop clearer strategies and objectives through a cross-cutting approach to identify and measure the social, employment and skills consequences and other distributional impacts of the energy transition and carefully consider how to address these challenges⁴⁶³. Further issues related to the Just Transition were highlighted in the 2023 EU-wide assessment of the draft NECP updates⁴⁶⁴. It called for further measures to address agricultural emissions and for the quantification of their expected impacts. In finalising the NECP updates, Member States were also recommended to 'better describe synergies with their national common

⁴⁵⁶ Interview with NCA (1).

⁴⁵⁷ Scoping interviews with EU institution and NCA; Interview with NCA (1).

⁴⁵⁸ Interview with third sector organisation (1).

⁴⁵⁹ Interview with third sector organisation (1).

⁴⁶⁰ Interview with industry organisation (1).

⁴⁶¹ Oberthür, S., Moore, S., von Homeyer, I. and Söebech, O., *Towards and EU Climate Governance Framework to Deliver on the European Green Deal*, Policy paper, 2023; Scoping interviews with EU institutions (2).

⁴⁶² European Commission, CAP Strategic Plans, n.d., https://agriculture.ec.europa.eu/cap-my-country/cap-strategic-plans_en

⁴⁶³ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, An EU-wide assessment of National Energy and Climate Plans: Driving forward the green transition and promoting economic recovery through integrated energy and climate planning, COM(2020) 564 final, <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020DC0564>

⁴⁶⁴ For example: 'Some Member States appear to be backtracking on previous commitments in the Territorial Just Transition Plans approved by the Commission in 2022. On fossil fuel subsidies, a collective effort by Member States is necessary to set a clear and credible timeline for their phase out. To support the Just Transition, Member States have only provided a partial assessment of the socioeconomic impacts of the climate and energy transition on individuals, households and companies, and the related policies and measures often lack a strategic and forward-looking vision' (Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, EU-wide assessment of the draft updated National Energy and Climate Plans An important step towards the more ambitious 2030 energy and climate objectives under the European Green Deal and RePowerEU, COM(2023) 796 final, https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM%3A2023%3A796%3AFIN&pk_campaign=preparatory&pk_source=EURLEX&pk_medium=TW&pk_keyword=EUGreenDeal&pk_content=Communication&pk_cid=EURLEX_todaysOJ).

agricultural policy strategic plans (CSPs) and explain the integrated national approach to increase the effort'.

Addressing complexity and interactions is done progressively by including references in other policy or funding frameworks explaining that national implementation should be coherent with the NECPs (e.g. in regulations for REPowerEU⁴⁶⁵ or the RRF). Mapping the interactions between the Governance Regulation and other plans may help to identify opportunities for streamlining⁴⁶⁶.

Specific coherence issues were raised between the Governance Regulation and the different parts of the EU policy framework and other relevant international agreements (mainly the Paris Agreement and UNFCCC), as summarised in Tables 22, 23.

Table 22. Coherence issues arising from changes introduced by the Fit for 55 package

Coherence issue Explanations/evidence	
Misalignment with new legislation	<p>The new RED and EED change the gap filler/gap ambition mechanisms</p> <p>Member States must now submit a series of new (Social Climate Plans⁴⁶⁷, local heating and cooling plans⁴⁶⁸, national policy frameworks for alternative fuel infrastructure⁴⁶⁹) or revised plans (e.g. national building renovation plans replacing previous LTRSS)⁴⁷⁰</p> <p>The new RED introduces new elements (e.g. new indicative target for innovative renewable energy technology).</p> <p>The new EED includes many new elements for stronger governance that are not currently incorporated or streamlined into the Governance Regulation, including the EEF principle⁴⁷¹ and the requirement to define a minimum share of energy savings to be achieved among priority groups. The Fit for Future Platform also underlined the need to modernise the energy efficiency dimension of the Governance Regulation in line with the new EED⁴⁷²</p>
Timeline issues	<p>Despite the guidance published in December 2022⁴⁷³, several draft NECP updates do not refer to the Fit for 55 package, as the deadline to provide the draft NECP updates was before the full adoption of key pieces of the package</p> <p>Two replies to the CfE underlined that the NECPs (due at the end of 2019) were out of sync with the EPBD's LTRSSs (due in March 2020), which limited positive</p>

⁴⁶⁵ One third sector organisation noted that REPowerEU introduced new milestones for 2030, some explicit (renewable energy, energy efficiency), others implicit (reducing gas use by 2030 compared to 2019). These are not binding objectives but were considered in the final negotiations of the Fit for 55 legislation. There might then be contradictions in the NECP updates currently prepared by the Member States and what is expected at EU level. While the process of the Governance Regulation should allow possible gaps and contradictions to be identified (e.g. projections of gas use), it is unclear how these could be resolved when they deal with non-binding objectives. Similarly, from the guidelines of REPowerEU, NECPs are supposed to help to implement REPowerEU, but REPowerEU is not yet integrated in the Governance Regulation and might not be (primarily non-binding). There might then be confusion between binding and non-binding targets, and risks of inconsistencies among the Member States and with EU level.

⁴⁶⁶ Scoping interview with EU institution (1).

⁴⁶⁷ Article 4 Regulation (EU) 2023/955.

⁴⁶⁸ Article 25(6) EED.

⁴⁶⁹ 'National policy framework for the development of the market as regards alternative fuels in the transport sector and the deployment of the relevant infrastructure (see Article 14 Regulation (EU) 2023/1804).

⁴⁷⁰ Scoping interview with NCA (1); Interviews with EU institution (1) and third sector organisation (4).

⁴⁷¹ Replies to CfE: NGOs (2); Business associations (2); Public authority (1); Company/Business (1); Other (1)

⁴⁷² Final opinion 2022_SBGR1_03 Governance of Energy and Climate_fup.pdf (europa.eu)

⁴⁷³ Commission Notice on the Guidance to Member States for the update of the 2021-2030 national energy and climate plans, 2022/C 495/02, [https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52022XC1229\(02\)](https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52022XC1229(02))

Coherence issue Explanations/evidence

synergies for **national planning of building renovations**⁴⁷⁴. A similar situation is likely to occur for the Building Renovation Plans (BRPs), which replaced the LTRSs, as per the recast EPBD, which was agreed in December 2023 close to the deadline for submitting the final NECP updates. Thus, the first BRPs will have to be submitted outside the NECP framework, given the importance and urgency of scaling-up renovation based on solid plans. Nevertheless, the recast EPBD foresees that the following BRPs will be fully synchronised with the NECP cycle

Table 23. Coherence issues with European Climate Law

Coherence issue Explanations/evidence	
Needs updates in Governance Regulation	<p>forThe European Climate Law was introduced after the Governance Regulation, which the was then amended to reflect the long-term goal of climate neutrality. A further update is needed in view of preparing the 2040 ambition⁴⁷⁵</p> <p>There is no established methodology for the Commission to track progress towards climate neutrality or the consistency of measures to achieve climate neutrality. Similarly, the Governance Regulation could clarify the definition of scope of climate neutrality targets⁴⁷⁶. The Commission already tracked progress towards neutrality in the Climate Action Progress Reports in 2023 and based on this, issued recommendations under the European Climate Law, which could provide an initial basis</p>
Timeline issues	<p>The sequencing and timing of the main governance processes under the Governance Regulation (Articles 29 and 35) and the European Climate Law is not fully coherent⁴⁷⁷. These are currently partially out of sync such that information (e.g. from assessments under Articles 6 and 7 of the European Climate Law) is not available in time to inform planning processes under the Governance Regulation, and vice versa</p> <p>Both pieces of legislation have their own process for making recommendations to Member States. The assessments required by the European Climate Law to be done by the Commission (Articles 6-8) need to be completed by 30 September. These assessments are close to assessments done under Governance Regulation to be reported by 31 October (in the State of the Energy Union's progress reports)</p> <p>A misalignment may occur for the next cycle: Member States need to submit their draft NECPs by 1 January 2028, which will be assessed by the Commission, with recommendations due by 1 July 2028. The Commission's assessment under the European Climate Law is to be done by September 2028, just after the assessment of draft NECP recommendations</p>

⁴⁷⁴ Replies to CfE: NGOs (1); Other (1).

⁴⁷⁵ Interview with third sector organisation (1).

⁴⁷⁶ Interview with third sector organisation (1).

⁴⁷⁷ Reply to CfE: Academic (1)

Table 24. Coherence issues with EU environmental laws, policies, and objectives

Coherence issue	Explanations/evidence
Insufficient links with the environment, priorities of the European Green Deal	<p>The issue relates to biodiversity, zero pollution, water resilience and circular economy, among others, particularly how energy and climate policies may affect different areas of the environment. The possible connections, externalities and synergies of the actions included in the NECPs and LTSs could be better considered in view of the European Green Deal environmental priorities, which could also improve the application of the DNSH criterion</p> <p>Three stakeholders⁴⁷⁸ mentioned that biodiversity is not covered extensively in the Governance Regulation. However, there seems to be confusion about the role of the Governance Regulation in this field, as some comments related to RES objectives (e.g. increased use of biomass for energy production) that are decided in political processes outside of the Governance Regulation (planning/monitoring/reporting). Nevertheless, the new RED includes provisions related to planning/monitoring/reporting (e.g. bioenergy, biomass trajectories and link with LULUCF), which could present opportunities to explore coherence with biodiversity objectives and environmental policies. For example, Article 3(3d) of the Governance Regulation requires the Commission to publish, by 2027, a report on the impact of Member States' support schemes for biomass on the climate and the environment</p> <p>Another example of the environmental impacts of RES concerns the interaction with Directive 92/43/EEC (Habitats Directive)⁴⁷⁹. There can be conflicts between the nature conservation objectives and the objectives of accelerating the deployment of RES⁴⁸⁰. Such issues may not be reported in the process of the Governance Regulation. The new RED includes provisions in this area, and the Commission looks at aspects such as biodiversity in its assessment of the NECP updates</p> <p>In other cases, synergies and effectiveness gains can be achieved, e.g. in ensuring water resilience against floods and droughts and the climate adaptation strategies prepared under the Governance Regulation</p>
Opportunities for more synergies between energy, climate, and environmental policies	<p>This is illustrated in the coordination for the preparation of the NECPs and the National Air Pollution Control Programmes under the NEC Directive⁴⁸¹. The 2023 EU-wide assessment of the draft NECP updates highlighted that integration could be improved here, as well as in the field of circular economy⁴⁸². This may also reflect timeline issues (see next point)</p>

⁴⁷⁸ Interviews with NCA (1), EU institution (1) and third sector organisation (1).

⁴⁷⁹ Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora, <http://data.europa.eu/eli/dir/1992/43/2013-07-01>

⁴⁸⁰ Scoping interviews with third sector organisations (2).

⁴⁸¹ Reply to CfE: Public authority (1).

⁴⁸² 'Exploring further the benefits of environmental policies can strengthen the final NECPs, notably on-air pollution, water, and the circular economy. Over half of the draft plans do not include the required information on the impact of policies on projected emissions of the main air pollutants regulated under the National Emissions Reduction Commitments Directive, nor on the alignment of National Air Pollution Control Programme (NAPCP) with energy and climate programmes. Similarly, most plans would benefit from the integration of the principles and practices of water and circular economy policies, for their potential to reduce GHG emissions and foster strategic autonomy and climate change adaptation. The plans should also consider other circular economy practices than waste management, including eco-design and circular business models, to prevent and decrease more effectively GHG emissions'.

Coherence issue	Explanations/evidence
Timeline issues	<p>There are challenges in the coordination of timelines for the preparation of the NECP and the National Air Pollution Control Programme under the NEC Directive⁴⁸³. The first National Air Pollution Control Programme was due by 1 April 2019. Member States are required to update them at least every four years, with a different pattern to the NECPs (also started in 2019, but with updates every five years). Given that the NECPs set out the national energy and climate policy framework, the submission deadline for the final NECPs should ensure that they are available well in advance of other plans and programmes to be developed in coherence with that framework</p>

Table 25. Coherence issues with Paris Agreement and UNFCCC

Coherence issue	Explanations/evidence
Timeline issues	<p>The most frequently cited issues related to the misalignment of biennial reporting on GHG emissions for the Governance Regulation (NECPR, in odd years) and the Paris Agreement (BTR, in even years)⁴⁸⁴. In practice, Member States must report every year, which goes against the streamlining objective. This may also create additional work to generate projections for both frameworks (UNFCCC and the EU) that are then less useful as they are not comparable⁴⁸⁵. The reasons for this misalignment could be further explored. It may be because the reporting year for the UNFCCC was adjusted after the reporting year for NECPRs was proposed</p> <p>The multiple reporting deadlines in 2023 (NECPR in March, draft NECP update in June) and 2024 (final NECP update in June, BTR end of 2024) may create confusion about what data should be used in the NECP (especially on projections of GHG emissions)</p> <p>Another issue concerns the alignment of the five-year updating cycles between the Governance Regulation and the UNFCCC processes, which should be strengthened, as foreseen by Article 4(7) of the European Climate Law⁴⁸⁶. The update of LTSs every five years is not mandatory⁴⁸⁷</p>

Table 26. Coherence issues with other laws or frameworks

Law framework	Issue(s) and explanations
ESR	<p>Timeline issues:</p> <p>Member States' progress towards meeting their national emission reduction targets under the ESR is assessed annually (based on the Governance Regulation), and if a Member State makes insufficient progress it needs to submit a corrective action plan (under the ESR). Whether Member States complied with their annual ESR targets for each of the years 2021-2025 will be assessed in 2027, and in 2032 for the years 2026-2030. This timeline was decided to streamline and</p>

⁴⁸³ Reply to CfE: Public authority (1).

⁴⁸⁴ Scoping interviews with NCAs (2); Interviews with NCA (1) and EU institution (1).

⁴⁸⁵ Scoping interviews with NCA (1) and EU institution (1); Interviews with NCAs (2).

⁴⁸⁶ Replies to CfE: NGOs (3); Environmental organisations (2); Public authority (1).

⁴⁸⁷ Interviews with third sector organisation (2).

Law framework	Issue(s) and explanations
	<p>simplify the process. Each assessment will be available ahead of the next step of the NECP process. For example, the assessment in 2027 will be available to Member States when they need to prepare their next draft NECP (by January 2028). However, this could create a lag in the feedback loop to Member States. In the example mentioned, the Commission's assessment will be about years 2021-2025, and will not consider the developments in the most recent years (2026 and 2027) that could also inform the preparation of the next NECP</p> <p>Similarly, Member States shall submit to the Commission a compliance report for the LULUCF Regulation by 15 March 2027 for the period from 2021 to 2025, and by 15 March 2032 for the period from 2026 to 2030. Ensuring convergence post-2030 would be needed, i.e. consistency between the 2030 horizon and longer-term objectives</p>
EU economic governance	<p>According to four stakeholders, despite recent improvements, coherence between the climate and energy governance and the EU economic governance needs to be strengthened⁴⁸⁸ so that the coordination of economic policies at EU level becomes an enabler for the achievement of ambitious EU climate and energy goals</p>
Aarhus Convention	<p>In 2021, the ACCC found the Governance Regulation framework to be partially non-compliant with the standards of public participation established by Article 7 of the Convention. While it found that the EU met the requirements of Article 6(3) of the Convention with respect to NECPs, it held that EU had 'not yet demonstrated that it has adopted either a proper regulatory framework or clear instructions to ensure that the other requirements [i.e. to ensure 'early public participation, when all options are open', and that 'due account is taken of the outcome'] [...] are met in the adoption of [NECPs]'⁴⁸⁹</p> <p>Despite pledges by the Commission to conduct a more detailed assessment of Member States' compliance with Article 10 of the Governance Regulation in adopting the NECP updates, climate advocacy groups have criticised:</p> <ul style="list-style-type: none"> - The Commission's acceptance of Member States' consultation proceedings that will be completed only after the finalisation of the NECPs⁴⁹⁰ - The absence of an explicit reiteration of the Aarhus Convention's requirements under Article 7 in the text of the Governance Regulation⁴⁹¹ - The non-binding nature of the Commission's 2022 guidance document⁴⁹² <p>It is not clear in most NECPs if a Strategic Environmental Assessment (SEA) has been conducted or if there are plans to do so</p>

⁴⁸⁸ Replies to CfE: NGOs (2), Environmental organisation (1). Scoping interview with EU institution.

⁴⁸⁹ Decision VII/8f of the Meeting of the Parties on compliance by the European Union with its obligations under the Convention adopted by the Meeting of the Parties at its 7th session, <https://unece.org/env/pp/cc/decision-vii8f-concerning-european-union>

⁴⁹⁰ Swords, P., *Comments on first progress report*, UNECE, 2023, https://unece.org/sites/default/files/2023-11/frCommVII.8f_C54_C96_29.10.2023.pdf

⁴⁹¹ EEB, CAN Europe and others, *A revised and responsive Governance Regulation Respecting environmental democracy rights in climate planning*. Joint NGO position paper on the revision of Regulation 2018/1999 on the Governance of the Energy Union and Climate Action, 2024, https://unece.org/sites/default/files/2024-04/frObsVII.8f_CAN_others_29.03.2024_position_paper.pdf

⁴⁹² Ibid.

Law framework	Issue(s) and explanations
	One third sector organisation interviewed mentioned the issue of access to information/ accessibility of data (e.g. information may not be fully or easily available to support the public consultation) (see EQ6)

The structure of the Governance Regulation, developed from the five dimensions of the Energy Union, may result in sectoral PaMs being poorly connected to relevant dimensions (e.g. transport measures for the energy efficiency dimension). This raises the question of how best to combine the structure of the five dimensions with sectoral approaches (scenarios, planning and policies are usually developed in this way)⁴⁹³.

Two coherence issues were raised in relation to specific technical aspects related to definitions or phrasing in the Governance Regulation and other contexts. The first is the different definitions for monitoring used for the ETS and for international reporting⁴⁹⁴. The second is the phrasing on feedback from the Commission to Member States, with a difference between the Governance Regulation ('recommendations') and the European Climate Law ('requirement for follow-up')⁴⁹⁵.

One technical issue about reporting tools was raised by two national authorities⁴⁹⁶, namely the need to make the EU and international reporting tools interoperable to the extent possible in order to reduce reporting burden. One example is the possibility to pre-load PaMs data from the NECPRs (Governance Regulation) into the BTR (UNFCCC) format. The EEA provides exports to be used for other reporting obligations.

5.2 How did the intervention make a difference and to whom?

This section presents the findings of the evaluation on the EU added value of the Governance Regulation, based on a synthesis of the information from the various data collection tasks, including desk research, CfE, surveys, interviews, and the stakeholder event.

5.2.1 EU added value

Overall, the information indicates key areas where the Governance Regulation has provided added value. These include: the harmonisation of planning and reporting processes between Member States; stimulating stakeholders within countries to report and plan together; expanding the areas in which countries report and monitor; and the ability of the EU to check national ambitions and progress towards common objectives. However, stakeholders also highlighted limitations in the ability to hold Member States and the EU accountable and to seek access to justice under the Regulation. They also emphasised areas where coordination efforts could be streamlined and improved, and signalled that the added value of the Governance Regulation's planning and reporting processes depend on the Member State, both because some Member States had more advanced pre-existing planning and reporting frameworks, but also because some Member States engage more actively with the process.

The consultation process highlighted the difficulty stakeholders face in intuitively understanding and interpreting the EU added value criterion, creating a challenge for nuanced insights. Many were unable to comment on the EU added value of the Governance

⁴⁹³ Interview with third sector organisation (1).

⁴⁹⁴ Interview with NCA (1).

⁴⁹⁵ interview with NCA (1).

⁴⁹⁶ Survey of national authorities (2).

Regulation during the interviews and a significant share of survey respondents also opted not to answer these questions. This may reflect the relatively recent adoption of the Governance Regulation and/or stakeholders not yet fully understanding its requirements and procedures, as well as partial overlap with other evaluation criteria.

Further details are provided in the answers to EQ12 to EQ15 below.

5.2.1.1 EQ12 – To what extent could the improved consistency of Member States' national energy and climate policies and coordination of energy and climate policies at EU level also have been achieved without the current Governance Regulation's planning, reporting and monitoring obligations?

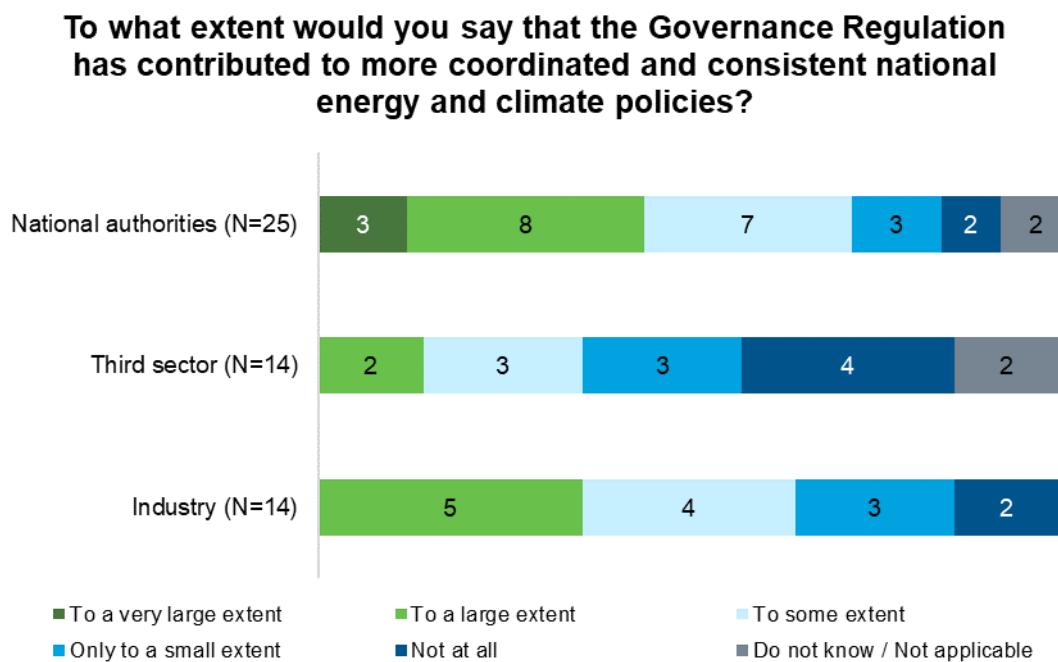
Stakeholders' opinions on the added value of the Governance Regulation varied. Some saw the Regulation as a unifying structure for the Energy Union, facilitating a comprehensive governance approach and consolidating various information for the energy transition. However, opinions differed on its added value in enhancing policy consistency and coordination, both nationally and sub-nationally. National authorities generally view it positively, while third sector and industry stakeholders have mixed or critical views. These perspectives may be influenced by both the Governance Regulation's design and implementation, and the existing processes in each Member State. Accordingly, the analysis distinguishes between the Governance Regulation itself and implementation of the Regulation.

In their survey responses, national authorities tended to indicate that the Governance Regulation has contributed to more coordinated and consistent national energy and climate policies, with 44 % of respondents believing this was achieved to a very large or large extent (see Figure 42). A further 28 % indicated that this was achieved to some extent, a small proportion thought this was not achieved at all (8 %), 8 % felt the question was not relevant or they did not know the answer, and 28 % (seven) left the question blank.

Among third sector respondents, the perceptions were less positive. While 14 % (two out of 14) felt that the Governance Regulation contributed to more consistency and coordination of national energy and climate policies, 28 % (four) believed it was not achieved at all, and a further 21 % (three) indicated that the Regulation only contributed to a small extent.

Industry stakeholders provided a mixed view. Around one-third (36 %) of the industry respondents (five out of 14) indicated that the Regulation contributed to increased consistency and coordination to a large extent, while 14 % (two) and 21 % (three) of respondents indicated that the Regulation has not achieved this at all, or only to a small extent, respectively.

Figure 42. Respondents' agreement with the statement 'To what extent would you say that the Governance Regulation has contributed to more coordinated and consistent national energy and climate policies'



Source: ICF, based on targeted survey.

One participant in the stakeholder event noted that before the Governance Regulation there was no means to bring together the different strands of information needed for the energy transition⁴⁹⁷. The Regulation provided the architecture for the Energy Union and it requires an important 'whole of government' approach. The stakeholder argued that timing and template challenges should be considered 'teething issues', noting that it would not be wise to change the legislation before the sector has properly used it.

Improved consistency in national energy and climate policies⁴⁹⁸

During the interviews and the stakeholder event, stakeholders highlighted several areas where the Governance Regulation has supported consistency in Member States' policies. Overall, stakeholders tended to agree that there is a notable improvement in consistency in national energy and climate policies, although the size of that impact varies across Member States, depending on the processes already in place in each country.

PaMs data, reported under the Regulation, provides information on Member States' progress towards achieving climate and energy targets. These data also aid in identifying synergies, promoting policy coherence, and fostering transparency among Member States, thereby contributing to the Regulation's added value.

⁴⁹⁷ Contribution to the workshop by an industry representative (Wind Europe).

⁴⁹⁸ This question entails consistency between the internal policies within Member States (e.g. between energy and climate policies), as well as the consistency between the policies of different Member States (e.g. between the energy/climate policies of country x and y).

At the same time, EEA reporting on PaMs signals several issues with data consistency⁴⁹⁹. The most common discrepancy is between the implementation status and period (see EQ1) (e.g. errors where the end year has already passed). Inconsistencies may also arise between the implementation status and projection scenarios, typically in PaMs with a start year close to the reporting year. A significant share of the inconsistencies (76 % of the questions) are resolved during the QC process. In some cases, however, Member States are reluctant to adjust their reporting, which is generally linked to a preference to keep their original reporting and maintain the same rationale followed in the NECPs.

Four interviewees⁵⁰⁰ mentioned that the comprehensive reporting and planning mechanisms introduced under the Governance Regulation (e.g. NECPs) has helped consistency, as these plans replace and aggregate previously scattered sectoral action plans. This process seems to have ensured that reporting is taken more seriously, according to one interviewee⁵⁰¹. Two interviewees⁵⁰² mentioned that the Regulation added significant value by introducing uniform and complete reporting in structured systems, which are central to achieving aligned coherent data that can be used to assess progress against targets. One of these stakeholders stressed that this system provides transparent, easily accessible data, significantly reducing duplication of work and incoherence between different reporting. They highlighted that while it is difficult to say whether the improved quality is attributable to the Governance Regulation, they have seen huge improvements in Member States' methodologies as a result of the harmonised reporting. One of the participants in the workshop highlighted that the Regulation has enhanced consistency by allowing countries to set 'clear short and mid-term goals, which are stable over time and largely independent of the political cycle'⁵⁰³.

Three interviewees⁵⁰⁴ highlighted that the Governance Regulation has created consistency, with certain key data now collected by all countries. Most importantly, the EU added value is that this standardised approach and the associated data requirements are enforced. One respondent⁵⁰⁵ remarked that the ability to quality check and enforce certain standards across EU countries is specific to the European Commission, as it would be difficult for Member States to coordinate uniformly applied standards or quality check their data against these standards themselves. Another stakeholder highlighted the value of mandatory templates, which allow for a clearer dialogue between and within Member States on their assumptions about developments in their country, for example⁵⁰⁶.

Some countries had well-established national planning and reporting mechanisms for climate and energy policy before the Governance Regulation was adopted. At least one interviewee (national authority) explained that the Governance Regulation serves more as a reporting tool than a planning tool, and has not provided significant added value in developing new PaMs⁵⁰⁷. However, they also mentioned that even in those cases, the

⁴⁹⁹ Dauwe, T., Vella, A., Sammut, J., Gu, Y., Gleeson, L., Young, K. and Perl, D., *Overview of reported integrated national climate and energy policies and measures in Europe in 2023*, EEA, 2023, <https://www.eionet.europa.eu/etc/etc-cm/products/etc-cm-report-2023-06>

⁵⁰⁰ Scoping interview with NCA (1): CZ; Interviews (3) with climate civil society organisations (Coalition for energy savings, WWF Europe, EUREC).

⁵⁰¹ Interview with climate civil society organisation (1) (EUREC).

⁵⁰² Scoping interview (1): EEA; comment during the workshop from a climate civil society organisation (Ecologic Institute).

⁵⁰³ Point raised during the workshop by the LT Ministry of Energy.

⁵⁰⁴ Scoping interviews (3): DG ENER, DG Environment (DG ENV), NCA (CZ).

⁵⁰⁵ Scoping interview (1): EEA.

⁵⁰⁶ Interview (1): research organisation (Ecological Institute in Berlin).

⁵⁰⁷ Interview (1): NCA (NL: Netherlands Enterprise Agency - Ministry of Economic Affairs and Climate Policy).

integration of various existing obligations into one framework made the process more effective⁵⁰⁸.

Improved coordination in national energy and climate policies

Stakeholder feedback across the various consultation strands shows that the Governance Regulation has added value to the coordination of national energy and climate policies, but there is room for stronger coordination with sub-national actors and between state-level actors.

One interviewee commented that the added value of the Governance Regulation in terms of coordination depends on the manner in which targets are set⁵⁰⁹. In the 2020 framework, all targets were binding at national level, reducing the need for coordination, given that each Member State would have been subjected to an infringement procedure had they not achieved their targets. By contrast, the 2030 targets on RES and energy efficiency are not binding at national level, but, rather, at EU level. According to the stakeholder (a civil society organisation), this means that effective coordination is a prerequisite to ensuring that every Member State takes responsibility for their share of the effort to achieve this target⁵¹⁰. They clarified that the current framework of EU-wide 2030 targets would not deliver much without the coordination efforts under the Governance Regulation, and the EU added value of the Regulation should be seen through this lens.

Several stakeholders agreed that the Governance Regulation adds value by enabling Member States to move towards a common goal. For example, two stakeholders⁵¹¹ highlighted that the Regulation improved cooperation and coordination between different national ministries, departments, and governmental agencies, and guided discussions on climate and energy within the country⁵¹². This coordination was particularly valuable where different departments did not previously collaborate at the same level. One of these stakeholders⁵¹³ stated that the Governance Regulation has helped to bring key expertise and people together, creating a coherent whole from the different elements that comprise the policies. According to one stakeholder, the Regulation is a bridge between climate and energy targets and Member State action, and they doubted whether such coordination would otherwise happen, while also foreseeing a more uneven state of play between Member States⁵¹⁴.

Three stakeholders⁵¹⁵ highlighted that it would have been very burdensome for Member States individually to set up the processes and frameworks to coordinate the collection and reporting of data as the common templates do⁵¹⁶. The coordination that takes place through the Governance Regulation can break silos between the complex policy areas of energy and climate and create a clear reference for all Member States, according to one EU institution⁵¹⁷.

Stakeholders highlighted that access to other countries NECPs supports international cooperation and learning, which is particularly helpful for national authorities⁵¹⁸. One

⁵⁰⁸ Interview with NCA (1): Netherlands Enterprise Agency - Ministry of Economic Affairs and Climate Policy).

⁵⁰⁹ Interview (1): climate civil society organisation (E3G).

⁵¹⁰ Interview (1): climate civil society organisation (E3G).

⁵¹¹ Scoping interview with NCA (1): CZ.

⁵¹² Interview with NCA (1): Netherlands Enterprise Agency- Ministry of Economic Affairs and Climate Policy).

⁵¹³ Scoping interview with NCA (1): Czechia.

⁵¹⁴ Interview (1): climate civil society organisation (CAN Europe).

⁵¹⁵ Interviews (3): Committee of the Regions, EEA, climate civil society organisation.

⁵¹⁶ Scoping interview (1): EEA.

⁵¹⁷ Scoping interview (1): Committee of the Regions.

⁵¹⁸ Interviews with NCAs (2): LT (Ministry of Energy, Ministry of Environment, Lithuanian Energy Agency, Lithuanian Environment Protection Agency), BE (Federal Public Service of Economy – Directorate-General Energy).

stakeholder signalled that the Governance Regulation forced policymakers to consider policies from the perspective of the Energy Union dimensions, fostering a more integrated approach⁵¹⁹.

The potential for EU added value from improved coordination was also mentioned by stakeholders in the context of multi-level stakeholder engagement, i.e. involvement of sub-national actors (see EQ6. How successful has the Regulation been in ensuring adequate multi-level and multi-stakeholder dialogue and consultation?EQ6. How successful has the Regulation been in ensuring adequate multi-level and multi-stakeholder dialogue and consultation?). Stakeholders noted that such multi-level coordination could be more strongly anchored within the Governance Regulation⁵²⁰.

5.2.1.2 EQ13 - To what extent do the current planning and reporting obligations of the Governance Regulation provide information at EU or national level that would not otherwise be available?

Data on the number of PaMs reported each year show that more information is available since the introduction of the Governance Regulation. Stakeholders generally agreed that the planning and reporting obligations of the Regulation provide additional information at EU or national level, although national authorities were somewhat divided.

The survey divided this question into three sub-questions, covering: a) whether a Member State would have achieved the same level of planning and reporting in the absence of the Governance Regulation, b) whether the Regulation made information available that otherwise would not have been accessible to the public, and c) whether the Regulation made information available from other Member States that would otherwise not have been available to the respondent.

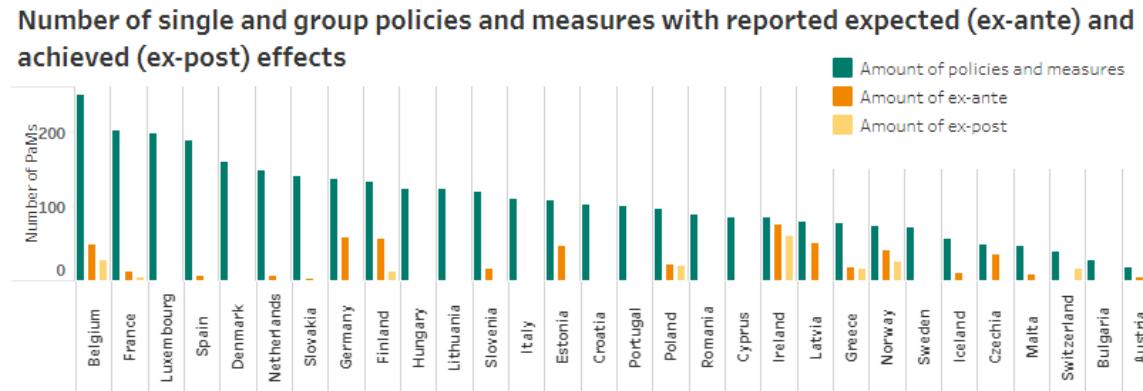
Several high-level observations can be made based on reported data from the Member States. First, there has been a steady increase over time in the number of PaMs reported as part of each reporting cycle (see EQ1). In 2023, the number of reported single national PaMs to reduce GHG emissions increased since the last reporting cycle. Member States reported for the first time on national PaMs for all five dimensions of the Energy Union. Of the total number of PaMs (including both integrated reporting and reporting on GHG PaMs), 68 % related to Union policy, signalling that a significant share of PaMs are tied to Energy Union policy. Despite the increase in the number of PaMs, the completeness of reported quantitative information on national PaMs did not improve (see EQ1) for either the achieved (ex post) and expected (ex-ante) effects on GHG emissions and their costs and benefits (see Figure 43). This prevents a comprehensive analysis of the impacts of existing national climate policies across the EU and makes comparing and summing ex-post emission savings a highly uncertain exercise. Information on renewable energy production and energy savings (part of the integrated reporting), which had to be reported for the first time, was reported only anecdotally⁵²¹.

⁵¹⁹ Interview with NCA (1): NL.

⁵²⁰ Interview with civil society organisation (1).

⁵²¹ Dauwe, T., Vella, A., Sammut, J., Gu, Y., Gleeson, L., Young, K. and Perl, D., *Overview of reported integrated national climate and energy policies and measures in Europe in 2023*, EEA, 2023, <https://www.eionet.europa.eu/etc/etc-cm/products/etc-cm-report-2023-06>

Figure 43. Number of PaMs with reported expected (ex-ante) and achieved (ex post) effects



Source: EEA reporting on integrated national climate and energy policies and measures, <https://climate-energy.eea.europa.eu/topics/policies-and-measures/climate-and-energy-policies-and-measures/data>

The 2023 report by the European Topic Centre (ETC) on climate change mitigation shows the potential of the reporting on integrated national climate and energy PaMs as a repository for PaMs across all dimensions of the Energy Union. However, there is still room for improvement on the completeness of this information⁵²². For example, information should be provided on the effects of these actions to identify successes and failures and support a knowledge base for evidence-based policy decisions. Member States should report any available (quantitative) information on GHG emission savings, renewable energy production, or energy savings achieved or expected as a result of reported PaMs, either individually or for groups of PaMs.

Despite some of these limitations, the baseline number of GHG PaMs reported before the Governance Regulation (2017), and the improved completeness in reporting of these PaMs from 2017 to 2019 seems to signal that the Governance Regulation has contributed to increased information from Member States about their climate and energy PaMs. The addition of integrated reporting in 2023 establishes the provision of information on PaMs in all five dimensions of the Energy Union, although the reporting requirements for this information were almost entirely incomplete⁵²³.

Data collected by the EEA on a range of indicators under Article 18(a) and 18(b) of the Governance Regulation indicate the completeness of Member States' information provided as part of their obligations under the Regulation⁵²⁴. Member States consistently report on a number of mandatory aspects since 2017, such as updated projections, required sector split, required GHG split, a provision of parameters, and model factsheet description. Most are covered by all countries, or all countries except one or two. Romania (2019) did not report on any of the EEA data, for example, while others are individual missing entries. A notable exception is the sensitivity analysis, where, despite the reporting requirement, the number of countries doing so has fallen over time (25 countries in 2017, 23 in 2019, 19 in

⁵²² Dauwe, T., Vella, A., Sammut, J., Gu, Y., Gleeson, L., Young, K. and Perl, D., *Overview of reported integrated national climate and energy policies and measures in Europe in 2023*, EEA, 2023, <https://www.eionet.europa.eu/etc/etc-cm/products/etc-cm-report-2023-06>

⁵²³ Ibid.

⁵²⁴ Article 18 of Regulation 2018/1999: by 15 March 2021, and every two years thereafter, Member States shall report to the Commission information on: (a) their national policies and measures or group of measures as set out in Annex VI; and (b) their national projections of anthropogenic greenhouse gas emissions by sources and removals by sinks, organised by gas or group of gases (Hydrofluorocarbons and Perfluorocarbons) listed in Part 2 of Annex V. National projections shall take into consideration any policies and measures adopted at Union level and shall include the information set out in Annex VII.

2021). There are several voluntary domains of reporting, including scenarios (WEM, WAM, WOM), the provision of indicators, and reporting on 2040. Many countries do not provide this information, but a general positive trend can be observed over time, with an increased share of countries reporting on WAM (59 % in 2022 to 81 % in 2023), the provision of indicators (30 % in 2022 to 67 % in 2023), and reporting on 2040 (14 % in 2022 to 52 % in 2023). The increase in information provided voluntarily (pre- and post-Regulation) may signal the positive impact of the Regulation, although it is difficult to make any claims about causality.

Planning and reporting in the absence of the Governance Regulation

National authorities were divided on whether planning and reporting would have been as effective in the absence of the Governance Regulation, although other stakeholders were more positive about its impact (see EQ2).

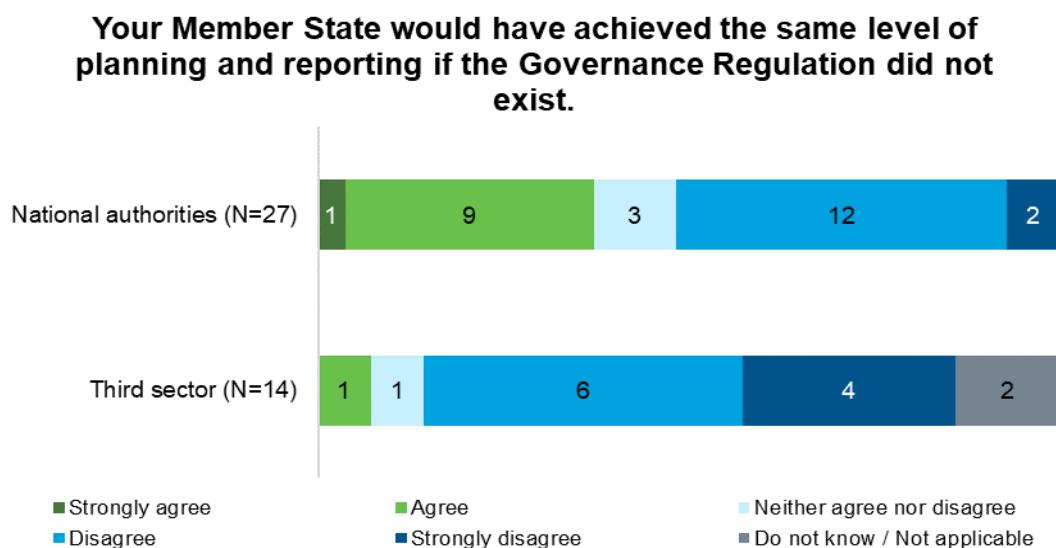
Just over one-third of national authorities (10 out of 27 respondents in the survey) indicated that they would have achieved the same level of planning in the absence of the Governance Regulation (see Figure 44). These national authorities were from Bulgaria, Croatia, Denmark, Finland, Germany, Poland and Slovenia, thus countries with a variety of systems (e.g. centralised and decentralised).

Approximately half (52 %) of the national authorities that responded to the survey indicated that they would not have achieved the same level of planning in the absence of the Governance Regulation. They were from Austria, Belgium, Croatia, Cyprus, Czechia, Germany, Hungary, Lithuania, Malta, the Netherlands, Spain and Sweden. In some cases, several different authorities from the same country responded to the survey, sometimes providing opposing views. These contrasting opinions could also reflect varying interpretations of the question (e.g. respondents might not have interpreted the same level to mean that planning/reporting is identical), different perceptions of the added value of reporting and planning under the Governance Regulation (e.g. only those aspects with which they are familiar), as well as different perspectives on what may have happened at a national level had the Governance Regulation not existed. Three national authority respondents neither agreed nor disagreed, and five chose not to answer.

Survey respondents representing the third sector tended to indicate that planning and reporting in their Member State would not have been at the same level in the absence of the Governance Regulation (71 %, 10 out of 14). Only one (7 %) indicated that the same level of planning and reporting would have been achieved. Some respondents seemed to struggle with this question, as one neither agreed or disagreed (7 %), two did not know or the question was not applicable (14 %), and six did not answer at all. More specifically, one out of six academic and research organisations highlighted that its Member State (Germany) would have achieved the same level of planning and reporting in the absence of the Governance Regulation, while the other five (from a range of Member States) disagreed or strongly disagreed. Thirteen environmental, energy, and climate NGOs or associations were less able to answer the question: six did not answer, five (strongly) disagreed, one neither agreed nor disagreed, and one replied that the question was not applicable, or they did not know.

The only industry representative to answer this part of the survey said that the question was not applicable, or they did not know.

Figure 44. Respondents' agreement with the statement 'Your Member State would have achieved the same level of planning and reporting if the Governance Regulation did not exist'



Source: ICF, based on targeted survey.

Feedback from the interviews supports the assertion that the Governance Regulation added value to planning and reporting processes. Nine interviewees highlighted that the planning and reporting processes under the Governance Regulation are at least somewhat better post- Regulation. Interview participants highlighted particular added value from the requirement to report and plan, the comparable and consistent templates for reporting (with instructions), and the obligation to tie national-level planning into the EU targets⁵²⁵. One noted that reporting on strategies is far more detailed under the Governance Regulation. Member States must put together PaMs that integrate different sectors in the economy to achieve targets, present data to measure impacts and gaps of policy measures, and present alternative or additional measures if they are deemed to fall short of targets⁵²⁶. The templates for reporting and planning were mentioned as a particular added value, helping to consolidate plans, goals and measures consistently across countries⁵²⁷. One respondent highlighted that the value added by the Governance Regulation differs across Member States⁵²⁸. In countries that already had planning and reporting obligations, the Governance Regulation may have helped to harmonise obligations across the EU by providing a common reporting template (which not all Member States find equally helpful). In Member States without such planning requirements in national law, the Governance Regulation provides much greater added value, ensuring that they develop and make publicly available plans to meet EU targets⁵²⁹.

Information availability within Member State(s) in the absence of the Governance Regulation

⁵²⁵ Interviews (4): climate civil society organisations (EEB, E3G, Transport and Environment), NCA (LT: Ministry of energy, Ministry of environment, energy agency, environment protection agency).

⁵²⁶ Interview with climate civil society organisation (1): Transport and Environment.

⁵²⁷ Ibid.

⁵²⁸ Interview with climate civil society organisation (1): (EEB).

⁵²⁹ Ibid.

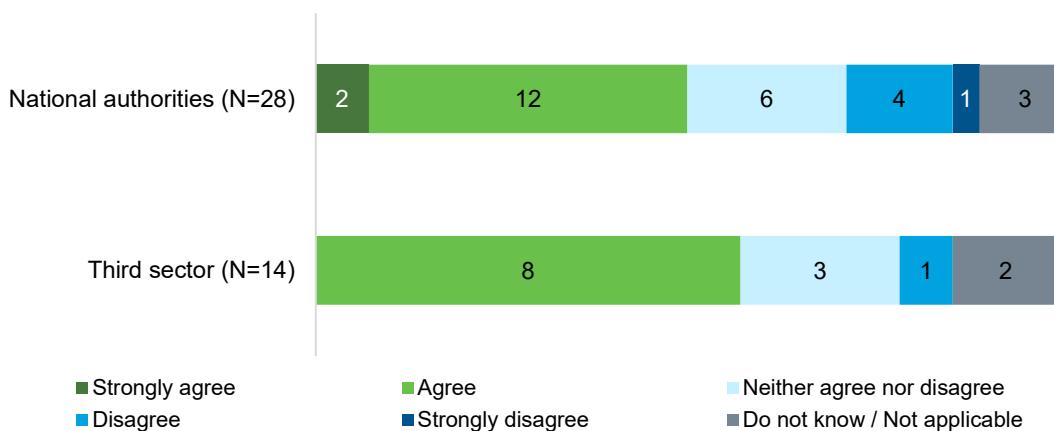
The Governance Regulation has increased information availability by requiring the publication of plans, reports and data by Member States that may not have done so otherwise and by requesting data on indicators that some Member States may not previously have collected or reported.

Feedback from national authorities indicates that the Governance Regulation has had a positive impact on the availability of information within the Member States, with 14 survey respondents (50 %) agreeing or strongly agreeing⁵³⁰ (see Figure 45). Five Member States (18 %) disagreed⁵³¹, six (21 %) neither agreed nor disagreed⁵³², three (11 %) felt the question was not applicable or did not know how to answer (two from Finland, one from Germany), and five did not respond (18 %). In some cases, multiple national authorities from the same country responded to the survey, with conflicting perspectives, possibly reflecting different responsibilities of those national authorities (energy and climate change).

Third sector organisations were asked a slightly different question: whether the Governance Regulation has made available information that would otherwise not have been accessible to the public. Again, the responses tended to show that the Governance Regulation has added value in availability of information (see Figure 45). Eight out of 14 respondents (57 %) agreed, including three climate NGOs, two research institutions, an industry organisation, an academic organisation, and a civil society NGO. Only one respondent disagreed, three neither agreed nor disagreed, two did not know or the question was not applicable, and six did not reply at all.

Figure 45. Respondents' agreement on whether the Governance Regulation has improved availability of information to the public

The Governance Regulation has made available information in your Member State which would otherwise not have been accessible to the public



Source: ICF, basesd on targeted survey.

Interviewees highlighted the additional information available because of the Governance Regulation. One national authority from Belgium explained that, previously, information was not typically made public unless someone had specifically requested it. Under the

⁵³⁰ National authorities (14): BE, BG, CY, CZ, DE (2), ES, FR, HR (2), HU, MT, LT, SK.

⁵³¹ NCAs (5): DK, ES, FI, LV, PL.

⁵³² National authorities (6): AT, DK, ES, NL, SE (2).

Governance Regulation, information is published openly, improving government transparency. Another NCA stated that it makes more information and data available because of the Governance Regulation⁵³³. One also highlighted that some of the information accessible now would not be available without clear obligations such as those laid out in the Governance Regulation⁵³⁴.

Interviewees explained why the Governance Regulation has increased the availability and accessibility of information. One⁵³⁵ mentioned that the Regulation required countries to collect and report data in new areas, such as energy poverty and the role of energy subsidies (especially for fossil fuels). They explained that energy poverty was exacerbated by Russia's war of aggression against Ukraine (see section 5.3), which might have prompted increased reporting in the area anyway, but the obligation on Member States to report across these domains nevertheless increased the information available. Several respondents noted the obligation to publish the information contained in NECPs, as well as better accessibility stemming from consolidation of all of this information in one place⁵³⁶. Another interviewee stated that some EU countries have issues with regulations guaranteeing access to information or data transparency, but data gathered by the European Commission are all publicly available and easily accessible, which is a huge step forward in public access⁵³⁷.

Some respondents mentioned issues with the timeliness of information negatively affecting usefulness, as well as where certain information is published (e.g. NECPRs), and Member States compliance with reporting requirements (see section 6.1.1.1)⁵³⁸.

Information availability from other Member States in the absence of the Regulation

Stakeholders highlighted the information they can access from other Member States as a particular area of added value from the Governance Regulation. This arises from being able to access other Member States' plans and through EU-level reporting.

The survey of national authorities asked respondents whether more information is available from other Member States because of the Governance Regulation. Almost all (89 %) agreed or strongly agreed, suggesting a key area of added value. Only one disagreed (Poland), one neither agreed nor disagreed (Finland), and one did not know (Germany). The number of negative/uncertain responses was lower than for survey questions EQ13.1⁵³⁹ and EQ13.2⁵⁴⁰, highlighting both the benefit and also the ease with which that benefit can be observed. The survey did not ask third sector respondents this question, largely because many respondents were EU-level or cross-country stakeholders (the information in EQ13.ii includes the insights from this stakeholder group, with 57 % agreeing that more information is available).

Interviewees tended to indicate that more information is available across the Member States as a result of the Governance Regulation. Respondents from the third sector pointed

⁵³³ Interview with NCA (1): LT (Ministry of Energy, Ministry of Environment, Lithuanian Energy Agency, Lithuanian Environment Protection Agency).

⁵³⁴ Interviews with climate civil society organisations (2): Transport and Environment, E3G).

⁵³⁵ Interview with NCA (1): NL (Netherlands Enterprise Agency- Ministry of Economic Affairs and Climate Policy).

⁵³⁶ Interviews with climate civil society organisations (5): Association ZERO, WWF Europe, Coalition for Energy Savings, E3G); Interview with NCA (1): LT (Ministry of Energy, Ministry of Environment, Lithuanian Energy Agency, Lithuanian Environment Protection Agency).

⁵³⁷ Interview with climate civil society organisation (1): (E3G).

⁵³⁸ Interviews with climate civil society organisations (9): Association ZERO, WWF Europe, Coalition for Energy Savings, E3G; EUREC, Association ZERO, Transport and Environment.

⁵³⁹ EQ13.1: 'Your Member State would have achieved the same level of planning and reporting if the Governance Regulation did not exist'.

⁵⁴⁰ EQ13.2: 'The Governance Regulation has made available information in your Member State which would otherwise not have been accessible to the public'.

to the State of the Energy Union as a particular benefit, noting that such a report would not be possible without the Governance Regulation⁵⁴¹. One respondent from a national authority stated that NECPs and plans from other countries are useful to learn about best practices and are used as references⁵⁴². They also mentioned that it can be difficult to compare countries, as they take very different approaches to their NECPs, and it would be useful if the documents were more comparable for the purposes of inter-country learning.

5.2.1.3 EQ14 - What is the added value of the Governance Regulation for the transparency and predictability of Member States' energy and climate policies?

Stakeholder feedback confirmed that the Governance Regulation has had a positive effect on reporting and data availability and improved predictability of Member States' energy and climate policies. However, respondents pointed to delays in making data available, occasional incomplete data, and noted that data could be more transparent and accessible. EEA data on the timeliness of reported GHG and integrated national PaMs indicate a similar lack of timeliness in reporting by the Member States (see EQ1).

Data from EEA reports on integrated and GHG reporting show that a majority of Member States have consistently missed reporting deadlines on PaMs (except in 2021), which countries are expected to report on every two years, by 15 March (see Table 27).

Table 27. Timeliness of submissions (PaMs)

Number of Member States meeting/missing the deadline				
	2017	2019	2021	2023
Deadline met	9 (32 %)	9 (32 %)	15 (56 %)	11 (41 %)
Deadline missed	19 (68 %)	19 (68 %)	12 (44 %)	16 (59 %)

Source: ICF, based EEA reports from 2017-2023.

Although 2021 saw a notable improvement in timeliness, the number of late submissions increased again in 2023. While information from previous reporting could be reused, the 2023 submission required more extensive integrated reporting on the five climate and energy dimensions, as well as on new annexes. According to the EEA, this could have contributed to the delay in submissions⁵⁴³. In addition, the new webform in Reportnet demanded more learning time on data entry. Another explanation for delayed reporting is countries' preference to link reporting of both GHG projections and PaMs. By the end of June 2023, Member States had to report a draft updated NECP, which, in some countries, may have impacted the political process of submitting data under these annexes. More extensive reporting necessitated more cumbersome QA/QC processes. It is difficult to predict what timeliness, or the predictability of reporting, would have looked like in the absence of the Governance Regulation; however, after the introduction of the Regulation, there have been minor improvements in the share of Member States meeting the deadline. This share is an important marker, not just of predictability, but also transparency, as it gives the users of this information (e.g. third sector, industry) sufficient opportunity to digest, review and use this information in their work.

⁵⁴¹ Interviews with climate civil society organisations (2): Coalition for Energy Savings, WWF Europe.

⁵⁴² Interview with NCA (1): LT (Ministry of Energy, Ministry of Environment, Lithuanian Energy Agency, Lithuanian Environment Protection Agency).

⁵⁴³ Dauwe, T., Vella, A., Sammut, J., Gu, Y., Gleeson, L., Young, K. and Perl, D., *Overview of reported integrated national climate and energy policies and measures in Europe in 2023*, EEA, 2023, <https://www.eionet.europa.eu/etc/etc-cm/products/etc-cm-report-2023-06>

On predictability, one contributor to the stakeholder event signalled that the Governance Regulation is important for countries to achieve climate and energy targets and marks an improvement on the previous situation⁵⁴⁴. They noted that the Governance Regulation provides investor certainty, while gap-filling mechanisms provide a good equilibrium between ambition and predictability. This predictability is aided by maintaining a stable legal framework for 2030, and planning how to adapt it for 2040, as per the Regulation.

The survey responses from national authorities showed a generally positive picture of the transparency and predictability provided by the Governance Regulation (see Figure 46). In total, 13 of the 25 (52 %) respondents signalled that the Governance Regulation has improved transparency and predictability to a large or very large extent. A further seven (28 %) said this has happened 'to some extent'⁵⁴⁵ and two (8 %) to a small extent. One respondent (Austria) did not think the Regulation improved transparency and predictability at all, two (Finland, Germany) did not know or the question was not applicable, and seven did not answer (including all three respondents from Poland).

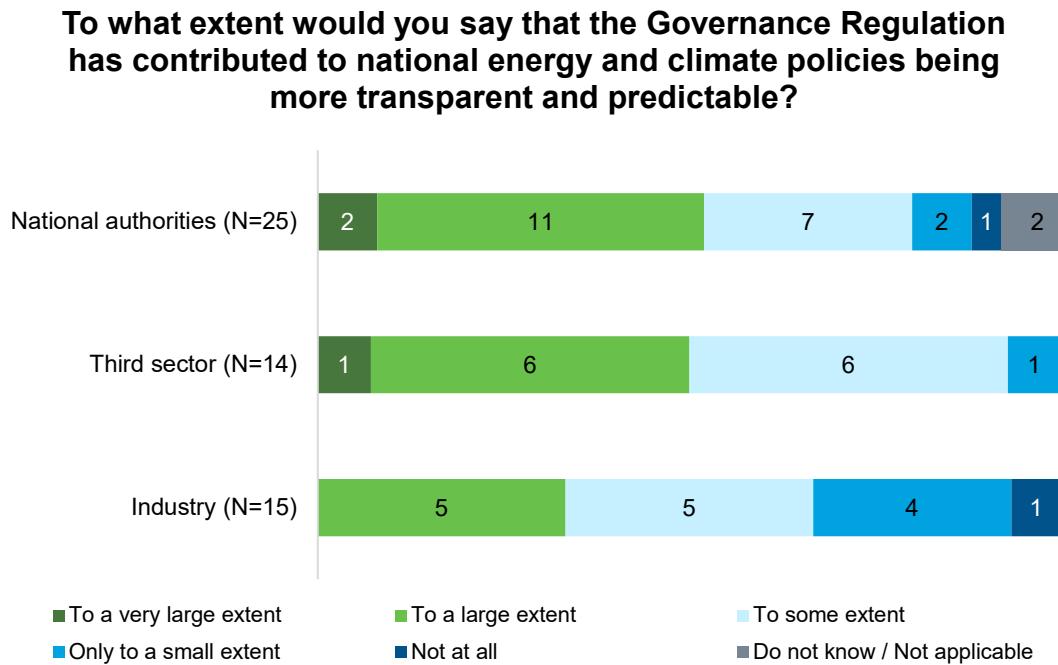
The survey responses from the third sector mirrored those of the national authorities fairly closely (see Figure 46). Seven out of 17 respondents agreed or strongly agreed that the Governance Regulation has improved transparency and predictability (41 %), while a further eight neither agreed nor disagreed (six) or believed that the Regulation has achieved this 'to some extent' (two). Only one respondent (a climate NGO) disagreed that the Regulation created additional transparency or predictability, and three did not answer at all.

Compared to the replies from national authorities and the third sector, the response from industry was more mixed. One-third of industry respondents (33 %, 5 out of 15 respondents) said that transparency and predictability increased to a large extent (none to a very large extent), five (33 %) to some extent, and four (27 %) to a small extent. The final respondent indicated that the Governance Regulation has not achieved this at all (Latvia) and two respondents did not answer.

⁵⁴⁴ NCA: DE.

⁵⁴⁵ Transparency and predictability have improved: BE, BG, CY, DK, ES, FR, FI, HR (2), HU, LT, MT, SK. Transparency and predictability have improved to some extent: CZ, DE, DK, ES (2), FI, NL, SE.

Figure 46. Respondents' agreement on whether the Governance Regulation has improved transparency and predictability



Source: ICF, based on targeted survey.

Interviewees highlighted the strong positive effect of the Governance Regulation on the reporting and availability of data for policy-making in the Member States. This includes the publication of the NECPs and EU-wide datasets on the new e-platform (whose accessibility was particularly praised by one interviewee). One interviewee highlighted that stakeholders rely on NECPs to make strategic decisions, demonstrating how improved transparency and predictability of Member State policies can play a role in stakeholder decision-making⁵⁴⁶. Another⁵⁴⁷ mentioned the predictability of the NECPs as a factor in attracting investment, strengthened by the stable NECP framework. Two participants in the stakeholder event⁵⁴⁸ echoed that the Governance Regulation has added value to the availability of information, noting that the NECPs include new policies, as well as themselves being more innovative and integrated.

One national authority explained the mechanism argued that the Governance Regulation has achieved this positive effect by standardising reporting processes, ensuring timely reporting, fostering coordination, and encouraging public access to information⁵⁴⁹. They mentioned that the Governance Regulation helps to ensure alignment with EU-wide objectives, creating a more cohesive and predictable policy landscape and noted that while the specific impact of the Governance Regulation varies depending on each Member State's prior practices, it has undoubtedly contributed to improving the overall transparency and predictability of energy and climate policies in the EU.

⁵⁴⁶ Interview with NCA (1): BE (Federal Public Service of Economy – Directorate General Energy).

⁵⁴⁷ Scoping interview with the Committee of the Regions.

⁵⁴⁸ Stakeholder event responses: Committee of the Regions, RESCoop.EU, and WindEurope.

⁵⁴⁹ Interview with NCA (1): NL (Netherlands Enterprise Agency - Ministry of Economic Affairs and Climate Policy).

Some stakeholders interviewed identified certain issues with the transparency of data. One national authority⁵⁵⁰ explained that while the information provided through the reporting tools is clear, the outputs are not, i.e. the Commission may understand the information, but stakeholders do not. They suggested that EU databases should be enhanced such that those who input data from the Member States can access, reuse, and forward the data, and have more control of the data submitted. They also suggested that features could include tools to visualise the data, so that authorities can present what they are doing with the NECPs in an accessible way. The European Commission and the EEA already provide a variety of tools through which the public can access (some of) the data, including assessments, visualisations, and a database. For example, several datasets reported in the NECPRs (Article 18 and 19 of the Regulation) can be accessed via the climate and energy platform⁵⁵¹. The EEA Datahub also provides access to more detailed data⁵⁵².

An international environment organisation interviewed pointed to differences in transparency between different reporting processes under the Governance Regulation, arguing that the progress reports are not sufficiently accessible, which limits transparency and tracking progress towards targets⁵⁵³. Under the Governance Regulation, Member States are required to make the integrated NECPRs public (Article 17(7)), while the Commission is obliged to publish these reports on its e-platform to facilitate public online access (Article 28)⁵⁵⁴. Despite this provision, Member States have yet to make this information available (e.g. Austria has not published the 2023 draft updated NECP, which was due in June 2023), or published the information late (22 of the 2023 draft updated NECP submissions⁵⁵⁵). This sentiment was echoed at the stakeholder event, where one contributor pointed to three main issues: (a) sequencing in the reporting cycle (a delay between reports being submitted and being publicly available⁵⁵⁶), (b) reports are often difficult to understand for non-experts, as they comprise numerous Excel tables, and could usefully be clarified with a narrative summary, and (c) the description of existing and additional measures is missing or insufficiently detailed⁵⁵⁷. One interviewee stated that the lack of detail and succinctness of some of the NECPs limits the transparency and predictability in respect of Member States' policies in practice⁵⁵⁸.

The CfE highlighted the challenges faced by some stakeholders in accessing information and with transparency. Respondents highlighted that some draft NECPs and NECPRs were not made available to the public or were not made available at the right time⁵⁵⁹. Several reported that this limited the ability of the public to respond to the public consultation⁵⁶⁰.

⁵⁵⁰ Interview with NCA (1): EE (Ministry of Finance; Estonian Environmental Centre).

⁵⁵¹ EEA, Climate and energy in the EU, n.d., <https://climate-energy.eea.europa.eu/topics/policies-and-measures/climate-and-energy-policies-and-measures/data>;

⁵⁵² EEA, EEA Datahub, n.d., <https://www.eea.europa.eu/en/datahub>

⁵⁵³ Interview with environmental civil society organisation (1): WWF Europe.

⁵⁵⁴ Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action, amending Regulations (EC) No 663/2009 and (EC) No 715/2009 of the European Parliament and of the Council, Directives 94/22/EC, 98/70/EC, 2009/73/EC, 2013/1/EU, 2012/27/EU and 2013/30/EU of the European Parliament and of the Council, Council Directives 2009/119/EC and (EU) 2015/652 and repealing Regulation (EU) No 525/2013 of the European Parliament and of the Council, <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32018R1999>

⁵⁵⁵ The EEA PaMs database shows that, across 2017-2023, 59.9 % of submissions were late.

⁵⁵⁶ Data go through a QA/QC process after being submitted.

⁵⁵⁷ Stakeholder event response from a climate civil society organisation (1): CAN Europe.

⁵⁵⁸ Interview with NCA (1): LT (Ministry of Energy, Ministry of Environment, Lithuanian Energy Agency, Lithuanian Environment Protection Agency).

⁵⁵⁹ Replies to CfE: EEB, the European Renewable Energies Federation, the Estonian Fund for Nature (Estonian Green Movement, Green Liberty), Fertő tó Barátai Egyesület, and CAN Europe.

⁵⁶⁰ Replies to CfE: EEB, CAN Europe.

The stakeholder consultations highlighted a further area of improvement: while NGOs are a key beneficiary of the increased transparency under the Regulation, the third sector in particular was not consulted well by Member States in developing these plans. This was very strongly reflected in the CfE, where respondents highlighted that the provisions on public participation and transparency should be strengthened⁵⁶¹.

5.2.1.4 EQ15 - What is the added value of the Regulation in terms of ensuring accountability and access to justice?

Stakeholders provided diverging views about the Governance Regulation's added value in ensuring accountability and access to justice. According to some stakeholders, mostly national authorities, the Regulation has enhanced accountability and access to justice by ensuring that data are reported and by creating some mechanisms to enforce standards. Third sector stakeholders disagreed, pointing to the lack of significant improvements in accountability and access to justice. These diverging perspectives may have (partly) arisen as a result of different national legislation or differences in the implementation and adherence to the Governance Regulation, rather than its design.

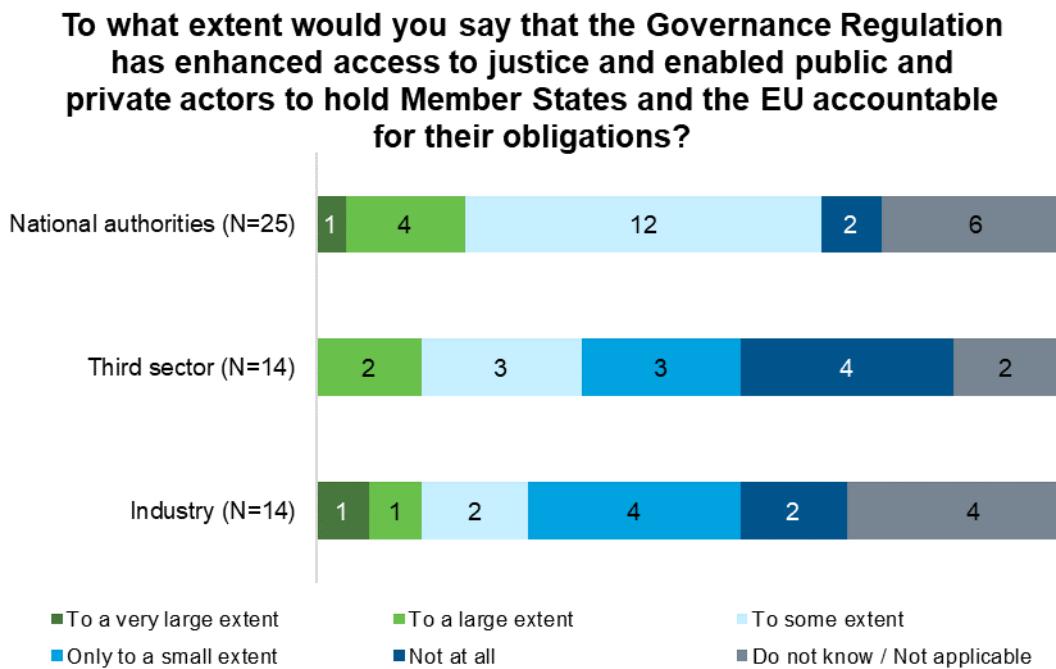
Survey responses reflected different perspectives on the added value of the Governance Regulation. National authorities tended to have a positive view of the improvements to accountability and access to justice generated by the Regulation (see Figure 47). Five of the 25 national authorities (20 %) felt the Governance Regulation has improved accountability and access to justice to a large or very large extent, while most (12) selected to some extent (48 %). Two national authorities did not believe that the Governance Regulation has enhanced accountability and access to justice at all, and six (24 %) did not know or found the question non-applicable.

Third sector respondents were markedly less positive, with only two of the 14 respondents (14 %) agreeing that the Governance Regulation has improved access to justice and accountability to a large extent (see Figure 47). A further three (21 %) agreed to some extent and another three (21 %) to a small extent. Seven of the 14 (50 %) disagreed or strongly disagreed with the notion that access to justice and accountability has improved.

Two of the 14 industry respondents (14 %) agreed that the Governance Regulation has improved access to justice and accountability to a very large extent or a large extent, and a further two (14 %) indicated this was achieved to some extent (see Figure 47). Four of the 14 (29 %) selected to a small extent, and two (14 %) said that the Governance Regulation has not enhanced access to justice and accountability at all.

⁵⁶¹ Replies to CfE: CAN Europe, ZERO – Association for the Sustainability of the Earth System, Climate Alliance, and Baltic environmental organisations.

Figure 47. Respondents' assessment of Governance Regulation impact on access to justice and accountability



Source: ICF, based on targeted survey.

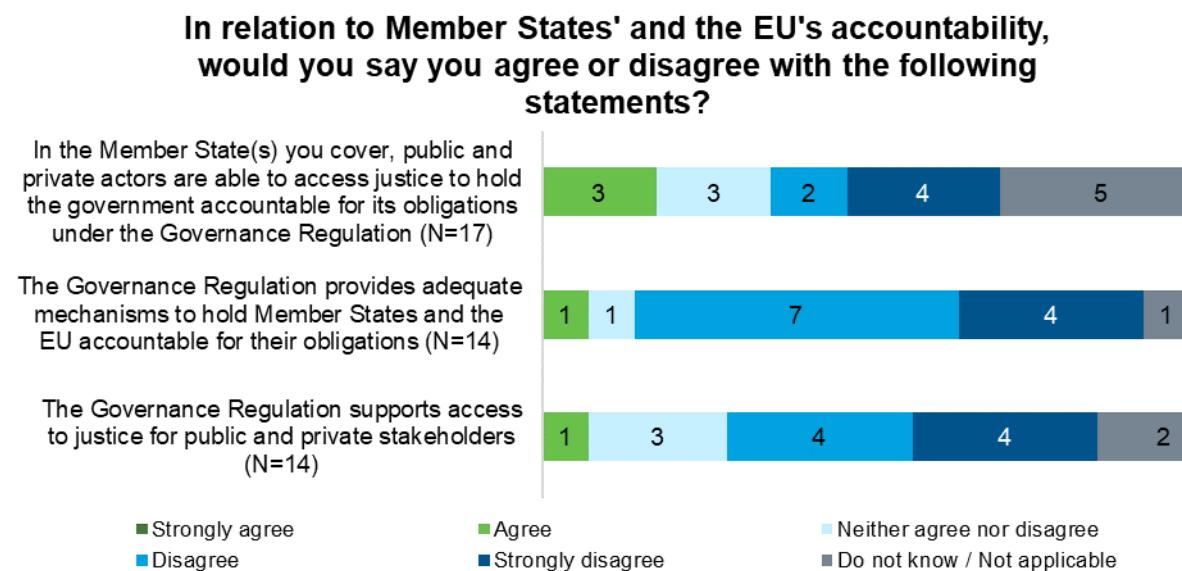
Third sector respondents were asked additional questions to gain more detailed insights into their perceptions of the extent to which the Governance Regulation has enhanced the accountability of Member States and the EU (see Figure 48).

Three of the 17 respondents (18 %) agreed that public and private actors are able to access justice to hold the government accountable for its obligations under the Governance Regulation, while another three (18 %) were neutral. Six of the 17 (35 %) disagreed or strongly disagreed, and a significant share (29 %) did not know or the question did not apply.

Third sector stakeholders were asked whether the Governance Regulation provides adequate mechanisms to hold Member States and the EU accountable for their obligations, to which a large majority disagreed (50 %) or strongly disagreed (29 %). Only one respondent (7 %) agreed, and another (7 %) neither agreed nor disagreed.

Third sector stakeholders were asked whether the Governance Regulation supports access to justice for public and private stakeholders. This question received slightly more positive answers, with one of the 14 respondents agreeing (7 %) and three neither agreeing nor disagreeing (21 %). However, eight (58 %) disagreed or strongly disagreed, two (14 %) did not know or the question did not apply, and three did not answer. These survey responses suggest that a majority of third sector respondents (57 %) believe that there has been some improvement in the level of accountability and access to justice under the Governance Regulation, but that current accountability mechanisms and access to justice for public and private actors under the Governance Regulation require improvement. The low response rate to the survey prevents robust conclusions, however.

Figure 48. Respondents' agreement on Member States' and EU accountability



Source: ICF, based on survey of third sector organisations.

The interviews provided some further context to the added value of the Governance Regulation. One stakeholder⁵⁶² mentioned that the EU has the ability to check the quality of Member State data and request improvements, another noted countries must include even those topics they did not want to address⁵⁶³, and another stated that planning and reporting obligations ensure that countries are reaching targets they would not otherwise reach⁵⁶⁴ (possibly driven by certain funding being conditional on aspects of the NECP). These insights echo the main objectives of the legislation, which include 'establishing a governance mechanism to [...] ensure the timeliness, transparency, accuracy, consistency, comparability, and completeness of reporting'⁵⁶⁵. There are quality check procedures in place, including QA and QC elements (e.g. Article 18) where good QA practices include a preliminary deadline and final deadline for inventories. However, while structured digital reporting allows for the comparability of Member State data and focuses on improvements in data quality over time, it could be enhanced through more formalised legally binding quality checking procedures. While the Governance Regulation mentions QA and QC procedures (Articles 18, 37 and 39), defines these processes (definitions 16 and 17), and ascribes QA and QC responsibilities to the EEA, it does not specify that Member States' reported information needs to pass such quality processes, nor what those processes should constitute (e.g. best practices). One stakeholder acknowledged that the gap-filling mechanism is an area of concern, as there is little the EU can do when Member States do not fulfil the requirements⁵⁶⁶. According to two interviewees, the fact that the NECPs are

⁵⁶² Scoping interview with EEA.

⁵⁶³ Interview with NCA (1): NL (Netherlands Enterprise Agency - Ministry of Economic Affairs and Climate Policy).

⁵⁶⁴ Scoping interview with DG ENV.

⁵⁶⁵ Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action, amending Regulations (EC) No 663/2009 and (EC) No 715/2009 of the European Parliament and of the Council, Directives 94/22/EC, 98/70/EC, 2009/73/EC, 2013/1/EU, 2012/27/EU and 2013/30/EU of the European Parliament and of the Council, Council Directives 2009/119/EC and (EU) 2015/652 and repealing Regulation (EU) No 525/2013 of the European Parliament and of the Council, <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32018R1999>

⁵⁶⁶ Scoping interview with DG ENER.

publicly available allows stakeholders to hold Member States accountable if they do not fulfil the plans⁵⁶⁷.

Several stakeholders suggested in the interviews and the CfE that there should be a provision in the Governance Regulation granting access to justice at national level⁵⁶⁸. They pointed to the lack of a concrete and direct right of access to justice in the legal text of the Regulation to challenge NECPs or LTSs before national courts⁵⁶⁹. In addition, the Commission's recommendations are non-binding and the application of access to justice provisions does not seem consistent across Member States⁵⁷⁰. Respondents suggested that the Governance Regulation should allow members of the public to challenge NECPs and LTSs if they are in breach of any requirements laid out in the Regulation, as well as any substantive requirements of European environmental law⁵⁷¹. A number of respondents flagged the uneven application of access to justice across the Member States⁵⁷². Making the right to access to justice explicit in the Governance Regulation would be helpful in addressing such issues⁵⁷³.

5.3 Is the intervention still relevant?

This section presents the findings of the evaluation on the relevance of the Governance Regulation. It draws on evidence from the various strands of data collection, including the desk research, CfE, surveys, interviews and stakeholder event.

5.3.1 Relevance

The evidence indicates that the Governance Regulation's core objective of providing a governance structure that enables and pushes Member States to commit and deliver ambitious climate targets remains relevant. Indeed, the Governance Regulation seems to have become more relevant, given the increasing urgency of addressing climate change, the growing need for climate action (mitigation and adaptation), and the increasingly complex needs to be addressed by Member States' energy and climate policies. At the same time, the Regulation's governance mechanisms do not sufficiently address some of the issues that have come to the forefront of energy policy, for example due to recent geopolitical and legislative developments. This may hinder the Regulation's ability to respond fully to emerging needs in European energy and climate policy.

EU energy policy pursues multiple objectives, grouped into the five dimensions of the Energy Union. Achieving these objectives poses an enormous challenge to legislators and administrations at all levels of governance.

Within this broader regulatory challenge, the Governance Regulation was intended to address two main problems: the perceived inadequacy of existing national and EU-level policies to achieve climate and energy targets; and poor conformity of existing planning, reporting and monitoring obligations with the principles of Better Regulation⁵⁷⁴. The Governance Regulation was designed with the following objectives in mind:

⁵⁶⁷ Interview with NCAs (2): BE (Federal Public Service of Economy – Directorate General Energy), NL (Netherlands Enterprise Agency- Ministry of Economic Affairs and Climate Policy).

⁵⁶⁸ Replies to CfE: CAN Europe, EEB, WWF European Office, Transport and Environment); Interviews with CAN Europe, WWF Europe, Transport and Environment, EEB.

⁵⁶⁹ Replies to CfE: CAN Europe and WWF European Office; Interviews with CAN Europe, EEB, and WWF Europe.

⁵⁷⁰ Replies to CfE: CAN Europe and WWF European Office.

⁵⁷¹ Replies to CfE: EEB.

⁵⁷² Interviews with CAN Europe, EEB, Transport and Environment.

⁵⁷³ Interviews with Transport and Environment, CAN Europe, EEB.

⁵⁷⁴ European Commission, Impact Assessment accompanying the document Proposal for a Regulation of the European Parliament and the Council on the Governance of the Energy Union, amending Directive 94/22/EC, Directive 98/70/EC, Directive 2009/31/EC, Regulation (EC) No 663/2009, Regulation (EC) No 715/2009, Directive 2009/73/EC, Council Directive 2009/119/EC, Directive 2010/31/EU, Directive 2012/27/EU, Directive 2013/30/EU

- To enable and ensure the achievement of the objectives and targets of the Energy Union in line with the 2015 Paris Agreement, in particular, the targets of the 2030 Framework for Climate and Energy, in the field of GHG emission reduction, energy from renewable sources and energy efficiency (Article 1(a); Recitals 1, 12, 16, 18);
- To facilitate cooperation and coordination of regional, national and local climate and energy policies (Article 1(b); Recitals 3, 12, 23);
- To ensure compliance by the EU and its Member States with international (UNFCCC and Paris Agreement) commitments (Article 1(c));
- To unlock private investment and economic growth by promoting regulatory predictability and stability (Article 1(d); Recitals 12, 34, 35);
- To promote accountability through transparency and monitoring (Recital 12);
- To reduce the administrative burden by integrating and streamlining planning, reporting, and monitoring obligations (Recitals 12, 23, 24, 70).

Stakeholders unequivocally confirmed that these objectives were very relevant at the time the Regulation was adopted to coordinate efforts to meet increasingly complex and ambitious climate targets⁵⁷⁵. Several stressed that the Governance Regulation remains a key piece of EU legislation today⁵⁷⁶.

Although the Governance Regulation is a relatively new instrument, major legislative and geopolitical changes following its adoption have reshaped policy priorities and highlighted different issues and needs that may not be adequately addressed by the mechanisms established by the Regulation.

5.3.1.1 EQ16 - Are the Member States' and Commission's planning, reporting, and monitoring obligations under the Governance Regulation still relevant in view of legislative developments?

The EU energy and climate acquis has undergone important developments since the adoption of the Governance Regulation in 2018, notably the Fit for 55 package. The Governance Regulation is primarily a procedural framework that does not itself set specific targets, somewhat safeguarding its relevance. However, certain themes in recent legislation need to be better addressed in the 'products' adopted under the Governance Regulation, such as the NECPs.

The legal framework for energy and climate policy in the EU has undergone significant changes since the Governance Regulation was adopted (see section 5.1.3.1). While the Regulation itself was amended in 2019, 2021 and 2023, an important aspect of evaluation is the extent to which its objectives remain relevant in the context of a changing political and legislative context.

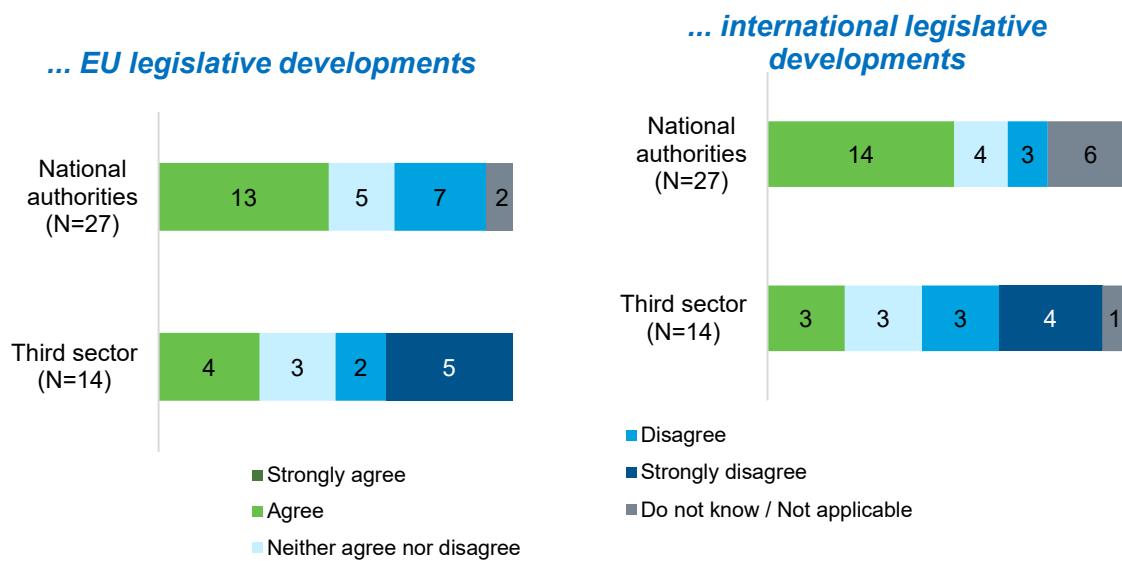
The survey answers suggest that perceptions of this issue differ considerably between third sector actors and Member States' competent authorities, with respondents from the third sector holding a far more negative view (see Figure 49). The majority of national authorities indicated that the provisions and obligations of the Governance Regulation remain relevant and up to date in light of both EU legislative developments (13 of 25 respondents agreed and seven disagreed) and international legislative developments (14 of 25 respondents agreed and three disagreed). By contrast, half of the respondents from the third sector disagreed.

and Council Directive (EU) 2015/652 and repealing Regulation (EU) No 525/2013, SWD(2016) 394 final, p. 11, <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:52016SC0394&from=FR>

⁵⁷⁵ Interviewees from national authorities, EU institutions, and civil society organisations. While not all stakeholders explicitly expressed views on the initial relevance of the Governance Regulation, it was not challenged by any interviewee.

⁵⁷⁶ Interviews with EU institutions, two environmental civil society organisations, and a national authority (EE, specifically highlighted the importance of NECPs).

Figure 49. Respondents' agreement with the statement 'The provisions and obligations of the Governance Regulation remain relevant and up to date in light of':



Source: ICF, based on targeted survey.

Replies to the CfE suggested that the Governance Regulation would benefit from being updated to reflect the latest targets and legislative developments⁵⁷⁷. More specifically, its relevance is limited by the fact it does not reflect elements introduced by RED II and the EED⁵⁷⁸. Interviewees from civil society organisations, as well as survey responses from some national authorities, shared that view, naming the Fit for 55 package, REPowerEU and the RRF as major legislative changes not sufficiently reflected in the Governance Regulation (see Figure 49).

The Governance Regulation does not prevent Member States from including additional aspects in their reporting. Indeed, the Commission has provided guidance on how to take into account post-Governance Regulation policies such as the Fit for 55 package, REPowerEU, and international developments such as the Glasgow Climate Pact⁵⁷⁹. However, interviewees from civil society and EU bodies suggested that these issues are not always adequately reflected in practice.

Some civil society stakeholders called for an update of the targets⁵⁸⁰ referenced in the Governance Regulation in line with the Fit for 55 ambitions (since amended through Directive (EU) 2023/2413⁵⁸¹). Others, however, argued that the Governance Regulation itself is not intended to define such ambitions, but rather to guide the process by which Member States work towards their achievement. As targets might need to be updated to keep pace with policy developments, how the Governance Regulation refers to specific targets should be considered⁵⁸².

⁵⁷⁷ Replies to CfE: Civil society organisations (8); Business associations (2); Environmental organisations (3); EU citizen (1); Public authority (2); Other (1); Academic (1).

⁵⁷⁸ Replies to CfE: Civil society organisations (2); Business associations (2); Public authorities (2); Other (1).

⁵⁷⁹ Commission Notice on the Guidance to Member States for the update of the 2021-2030 national energy and climate plans, 2022/C 495/02, [https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52022XC1229\(02\)](https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52022XC1229(02))

⁵⁸⁰ Stakeholders specifically referred to the Union-wide GHG emission reduction targets, as well as renewable energy targets.

⁵⁸¹ Directive (EU) 2023/2413 of the European Parliament and of the Council of 18 October 2023 amending Directive (EU) 2018/2001, Regulation (EU) 2018/1999 and Directive 98/70/EC as regards the promotion of energy from renewable sources, and repealing Council Directive (EU) 2015/652, PE/36/2023/REV/2, OJ L, 2023/2413.

⁵⁸² Scoping interview with EU institution.

A different issue is the relevance of the plans produced by the Member States and the European Commission and whether the frequency of updates is sufficient to ensure their continued relevance. Several stakeholders⁵⁸³ argued that the Commission's 2018 Long-Term Strategy, adopted under Article 15(2) of the Governance Regulation, is no longer in line with the policy landscape. One academic researcher interviewed noted that the biennial progress reports have proven useful in the context of changing parameters, such as higher ETS certificate prices and resulting revenues for Member States.

The rapid evolution of the legislative landscape of EU climate and energy policy since the adoption of the Governance Regulation, while leading to certain coherence problems, has arguably increased the need for coordination, transparency and accountability instruments, as envisaged by the Regulation, as well as streamlining obligations to minimise administrative burdens. This makes these objectives even more relevant.

Scope of the Governance Regulation and its mechanisms

While the Governance Regulation was not designed to set specific policy targets per se, it was intended to define the scope of issues that Member States (and the Commission) need to plan for and give account of, as well as the specific indicators to be reported on. Several stakeholders reflected on the relevance of this agenda-setting function of the Governance Regulation in the context of changing policy priorities. Some argued that certain issues highlighted in the more recent climate and energy acquis are not yet, or not sufficiently, addressed by the mechanisms of the Governance Regulation:

- Economic governance: The economic and industrial dimension of the green transition is an important challenge that some stakeholders felt is not sufficiently addressed in the plans and reports under the Governance Regulation. While envisaged in the Regulation, information on investment needs and sources for financing are insufficient to identify investment and/or financing gaps, and a solid assessment of the macroeconomic impact of the PaMs included in the NECPs is lacking⁵⁸⁴;
- Indicators on the principle of energy sufficiency are lacking in the NECPs, according to one climate civil society organisation interviewed and four replies to the CfE⁵⁸⁵;
- Grid deployment and electrification issues should be enshrined in the Governance Regulation, according to industry representatives and one interviewee from a climate think tank;
- Climate adaptation measures need to be better covered by the Governance Regulation, according to one third sector organisation interviewee, particularly in respect of information on measures already implemented by Member States⁵⁸⁶;
- Six replies to the CfE⁵⁸⁷ highlighted that the Governance Regulation lacks provisions on access to justice, although some mentioned that the NECPs and LTSs are subject to the Aarhus Convention, which grants access to environmental information and justice.

⁵⁸³ Replies to CfE: Civil society organisation (1); Environmental organisations (1); Academic (1); Interview with one civil society organisation.

⁵⁸⁴ Submission by European Commission.

⁵⁸⁵ Interviews with civil society organisation (2); Business associations (2); Public authorities (2); Other (1).

⁵⁸⁶ Submission by EU institution.

⁵⁸⁷ Replies to CfE: Civil society organisation (3); Environmental organisations (2); Academic (1).

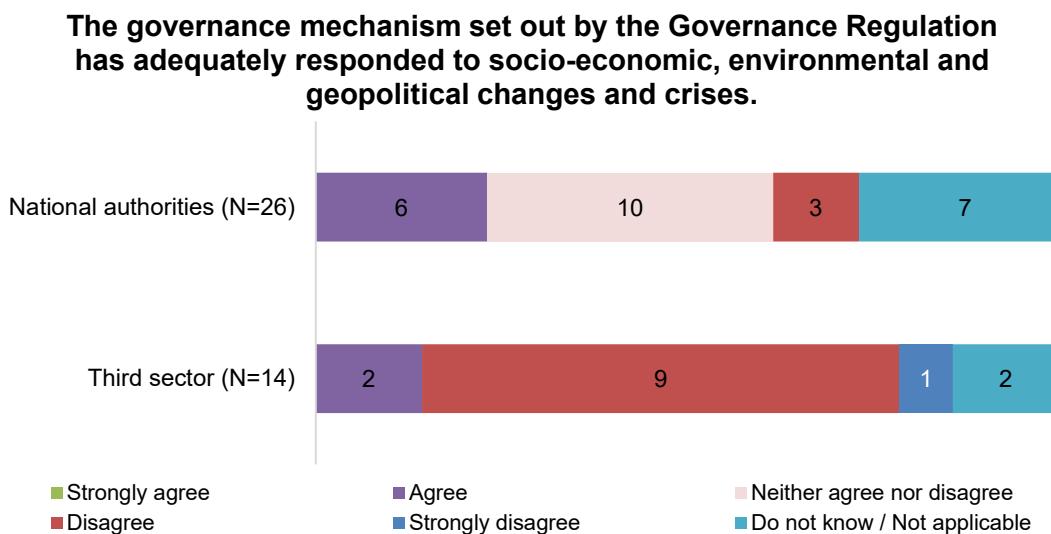
5.3.1.2 EQ17 - How well has the governance mechanism set out by the Regulation responded to socioeconomic, environmental, and geopolitical changes and risks?

The Governance Regulation's core objective of facilitating climate action is becoming ever more urgent amid emerging scientific evidence. The energy crisis triggered by Russia's war of aggression against Ukraine recalibrated priorities in energy policy and highlighted energy security and the social dimension of the energy transition.

The relevance of the Governance Regulation was also assessed for its responsiveness to exogenous risks and changes across socioeconomic, environmental and geopolitical domains. Such changes are difficult to anticipate and raise the question of how to strike the right balance between more detailed and prescriptive governance and retaining sufficient flexibility to enable Member States to respond appropriately to changing policy priorities and objectives.

Survey results indicated that NCAs and civil society are divided on whether the governance mechanism set out by the Governance Regulation has adequately responded to socioeconomic, environment and geopolitical developments and crises since its adoption (see Figure 50). While national authorities tended to take a neutral to positive stance⁵⁸⁸, third sector respondents overwhelmingly found the response of the Regulation's governance mechanism inadequate.

Figure 50. Stakeholders' views on the response of the Governance Regulation's mechanisms to non-legislative developments



Source: ICF, based on targeted survey.

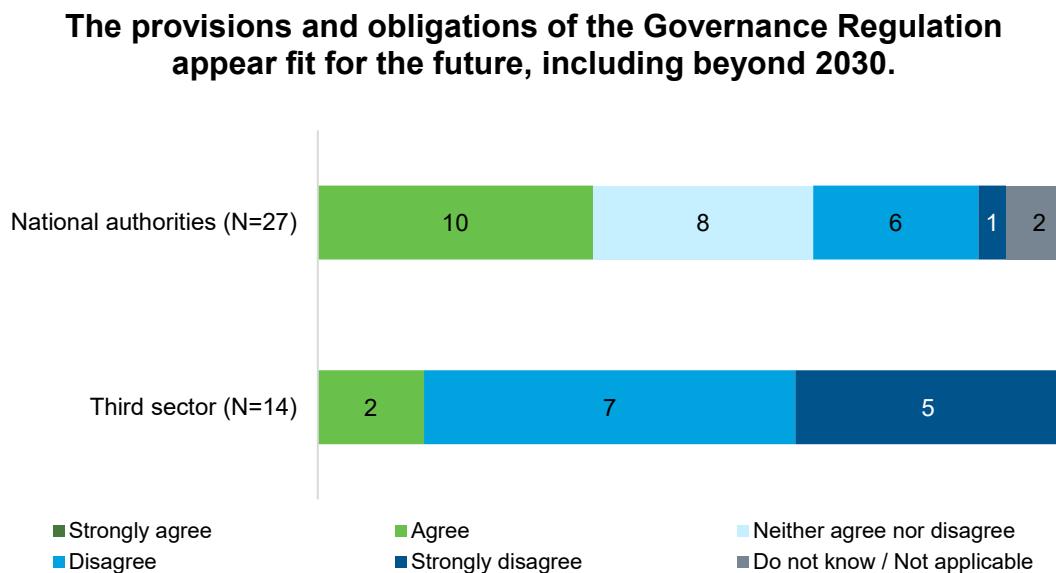
Looking ahead and judging the potential for the Governance Regulation to respond to long-term challenges, the picture is similar, if slightly more polarised on the part of national authorities, and more negative on the part of third sector respondents (see Figure 51). Of the 27 national authorities that responded to the survey, 10 agreed⁵⁸⁹ that the provisions and obligations of the Governance Regulation appear fit for the future, including beyond

⁵⁸⁸ Agree: BG, ES (3), HU, SK; Neither agree nor disagree: AT, CY, CZ, DE, FR, HR (2), LT, MT, SE (2); Disagree: BE, DK (1), NL.

⁵⁸⁹ Survey of national authorities: BG, CZ, DE (2), ES (2), FR, HR (1), HU, LT, NL, SK.

2030, seven disagreed⁵⁹⁰ and eight were neutral⁵⁹¹. By contrast, only two of the 14 third sector organisations that responded to the survey agreed, while 12 disagreed (five strongly disagreed).

Figure 51. Stakeholders' views on the relevance of the Governance Regulation to future challenges



Source: ICF, based on targeted survey.

The environmental, geopolitical and socioeconomic context of the Governance Regulation has significantly evolved since its adoption and has grown increasingly complex and challenging. These developments have led to a certain recalibration of energy policy priorities (e.g. supply security), as well as highlighting existing challenges (e.g. energy poverty). The need for coordinated policy action has grown accordingly. The ways in which exogenous factors have impacted the initial objectives of the Governance Regulation and the needs address/not addressed by the Regulation are discussed below.

Environmental changes and risks

As the outlook for climate change and its associated impacts is both worsening and becoming more clear-cut, the core objective of the Governance Regulation – to enable and support climate action – is more relevant than ever.

The IPCC recently released its Sixth Assessment Report, which summarises scientific knowledge on climate change. The report not only adds certainty to the climate projections available at the time the Governance Regulation was drafted, but predicts higher climate-related risks with greater confidence than the previous IPCC assessment report in 2014⁵⁹².

In view of this increasing urgency, the Governance Regulation's primary purpose of providing a governance mechanism that enables and encourages joint energy and climate action in the EU and helps to ensure the achievement of GHG reduction targets is more relevant than ever. This was acknowledged by several of the replies to the CfE (including

⁵⁹⁰ Survey of national authorities: DE (2), DK (2; 1 strongly disagreed), FI (3), MT, SE (2).

⁵⁹¹ Survey of national authorities: AT, BE, CY, DE (3), ES (2), HR (2), SE (1).

⁵⁹² IPCC, *Climate Change 2023: Synthesis Report. Contribution of Working Groups I, II and III to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change*, 2023, p. 68.

several third sector organisations and a citizen from Spain), as well as by interviewees (including national authorities and third sector organisations).

Several additional or revised pieces of legislation have been adopted since 2018 to better align with these scientific projections, including an upwards revision of the 2030 EU-level targets. However, although this required updates to realign the targets referenced in the Governance Regulation, it does not impact the relevance of the Governance Regulation's energy and climate objectives as such⁵⁹³.

Geopolitical changes and risks

Russia's war of aggression against Ukraine disrupted EU energy policy in several dimensions. While lending additional relevance to the Energy Union's objectives and accelerating the need for a clean energy transition, it also prompted a recalibration of immediate policy priorities and highlighted transition challenges.

Russia's aggression made European policymakers acutely aware of the risks associated with excessive and undiversified reliance on energy supplies from particular third countries. It acted as a catalyst for the transition away from fossil fuel imports and towards a more diversified energy supply based on RES.

As a result of this additional impetus, targets and projections for the share of renewables in the EU's energy mix were revised significantly upwards, most notably as part of REPowerEU, which proposed to upgrade the renewable energy target to a 45 % share of renewables by 2030, up from the 40 % target previously envisaged⁵⁹⁴. The IEA has also revised its five-year main case forecast for renewable electricity capacity expansion in the EU for 2022, up 35 % compared to the previous year's estimate⁵⁹⁵.

At the same time, the shift away from Russian fossil fuels and the energy crisis have brought to the fore issues not currently sufficiently reflected in plans and reports under the Governance Regulation framework. This includes energy security, for example the planning for Liquefied Natural Gas (LNG) imports and consumption volumes to replace Russian gas imports, which, according to one climate think tank interviewed, need to be covered in more detail in the Governance Regulation.

The spiralling of energy prices in the wake of Russia's war of aggression against Ukraine and the ensuing Western sanctions highlighted the significance of the social dimension of the energy transition. Energy-intensive industries likewise grappled with the energy supply crisis, particularly in regions with vulnerable energy markets, such as Central Europe, as noted by one industry interviewee.

Enhanced energy efficiency is seen by some as a means to achieve climate targets and simultaneously achieve the geopolitical objective of economic resilience. Some see the focus on energy 'efficiency' as inaccurate, such as one civil society interviewee, who proposed instead to strive explicitly for a *reduction* of energy consumption (related to the concept of energy *sufficiency* discussed above).

Two interviewees from the European Commission and civil society highlighted the exceptional character of the crises and noted that, as an instrument, the Governance Regulation cannot be expected to respond to all volatile developments. The civil society interviewee argued that imminent crises require hands-on political rather than regulatory action.

Socioeconomic changes and risks

⁵⁹³ Interviews with NCAs (2) and EU institution (1).

⁵⁹⁴ IEA, *Renewables 2022*, 2022, <https://www.iea.org/reports/renewables-2022>

⁵⁹⁵ IEA, *Upward revisions to renewable capacity expansion forecasts from Renewables 2021 to Renewables 2022*, 2022, <https://www.iea.org/data-and-statistics/charts/upward-revisions-to-renewable-capacity-expansion-forecasts-from-renewables-2021-to-renewables-2022>

The energy supply crisis following Russia's war of aggression against Ukraine and the COVID-19 pandemic highlighted the social and economic challenges that need to be addressed if climate change and just transition goals are to be met in the long term. In addition, a shortage of skilled labour threatens to hamper the technical execution of the energy transition across Member States. Stakeholder consultations suggest that socioeconomic issues are not yet adequately covered by the governance mechanisms of the Regulation.

Since the adoption of the Governance Regulation, economic conditions in many EU countries have significantly shifted as a result of the COVID-19 pandemic, inflationary pressures, energy supply constraints and associated price increases, and increasing energy poverty⁵⁹⁶. Member States and the EU (notably through REPowerEU) took action to address some of these emerging risks, and the European Commission encouraged Member States to take into account and plan for socioeconomic issues in their updated NECPs⁵⁹⁷.

Nevertheless, certain socioeconomic issues are not yet sufficiently reflected in the governance mechanisms of the Regulation, nor in Member States' actions. One interviewee from a German civil society organisation noted that the assessment of energy poverty in the NECP, for instance, is limited to the assumption that there is a legal right not to be subject to energy poverty in Germany. Similarly, the Commission's assessment of the draft updated NECPs found that 'most NECPs still lack structural PaMs to alleviate energy poverty'⁵⁹⁸.

Other stakeholders advocated for an increased focus on energy security and sustainable development⁵⁹⁹ or a rethinking of industrial strategy and social policies⁶⁰⁰. Stakeholders also suggested that NECPs should better connect with economic governance⁶⁰¹. According to experts from the European Commission, this disconnection is exacerbated by the lack of robust macroeconomic assessments of the PaMs included in the NECPs, despite being a requirement under the Governance Regulation and despite the macroeconomic relevance of the transition to climate neutrality and its impact on public finance⁶⁰². Stakeholders suggested that NECPs should include (more) economic constraints relating to lowering dependence on fossil fuels, as well as a binding path towards a carbon negative economy within planetary boundaries⁶⁰³.

According to two stakeholders, the issue of skills and labour shortages in particular segments of the labour market (e.g. installers of heat pumps) play a critical technological role in facilitating clean energy transition, but is not well reflected in the Governance Regulation⁶⁰⁴. They explained that supply in the labour market does not seem to follow the demand for these skills and the relevance of the Governance Regulation could be increased here. Indeed, a 2023 policy brief from the JRC found that job vacancy rates had increased

⁵⁹⁶ Replies to CfE: CAN Europe, Transport and Environment, WWF Europe, Ministry of Climate and Environment of Poland, the Sustainability of the Earth System, European citizen (Spain), Baltic environmental organisations.

⁵⁹⁷ Commission Notice on the Guidance to Member States for the update of the 2021-2030 national energy and climate plans, 2022/C 495/02, [https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52022XC1229\(02\)](https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52022XC1229(02))

⁵⁹⁸ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, EU-wide assessment of the draft updated National Energy and Climate Plans An important step towards the more ambitious 2030 energy and climate objectives under the European Green Deal and RePowerEU, COM(2023) 796 final, https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM%3A2023%3A796%3AFIN&pk_campaign=preparatory&pk_source=EURLEX&pk_medium=TW&pk_keyword=EUGreenDeal&pk_content=Communication&pk_cid=EURLEX_todaysOJ

⁵⁹⁹ Reply to CfE: Ministry of Climate and Environment of Poland.

⁶⁰⁰ Reply to CfE: Transport and Environment.

⁶⁰¹ Scoping interview with an EU agency.

⁶⁰² Submission by EU Commission.

⁶⁰³ Reply to CfE: Germanwatch e V.

⁶⁰⁴ Interviews with EU institution (1) and industry association (1).

in almost all Member States in sectors relevant to the energy transition, such as manufacturing, energy supply, construction and in scientific and technical activities, with an ageing workforce in some of these sectors⁶⁰⁵.

One practice that could encapsulate particular risks or challenges is the modelling of the circular economy within the NECP framework, as exemplified by the Portuguese Draft Updated NECP⁶⁰⁶ and the Dutch Modelling and Steering Circular Economy Work Programme⁶⁰⁷. The current Regulation provides the flexibility for countries to trial such an approach, but could perhaps scale-up or encourage such initiatives if they prove an effective means of mitigating risks at a macroeconomic level.

6 CONCLUSIONS AND LESSONS

This section presents the conclusions of the evaluation, based on the findings outlined in Section 5. They are presented per evaluation criteria.

6.1 Effectiveness

The evaluation finds that the Governance Regulation has improved the quality of the reported information and planning across the Energy Union's five dimensions, notably in the NECPs and LTSs. However, significant variations exist in the Regulation's effectiveness, depending on how it is implemented by each Member State. Stakeholders' views differed on whether the provisions of the Governance Regulation are sufficiently prescriptive or whether they should retain flexibility to account for national variations.

6.1.1 Quality of information

The evaluation finds that while the Governance Regulation has enhanced the quality of information reported in the NECPs, some issues persist with the completeness of reported data. There are indications that individual Member States have taken divergent approaches, potentially influencing the nature of the information collected.

The evaluation finds that the Governance Regulation has effectively contributed to improved accuracy in the data on the five dimensions to be covered in the LTSs (Article 15(4)). However, divergent national planning traditions negatively impacted the completeness of the LTSs, with Member States not always reporting all mandatory content, or doing so not coherently with their NECPs.

On the quality of the information reported in the NECPs and their follow up, the evaluation finds that the enforcement of Articles 17-25 has proved effective only to some extent, with significant data gaps remaining. On the integrated planning and reporting on GHG PaMs and projections (Article 18), the evaluation finds that while the number of PaMs has increased over time, the completeness of reported information (particularly quantitative information) has not improved substantially. The quality of information on projections of anthropogenic GHG emissions by sources and removals by sinks increased between 2017 and 2021.

6.1.2 Timeliness of information

The evaluation finds that the timely submission of draft NECPs was not consistently achieved. It is unclear whether this problem is directly linked to the Governance Regulation or whether it results from practices and/or procedural bottlenecks at Member State level.

⁶⁰⁵ European Commission, *Science for Policy Brief - Skills for the energy transition in the changing labour market*, JRC135382, 2023.

⁶⁰⁶ 'As in the past, an assessment of the potential effects of circular strategies, e.g. on energy consumption, waste generation and carbon retention, will be carried out with the identification of the (sectoral) impact emission modelling variables' (Portuguese Draft Updated NECP, p. 206).

⁶⁰⁷ Planbureau voor de Leefomgeving, Werkprogramma Monitoring & Sturing, 2023, <https://www.pbl.nl/uploads/default/downloads/pbl-2023-werkprogramma-monitoring-en-sturing-ce-5190.pdf>

The evidence showed significant delays in the submission of LTSs, with subsequent delays and inefficiencies in the Commission's EU-wide assessment of the LTSs. There are indications that the lack of timeliness in the submission of LTSs derives from both insufficient national administrative capacity to fulfil the reporting obligations under the Governance Regulation and the sequencing of the planning and reporting obligations (e.g. NECP deadline prior to LTS deadline). There is no evidence that the Governance Regulation itself was ineffective in ensuring that LTSs were submitted in a timely manner; rather, enforcement and administrative burdens seem to have caused the delayed submission of LTSs.

The evaluation finds that the NECPRs and reporting obligations (Article 17 of the Governance Regulation) were submitted on time or with a small delay that did not impact the effectiveness of the Governance Regulation.

The timeliness of information on PaMs remained stable between 2017 and 2019, improved in 2021, then deteriorated in 2023. Information reported on the projections of anthropogenic GHG emissions by sources and removals by sinks improved in 2019 compared to 2017, but also deteriorated in 2021. The evaluation does not find a lack of effectiveness that can be attributed to the Governance Regulation.

6.1.3 (Public) accessibility of information

The Governance Regulation facilitated greater access to certain information for all stakeholders, including policymakers, investors, and the general public, compared to the baseline situation. However, stakeholders held divergent views on whether the Governance Regulation has contributed to better quality or relevance of that information. It remains unclear whether this issue is linked to the Governance Regulation itself, its implementation by the Member States, and/or different national traditions across the EU.

6.1.4 Planning processes and implementation of plans and reports

The Governance Regulation has been effective in promoting better planning processes. For instance, it has helped to streamline planning processes across the energy and climate domains, with increased cooperation between ministries/authorities at national level. Nevertheless, in several Member States, NECPs are not particularly relevant for national planning processes and are mainly developed to meet the EU obligation. Similarly, LTSs are partly outdated and do not necessarily serve as the basis for NECP development. Stakeholders underlined the lack of attention paid to LTSs, including the absence of a close monitoring process after their adoption. National authorities agreed that the Governance Regulation played a role in influencing Member States to adopt or implement PaMs to meet national energy and climate contributions.

6.1.5 Enforcement

Evidence shows that the main obstacle to implementation is the fact that the enforcement mechanism is mainly based on recommendations, which are not legally binding.

6.1.6 Regional cooperation

Regional cooperation has been somewhat stimulated by the Governance Regulation. Although Member States have engaged in regional cooperation through various forums and initiatives on different dimensions of the Energy Union, the potential of regional cooperation has yet to be fully exploited. For example, both the 2019 EU-wide assessment of the draft NECPs and the 2020 EU-wide assessment of the final NECPs indicated the need to enhance regional cooperation efforts. Ongoing challenges include the limited time given to Member States to consult on each other's NECPs and the lack of comparable data between Member States.

6.1.7 Stimulating spending and investment

Limited evidence is available on the extent to which the Governance Regulation has stimulated targeted spending and investment and/or enhanced predictability for investors. The European Commission's assessments revealed that NECPs lack detail on investment needs and funding sources – this was confirmed by the industry representatives consulted. Stakeholders also lacked awareness of the situation before the Governance Regulation entered into force and were unable to attribute spending and investment trends to the Regulation.

6.1.8 Ensuring adequate multi-level and multi-stakeholder dialogue and consultation

Although the introduction of Articles 10 and 11 of the Governance Regulation are perceived as a significant step forward, the Governance Regulation has not been particularly successful in ensuring adequate multi-level and multi-stakeholder dialogue and consultation. Several Member States have failed to establish public consultation or multi-level and multi-stakeholder dialogue of an acceptable quality.

6.2 Efficiency

The efficiency analysis shows mixed results. The Governance Regulation has streamlined some aspects of energy policy planning and reporting, and some national authorities were able to point to areas where the Regulation saves time and/or resources. Others, however, noted that the Governance Regulation has increased administrative burdens. Stakeholders acknowledged that some costs were linked to the initial learning curve, with reporting and planning processes expected to become simpler and less burdensome over time. It is also difficult to separate the workload created by the Governance Regulation from the workload generated by organisational aspects of the national administrations.

Recognised benefits of the Governance Regulation include increased transparency and predictability, better cross-border coordination and cooperation among national authorities involved in the reporting process, higher coherence of planning and reporting timelines and procedures, and better-established processes, policies, and procedures. The benefits of the Governance Regulation also include its provision of a stable framework for clean energy businesses, which is crucial for long-term investment and development in the sector.

The Regulation has partially streamlined planning, reporting and monitoring processes, but falls short of achieving complete harmonisation and full alignment with the timing of other EU and international obligations (e.g. biennial reporting for the UNFCCC in even years, and NECPRs in odd years). The alignment of timetables for various tasks (e.g. preparing NECPs and NECPRs in close succession) has resulted in a lack of adequate incorporation of lessons from previous planning cycles, as well as overlapping NECP updates and NECPRs in 2023.

The Governance Regulation introduced common templates for the NECPs and NECPRs and introduced (ReportENER) or strengthened (Reportnet) the use of digital platforms. Stakeholders had mixed views on the time and/or resource savings of these common templates and platforms. They referred to the need to reformulate data and information before uploading, generating cost increases, and emphasised the lack of a tool for compiling and sharing comprehensive answers from different contributing authorities within each reporting country. They also mentioned the lack of linkages between the platforms. However, some cost/burden reductions have been achieved. For instance, the platforms provide additional clarity about the information and data that should be collected and submitted, remove the need for Member States to develop their own national tools, and enable several users to access information simultaneously. Some stakeholders noted that the two platforms play a role in standardising reporting and systematising data collection, thereby facilitating the availability and comparability of information. Nevertheless, the existence of two separate platforms (ReportENER and Reportnet)

garnered some criticism from stakeholders, particularly the inadequate connections between the two platforms, and differences in formats.

6.3 Coherence

Overall, evidence showed that the Governance Regulation has streamlined previously existing planning and reporting obligations from various pieces of legislation across energy, climate, and other Energy Union-related policy areas. However, some inconsistencies affect both the internal and external coherence of the Governance Regulation.

Internal coherence issues generally reflect the complexity of integrating many obligations into a single framework and the many changes occurred since the adoption of the Governance Regulation in December 2018. There is some evidence of a lack of coherence between the reporting obligations under the Governance Regulation, notably between NECPs and LTSs, in relation both to the process and the timeline.

External coherence issues generally reflect the fact that several EU-level instruments have been introduced and/or updated since 2018, notably the various policies developed under the European Green Deal, as well as different reporting timelines compared to the UNFCCC reporting cycle. The timing of different reporting/planning obligations are not always aligned. For instance, the recast EED includes many new elements for stronger governance that are neither incorporated nor streamlined into the Governance Regulation. Similarly, the revised RED introduced new elements that are not reflected in the Governance Regulation.

6.4 EU added value

The EU added value of the Governance Regulation stems from a notable improvement in consistency in national energy and climate policies. This impact varied across Member States and depended on the national processes that preceded the Governance Regulation.

Stakeholders agreed that the Governance Regulation has contributed to enhanced coordination in national energy and climate policies. They noted, however, that coordination with sub-national actors could be strengthened.

The planning and reporting obligations set out in the Governance Regulation provide additional information at EU and national level. The Regulation has increased information availability by publishing reports and data for Member States which might not do so themselves, and requesting data on indicators that certain Member States may not previously have collected or reported. Stakeholders highlighted the added value of information from other Member States, both being able to access other Member States' plans and through the Commission's assessment and reporting. The Regulation has improved the management of energy and climate data in the EU, promoting a clearer and more open setting for sharing information and making decisions.

While the Governance Regulation had a positive effect on the reporting, availability and predictability of data, stakeholders highlighted issues with timely submission, quality (completeness), accessibility and transparency of data.

There were contrasting views on the added value of the Governance Regulation in ensuring accountability and access to justice. Some stakeholders (often national authorities) highlighted that it has enabled better accountability and access to justice across a number of key domains by introducing data reporting requirements and mechanisms to enforce standards. Third sector respondents, however, pointed to the lack of significant improvements in accountability and access to justice. They did not fully believe that the Governance Regulation provides adequate mechanisms to hold Member States and the EU accountable for their obligations under the Regulation, and a majority stated that the Governance Regulation does not support access to justice for public and private stakeholders. The difference in these perspectives may reflect differences in national

legislation (creating different routes to accountability mechanisms), as well as differences in implementation and adherence to the Governance Regulation.

6.5 Relevance

The evaluation found that Governance Regulation's core objective of providing a governance structure that enables and pushes Member States to commit and deliver ambitious climate targets has not lost its relevance. Rather, it has become more relevant, given the growing urgency of climate action and the increasingly complex needs that Member States' energy and climate policies must address. As the outlook for climate change and its associated impacts is both worsening and becoming more clear-cut, the core objective of the Governance Regulation – to enable and support climate action – is more relevant than ever.

Since the adoption of the Governance Regulation in 2018, the EU energy and climate acquis has undergone important developments, notably the Fit for 55 package. As a primarily procedural framework that does not itself set specific targets, the relevance of the Governance Regulation is somewhat safeguarded. However, certain issues reflected in recent legislation need to be better addressed both in the framework and in the products adopted under the Regulation, such as the NECPs.

The governance mechanisms of the Regulation do not adequately address some of the issues now at the forefront of energy policy due to more recent geopolitical and legislative developments. Themes that do not appear to be adequately reflected include a broader understanding of energy security and the need for a resilient and competitive clean energy industry. This may negatively impact the ability of the Governance Regulation framework to fully respond to emerging needs in European energy and climate policy. Russia's war of aggression against Ukraine disrupted EU energy policy across several dimensions. While lending additional relevance to the Energy Union's objectives and accelerating clean energy transition, it also prompted a recalibration of immediate policy priorities and highlighted transition challenges.

The energy supply crisis following Russia's war of aggression against Ukraine and the COVID-19 pandemic highlighted social and economic challenges that need to be addressed if climate change and just transition goals are to be met in the long term. Feedback from stakeholders suggested that socioeconomic issues such as energy poverty and labour shortages are not adequately covered by the governance mechanisms of the Regulation. This inadequacy is exacerbated by the lack of robust macroeconomic assessments of the measures included in the NECPs.

ANNEX 1. METHODOLOGICAL APPROACH AND LIMITATIONS

This annex explains the approach to the data collection, limitations in the sources and methods used and the mitigation measures that have been applied.

A1.1. Desk research

The research team has conducted a comprehensive review of relevant secondary literature, information and data. The information derived through desk research has been used to answer the evaluation questions but also to contextualise and validate the information derived through the consultation. Relevant literature and data have been drawn from a variety of sources including the European Commission, the Member States, peer-reviewed publications, and directly from stakeholders (including third sector organisations and industry) as part of the consultation. Although relevant literature and data were primarily identified through searches conducted in English, the research team also conducted some targeted searches in other EU languages to fill known information gaps and for the country case studies. It is nevertheless possible that some relevant information unavailable in English may have been missed. The desk research also focused primarily on literature and data published in the years immediately leading up to the Governance Regulation (2015-2018) and since the Governance Regulation was adopted (2018-2023). Literature and data published after the end of January 2024 has not been included.

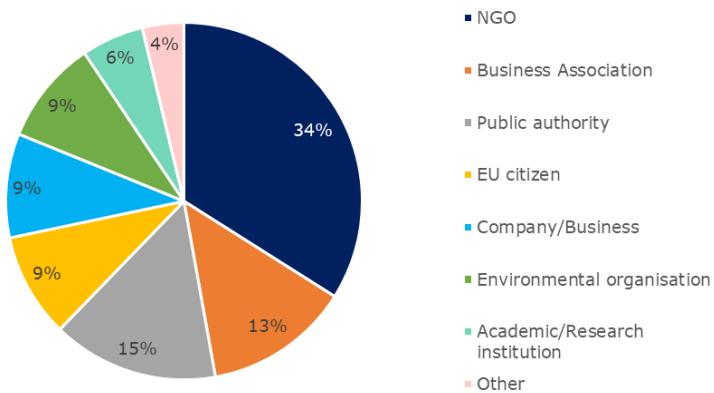
Information from the various literature and data sources has been extracted and coded for its relevance to the specific research questions and triangulated across sources and with the primary information collected through the consultation. The research team also undertook a comprehensive review of literature focusing on the costs and benefits of the Governance Regulation to inform the baseline and efficiency analysis. A key source in this respect has been the fitness check conducted in 2016 on the EU energy acquis (SWD(2016) 396 final).

A1.2. Call for evidence

Between 6 July 2023 and 3 August 2023, DG ENER and DG CLIMA ran a call for evidence on the 'Have your say' portal. The objective of the call for evidence was to provide stakeholders and the public with an opportunity to share their views on the functioning of the Governance Regulation. The target audience of the call for evidence included organisations, social partners, the scientific community, and the general public, Member State authorities, and other public authorities.

A total of **53 respondents**, covering eight respondent groups, replied to the call for evidence. The majority of respondents were Non-Governmental Organisations (NGOs) (34%, 18), followed by public authorities (15%, 8), and business associations (13%, 7). Other respondents included EU citizens (9%; 5), companies/businesses (9%, 5); environmental organisations (9%; 5); and academics or research institutions (6%, 3).

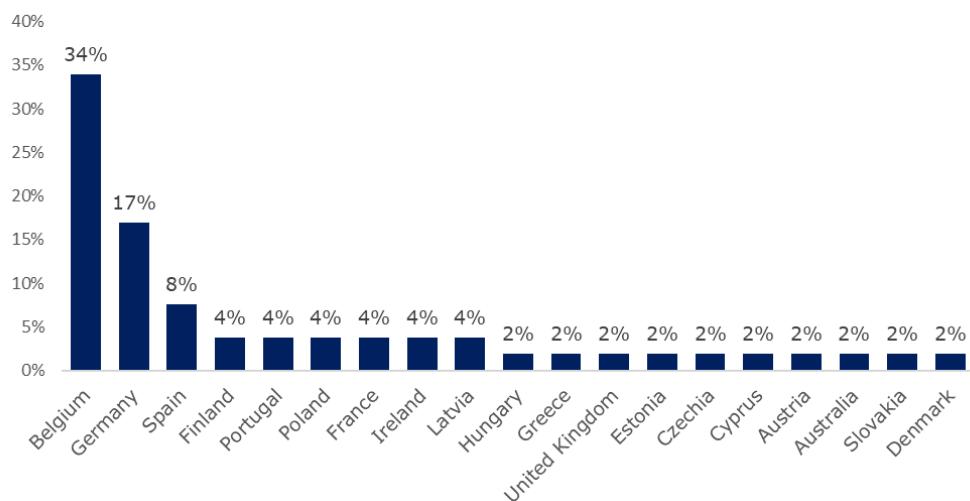
Figure 52. Overview of respondents by respondent group (n=23)



Source: ICF elaboration⁶⁰⁸

A total of **16 EU Member States**, and **two third countries** (the United Kingdom and Australia) were represented in the responses. The most represented country was Belgium (35%, 18), followed by Germany (17%, 9), and Spain (8%, 4). It should be noted that respondents from Belgium generally comprised NGOs, business associations or environmental organisations representing a wider variety of actors from across the EU (such as the WWF European Policy Office, Eurocities, SolarPower Europe, European Geothermal Energy Council, and the European Network for Community-led initiatives on climate change and sustainability) (see Figure A1.1Figure 53. below).

Figure 53. Overview of responses by country (n=53)



Source: ICF elaboration

Most stakeholders provided a position paper of three to four pages, or less structured views on the Governance Regulation or on the Climate and Energy Framework overall.

⁶⁰⁸ Please note that one EU citizen (from FI) submitted five responses on the portal. To prevent double counting, only one reply was counted (incorporating the views from the different submissions). Also note that three replies (from IE, DK, and LV) were provided by DG ENER and were not submitted to the Have your Say portal.

To analyse the feedback submitted by stakeholders, the ICF team developed an Excel matrix through which we mapped the inputs provided by stakeholders. More specifically:

- Information was mapped according to evaluation criteria and evaluation questions.
- The matrix included columns dedicated to the identified issues (which will inform the problem definition), and suggested approaches (to inform the development of the policy options). Stakeholder feedback was further organised by thematic area (e.g., views on NECPs, LTs, Enforcement, Timing, Public Consultation), to facilitate the correlation between the problem identified and the suggested policy options/solutions.

Overall, respondent groups and the geographical distribution of respondents to the call for evidence were well-balanced, but the response rate was relatively low.

The ICF team presented an overview of the feedback provided through the call for evidence at the meeting with the ISG on 5 September 2023.

A1.3. A1.4 Targeted surveys

We used a set of targeted surveys to gather information from the three following stakeholder groups: national authorities, industry organisations and third-sector stakeholders. Surveys were designed per stakeholder groups and targeted at the contacts selected for the Study, most of whom were also invited to participate in more in-depth semi-structured online interviews.

The purpose of the surveys and steps taken for the launch of the first round

The first round of targeted surveys was launched on 4 October 2023 and closed on 27 November 2023.

The surveys covered questions of relevance to the evaluation, as well as some scoping questions to inform the problem definition. As agreed with the Commission during the inception phase, the surveys excluded questions about potential policy options though participants were able to provide additional comments and had the possibility to attach documents.

After proceeding with a cleaning of the data to remove unusable contributions, the surveys were found to have gathered a total of 70 responses. This included 33 responses from national authorities, 20 responses from third-sector stakeholders and 17 responses from industry organisations.

A1.3.1. A1.4.1 The survey design

Three separate surveys were created and disseminated in a tailored fashion as part of the Evaluation. The surveys were designed with the Commission's feedback and approval, with questions developed based on the Evaluation Framework agreed between ICF, DG ENER, and DG CLIMA on 25 July 2023 (see Table 37 in Annex 4). Three surveys were disseminated to the following stakeholder groups:

- **Survey to national authorities.** This survey covered the questionnaires for national authorities competent for the Governance Regulation and for other national authorities, agencies and bodies.⁶⁰⁹ The rationale behind combining these two questionnaires was that many questions were common to all national authorities, although the survey still included very specific branching depending on the tasks and specialisation of the responding authority.
- **Survey to industry stakeholders.** This survey covered questionnaires for the energy industry and for energy intensive industries (respectively the 'supply' and

⁶⁰⁹ These were listed as Questionnaire #3 and #4 in our Inception Report.

'demand' counterparts of the energy sector).⁶¹⁰ The definition for energy intensive industries was taken from the European Commission's website; we have also included the automotive and land sector in our consultations. The created questionnaire included questions specific to energy producers and consumers, notably in cases where organisations specified that they played a role in national data collection and reporting.

- **Survey to third-sector stakeholders.** This survey contained questions for stakeholders such as civil society (including consumer organisations), NGOs, professional unions, research organisations and think tanks, as well as academic experts.

A1.3.2. A1.4.2 Survey distribution

The surveys were 'live' for approximately eight weeks between 4 October and 27 November 2023. During this time, the surveys were sent to 657 individual contacts, including 219 contacts at national authorities, 289 industry contacts and 146 third-sector stakeholders, representing around 85 different national authorities, around 210 different industry organisations and around 115 different third-sector organisations (not counting individual experts). Relevant contacts, including organisations, named individuals and contact email addresses were identified through desk research conducted in multiple EU languages and by recommendation from the Commission.

The surveys were initially sent to 482 contacts on 4 October 2023. However, by late October, it was becoming clear that the response rate was going to be quite low. To boost the response rate, a further 175 contacts were identified and contacted during late October and mid-November, bringing the total contacts to 657. Between one and three reminders were also sent to stakeholders, depending on our first date of contact with each stakeholder.

Invitations to participate in the consultation, and the questionnaires, were tailored for each stakeholder group. The invitations included a request to complete the survey, an invitation to participate in an interview and (where applicable) a request to distribute the survey to other relevant parties (e.g., membership of the organisation being contacted). The invitation included a PDF copy of the Commission's accreditation letter. Participation in the survey and interview included the respondent's express consent to ICF's privacy policy, which clearly explained the terms under which (personal) data were collected and have been used.

Responses to the email and any follow-ups were managed through a dedicated mailbox and responses were closely monitored and tracked.

A1.3.3. A1.4.3 Survey analysis

Replies submitted to the surveys were cleaned and analysed over the week and a half following the established deadline of 27 November 2023.

The box below explains the data quality and data cleaning process we followed to ensure we had usable data for reporting.

A1.3.4. A1.4.4 Data quality and data cleaning process

The threshold established to retain survey answers was a 50% response rate to questions presented to respondents. Submitted or non-submitted answers below that threshold were discarded due to their evident incompleteness – in practice, this affected survey responses where participants had only answered one or two questions. Duplicate responses were also discarded based on answers provided and on the IP address of the respondent. There were

⁶¹⁰ These were listed as Questionnaires #1 and #2 in our Inception Report.

no two answers passing the 50% response rate threshold and sharing identical replies – however, several incomplete responses appeared to have been submitted by the same respondents or to be duplicates of a more substantial response. This especially affected the survey to national authorities, where it seemed that such responses had been used to flick through and test the survey first. Such duplicates were systematically discarded and responses passing the 50% completeness test were kept when available instead.

Given the timeline of our stakeholder consultations (as well as the specificity of the topic), we did not require national authorities to submit consolidated responses representing the official stance of their Member State on the Governance Regulation. As such, we analysed responses by national authorities based on the authority, agency or service these responses came from (which respondents were mandated to identify). In certain cases, several responses were submitted from authorities in the same Member State, or, more rarely, belonging to the same authority (for example, answers from different services within a national ministry). For all such answers passing our 50% completeness threshold, it was clear that the answers were not identical, had been submitted by different authorities or services, and sometimes related to different aspects of the Regulation (e.g., focusing on different reporting obligations). These answers were saved and used in the present report in a way that differentiates between different responses in a given Member State and clarifies instances where a respondent's contribution only pertained to a limited aspect of the Regulation.

There were no instances of duplicates passing the 50% completeness threshold or that any responses appeared to have submitted as part of an organised campaign across all three surveys.

Following data cleaning, quantitative survey replies were analysed using Excel. Analysis was conducted per survey (i.e., per stakeholder group) and per evaluation questions (where possible, across two or all three stakeholder groups). Given the manageable number of final replies recorded (70), analysis of open-ended question was conducted manually by individual report drafters as part of the evidence review per evaluation questions.

A1.4. Interviews

Ten scoping interviews and thirty-five key informant interviews (KIs) were conducted as part of the evaluation, and a further 35 targeted interviews have been conducted as the basis for the (Table 28A1.1).

Table 28. Number of key informant interviews conducted

Stakeholder group	Scoping interviews conducted Evaluation (Task 0.3)	Key informant interviews conducted Evaluation (Task 1)	Case study interviews conducted – Evaluation (Task)
European Commission and other EU entities	4	4	0
Member State competent authorities for the Governance Regulation	4 ⁶¹¹	21	
Other Member State authorities, agencies and bodies	0	2	0

⁶¹¹ Due to several Member States opting to conduct combined interviews, it should be noted that our interviews with national authorities eventually involved 11 separate national ministries and agencies.

Stakeholder group	Scoping interviews conducted Evaluation (Task 0.3)	Key informant interviews conducted Evaluation (Task 1)	Case study interviews conducted – Evaluation (Task)
International organisations	0	0	0
EU industry associations and organisations	0	6	2
EU NGOs and civil society organisations	1	19	12
Other (e.g., academia, think-tanks)	1	3	0
Total	10	35	35

A1.4.1. A1.5.1 Interview design, methodology and analysis

The topic guides used for the interviews were based on the Evaluation Questions (EQs) contained in the Evaluation Framework, as agreed with DG ENER and DG CLIMA on 25 July 2023 (see Table 37 in Annex 4). Specific topic guides were designed for national authorities, industry organisations, third-sector stakeholders, European entities as well as intergovernmental organisations.

Interviews were conducted via Microsoft Teams and, where consent was given by the interviewee, were recorded and/or transcribed. Interviewers also took written notes, which were used as the main basis for the analysis. These interview notes were extracted, coded per evaluation criterion and evaluation question and analysed using NVivo and Microsoft Excel.

A1.4.2. A1.5.2 Interview distribution

Interview invitations were sent to 699 individual contacts. These comprised 219 contacts for national authorities, 299 industry contacts and 160 third-sector stakeholders, representing around 85 different national authorities, around 210 different industry organisations and around 115 different third-sector organisations (not counting individual experts). Contacts were identified through desk research and recommendations made by the European Commission. Most interview invitations sent to national authorities, industry organisations and third-sector stakeholders offered the possibility to complete the online targeted surveys. Contacts were also invited to forward the email to their members (where applicable) or other relevant stakeholders. The invitation included a PDF copy of the Commission's accreditation letter as well as topic guides providing an indicative list of interview questions per stakeholder type. Interviews were booked through Bookings™, on which recipients of the invitation could book interviews directly in the calendars of the team.

ICF first sent interview invitations to 484 contacts on 4 October 2023, as well as reminders and follow-ups until 7 November 2023. During this time, it became increasingly clear to the study team that the response rate would be lower than hoped, and so additional contacts were identified and emailed in the hope of boosting the interview participation rate. Some contacts within EU industry associations were also approached via LinkedIn, where an email address was not publicly available.

Despite the various mitigating measures taken to try and boost the participation rate for interviews, the team did not manage to conduct the 60 interviews initially hoped for during the evaluation. Consequently, the answers to the evaluation questions are based on less

first-hand information and narrower feedback than initially envisaged, which may have prevented or hindered robust conclusions from being drawn.

A1.5. A1.6 Stakeholder event

A stakeholder event was organised by DG ENER and DG CLIMA on 11 January 11 2024, involving approximately 120 representatives from Member States' national authorities, industry organisations as well as civil society stakeholders. The study team presented some of the preliminary findings of the evaluation at this event. The main points emerging from the discussion (including answers to the SLIDO polls asked to participants during the event) have been integrated into the findings presented in the remaining sections of this report.

A1.6. A1.7 Case studies

During the evaluation, seven country-focussed case studies have been conducted to explore, in-depth, the procedures and processes in place in the Member States to comply with the reporting obligations set by the Governance Regulation and the related costs (including administrative burden) and benefits. The case studies also explore three main thematic topics: i) public consultation and multilevel climate and energy dialogues, ii) regional cooperation, and iii) compliance.

The seven Member States selected as case studies, in collaboration with the European Commission were⁶¹²: Belgium, Denmark, France, Germany, Malta, Romania, and Poland. This selection of countries ensures representativeness, in terms of:

- geographical coverage and country size;
- diversity of institutional systems (with some Member States having a federal system, unlike others), and countries where reporting responsibilities are organised differently (i.e., combined within the same ministry or spread across ministries);
- performance on environmental and climate targets (measured by levels of GHG emissions);
- their NECPs, with some receiving positive assessments and others having gaps identified within them; and,
- having or not having submitted a national Long-Term Strategy (LTS).

Table 29A1.2 below provides an overview of the thematic scope of the case studies for the evaluation.

Table 29. Thematic scope of the case studies for the evaluation

Topics to be covered	Relevant provision(s) of the Governance Regulation	Areas of interest
Background section	• N/A	<ul style="list-style-type: none">• institutional systems of the country (i.e. how the reporting responsibilities are attributed to the different national authorities – e.g. combined within the same ministry or spread across ministries),• the compliance with the Governance Regulation so far (e.g. submission of their national LTS, their NECPs, etc.)

⁶¹² The final list of Member States covered by the case studies was agreed with DG ENER and DG CLIMA on 8 November 2023

Topics to be covered	Relevant provision(s) of the Governance Regulation	Areas of interest
		<ul style="list-style-type: none"> Quality of the reporting (e.g. assessments of their NECPs) Performance on key environment and climate indicators (e.g. GHG emissions)
Costs and benefits of the planning, reporting, monitoring and other obligations of the Governance Regulation for different categories of stakeholder	<ul style="list-style-type: none"> All reporting obligations 	<ul style="list-style-type: none"> Costs (administrative burdens) for public authorities, industry, and other categories of stakeholder Benefits of the Governance Regulation for public authorities, industry, and other categories of stakeholder
Public consultation and Multilevel Climate and Energy Dialogues (MCEDs)	<ul style="list-style-type: none"> Article 10 Article 11 	<ul style="list-style-type: none"> Extent to which the scope of article 10 is sufficient, suitable and efficient (also in relation to the interaction with the SEA Directive 2001/42/EC and with the Aarhus Convention) Extent to which the scope of article 11 is sufficient, suitable, and efficient
Regional cooperation	<ul style="list-style-type: none"> Article 2(21) Article 12 Article 22 Annex 1 	<ul style="list-style-type: none"> How/whether regional cooperation has contributed to fulfilling the obligations with respect to: <ul style="list-style-type: none"> Security of supply dimension, and Climate change mitigation and adaptation (e.g., regional water and forest management)
Compliance	<ul style="list-style-type: none"> Article 31 Article 32 	<ul style="list-style-type: none"> Delivery of NECPs/NECPRs (explore root causes of potential delays and quality issues) National follow-up of the NECPs and LTS measures (monitoring of progress in Member States across departments/bodies – how to Member States ensure implementation/compliance, including of national Energy Efficiency/Renewable Energy/Climate targets of the different administrative levels – local/regional) Explore whether the gap filling mechanism, as well as the Commission's recommendations on NECPs and NECPR,

Topics to be covered	Relevant provision(s) of the Governance Regulation	Areas of interest
		plays a role in how the delivery and national follow-up are implemented . On that basis, explore whether the gap filling architecture is fit for purpose or whether the relevant provisions need to have a larger scope (e.g., security of supply).

Source: ICF elaboration

The case studies draw on information gathered through desk research and stakeholder consultation, including relevant information from the general programme of stakeholder consultation (including the call for evidence, surveys, and interviews described above) for the evaluation, as well as more targeted desk research and stakeholder interviews in the seven case study Member States, conducted between November 2023 and February 2024.

As regards **desk research**, national researchers have reviewed evidence provided by the European Commission (e.g., NECP, LTS, NECPRs progress report, EC assessments) and additional sources at the EU, national and local level (e.g., key national strategies or planning documents).

National researchers have also conducted **interviews with relevant stakeholders** in each of the seven case study countries, including (where possible):

- Lead national body tasked with the overall coordination and monitoring of the NECP;
- Other national administrations and authorities, line ministries involved in implementation/ reporting;
- Regional or local authorities;
- Social partners, business associations, civil society, think tanks/academics and journalists following the topics.

The consultants collaborated with DG ENER and DG CLIMA to identify contacts for the case study interviews and identified contacts by drawing on the stakeholders mapping carried out during the study inception phase and following-up with contacts that had participated in the earlier rounds of consultation, including the stakeholder event held on 11 January 2024. Nevertheless, the process of contacting national stakeholders and scheduling case study interviews was longer and more challenging than expected. Many reminders and additional contacts proved necessary, and the level of interest from stakeholders other than national authorities was very limited. Consequently, the case studies lack the anticipated level of detail, drawing from a narrower scope and depth of stakeholder perspectives. This presents a significant limitation, particularly as the efficiency analysis hinges on the quality of the cost and benefit data gleaned from these country case studies. Given the constrained nature of the collected cost and benefit data, the efficiency analysis has been compelled to lean heavily on assumptions, rather than the preferred reliance on empirical evidence.

The table below shows the status of the case study interviews across the seven case study Member States.

Table 30. Status of interview programme for case studies

Member State	N. of stakeholders contacted			N. of interviews scheduled			N. of interviews carried out		
	NAs	Industry	NGOs	NAs	Industry	NGOs	NAs	Industry	NGOs
Belgium	12	4	0	1	0	0	1	0	0
Denmark	8	3	1	0	0	0	1	0	0
France	8	4	6	0	0	0	0	0	0
Germany	9	11	9	0	0	0	0	0	0
Malta	9	5	1	0	1	0	2	0	0
Romania	9	12	4	0	0	0	0	0	0
Poland	5	2	0	0	0	0	0	0	0

The case studies for the seven Member States selected are provided in Annex 5. When relevant, examples and information from the case studies are also included in the main body of the report, as part of the findings about the evaluation questions.

A1.7. A1.8 Summary of robustness of data collection and limitations

The data collection process encompassed desk research, a comprehensive mapping of the legal obligations pertaining to the Governance Regulation, and consultations through a call for evidence, targeted surveys, interviews, and a stakeholder event, alongside in-depth research spanning seven case study countries.

While relevant literature and data were primarily sourced in English, targeted searches in other EU languages were conducted to address information gaps, particularly for the country case studies. However, it is acknowledged that some pertinent non-English information may have been overlooked.

The response rate to the various strands of consultation was lower than expected. Efforts were made to enhance participation by reaching out to stakeholders directly via email and occasionally via telephone and LinkedIn, and reminder emails were also sent. The timeline for the consultation was also extended to the maximum extent within the study constraints. Despite these efforts, participation levels remained below expectations, resulting in a narrower range of viewpoints. Consequently, the evaluation's findings may in places lack the robustness that a broader participation could have provided.

Finally, some parts of the evaluation have had to rely on very limited information and, although attempts have been made to verify and triangulate information to the extent possible (e.g., comparing stakeholder feedback across stakeholder groups, and with information from secondary sources), this has not been possible in all cases. Where conclusions have been drawn from limited information, this has been explained in the main body of the report.

The assumptions used in the efficiency analysis and the limitations of this analysis are described in Annex 3.

ANNEX 2. SHORT SUMMARY ON THE FEEDBACK TO THE CALL FOR EVIDENCE

This annex summarises stakeholders' responses to the call for evidence on the effectiveness efficiency, coherence, EU added value and relevance of the Governance Regulation.

A2.1. A2.1 Effectiveness

Six respondents highlighted that the **Governance Regulation is a key pillar of the EU's energy and climate legislative framework**, as it streamlined the different climate and energy planning and reporting requirements (in particular through the introduction of NECPs).⁶¹³

However, several stakeholders indicated that the Governance Regulation is not fully achieving its objectives. This is related to a number of factors, particularly linked to **National Energy and Climate Plans (NECPs) and National Long-Term Strategies (LTSs)**, which are summarised below.

- In some cases, the compiling of NECPs is seen as a bureaucratic tool/check-boxing exercise rather than a political priority.⁶¹⁴ One stakeholder added that NECPs is often "a compilation of existing plans", rather than a standalone plan with new information. This is because several Member States already have national climate and/or energy plans in place. Additionally, this has consequences on the obligation related to public participation (Article 10): when the NECP is based on existing plans, "there is no new content to consult the public on".⁶¹⁵
- The current **design of NECPs** is not effective nor sufficient to address the gap between measures and objectives.⁶¹⁶ Specifically, according to eight respondents, the NECP template provided in Annex I of the Governance Regulation no longer reflects the latest scientific progress or developments in EU climate and energy policies.⁶¹⁷
- Given that there is no obligation to ensure **coherence between the NECPs and LTSs**, stakeholders raised concerns about whether the NECPs put the Member States (and the EU) on the pathway to decarbonisation, in line with the countries' LTSs and the EU's climate neutrality goal.⁶¹⁸
- According to eight respondents, **LTSs are not given enough importance** (neither in the Governance Regulation nor by EU Member States), with some Member States viewing the development of LTSs as a formality that can be postponed indefinitely.⁶¹⁹ The absence of a binding template for LTSs was also mentioned as a factor contributing to this issue. One stakeholder mentioned that the five-year timeframe might not be sufficient to include updated information.⁶²⁰
- As regards **enforcement**, stakeholders highlighted that Articles 29 to 34 of the Governance Regulation have proven to be ineffective to ensure a strong enforcement framework for climate and energy targets.⁶²¹ They highlighted that the

⁶¹³ NGOs (2); Business Associations (2); Academic (1); Other (1);

⁶¹⁴ NGOs (1); Environmental organisation (1); Academic (1)

⁶¹⁵ Public authority (1)

⁶¹⁶ NGOs (1); Business associations (1); Environmental organisations (2)

⁶¹⁷ NGOs (3); Business associations (4); Environmental organisation (1)

⁶¹⁸ NGOs (4); Environmental organisations (2); Academic (1)

⁶¹⁹ NGOs (6); Environmental organisations (1); Academic (1)

⁶²⁰ Public authority (1)

⁶²¹ NGOs (10); Business associations (1); Environmental organisations (3); Academic (2)

current rules are not sufficient to create a real deterrent effect and ensure that Member States stick to their targets. This was also reflected by the late submission by several Member States of their draft updated NECPs in June 2023, and their LTSs in 2020. Specifically, the stakeholders highlighted that the current **delivery gap mechanism (Article 32)** is not functioning effectively, necessitating quicker intervention and greater transparency in discussions between the European Commission and Member States to outline the measures being taken.

- Stakeholders highlighted that **Article 10** of the Governance Regulation is not effective in ensuring **public consultation** in the preparation of NECPs.⁶²² They indicated that public participation has varied significantly across Member States and has frequently not been fully meaningful. They also pointed out that the Aarhus Convention Compliance Committee found the EU in non-compliance with the Convention because the Governance Regulation did not create a sufficiently clear and precise framework for public participation in the NECPs.
- Some respondents also mentioned that **Article 11** of the Governance Regulation (on **multilevel dialogue**) is not effective in ensuring that Member States implement multi-level governance processes when designing, implementing and monitoring national energy and climate policy.⁶²³ Indeed, the establishment and regular meetings of multilevel climate and energy dialogues have not happened in a structured and systematic way, and the feedback periods were too short to assess proposals and to suggest potential amendments.

Finally, eight stakeholders commented on the climate neutrality target, enshrined in the European Climate Law.⁶²⁴ The EU has an overall climate neutrality target, which applies collectively to the Union, but does not apply to each Member State individually. In other words, the current EU legislative framework does not envisage **national climate neutrality targets** nor a framework to set binding national reduction targets for after 2030. While some Member States are increasingly recognising the need for economy-wide national climate neutrality targets, **significant inconsistencies still exist across Member States** in terms of standards of national climate ambition and governance enabling conditions.

A2.2. A2.2 Efficiency

Fewer views were provided on the efficiency of the Governance Regulation. The following points were, however, mentioned:

- The **lack of consistency** between the different planning instruments set out in the Governance Regulation hinders both the effectiveness and the efficiency of the Regulation.⁶²⁵
- Stakeholders noted the **administrative burden associated to the Governance Regulation**, with multiple planning and reporting processes and requirements.⁶²⁶ One stakeholder added that the Governance Regulation has not replaced reporting obligations in other areas, but instead added a new layer of reporting, which has increased the administrative burden.⁶²⁷
- As regards the **reporting platforms**, two public authorities indicated that the reporting platforms used for Member States' submissions are not efficient.⁶²⁸ One

⁶²² NGOs (8); Business associations (1); Environmental organisations (3); Academic (1)

⁶²³ NGOs (6); Business associations (1), Environmental Organisation (1).

⁶²⁴ NGOs (3); Business associations (1); Environmental organisations (3); Company/business (1).

⁶²⁵ NGOs (1); Other (1)

⁶²⁶ NGOs (1); Public authority (2)

⁶²⁷ Public authority (1)

⁶²⁸ Public authority (2)

stakeholder explained that two different platforms are currently being used (ReportNET3 and ReportENER), which is suboptimal and hinders the efficient transfer of the necessary information. Another stakeholder indicated that EU and international reporting tools should be interoperable in order to support Member States to reduce reporting burden.

A2.3. A2.3 Coherence

Eight respondents indicated that there is a **lack of consistency** between the different planning instruments set out in the Governance Regulation.⁶²⁹ This is related to several factors, which are summarised below (internal coherence).

- EU Member States are entering into a planning process with the **NECPs, REPowerEU chapters, and the Social Climate Plans**. However, the timelines of these different planning processes are not aligned.⁶³⁰
- The **sequencing and timing** of the main governance processes under the Governance Regulation and the EU Climate Law is not coherent.⁶³¹ These are currently partially out of sync in a way that means that information (e.g., from assessments under Articles 6 and 7 of the EU Climate Law) is not available in time to inform planning processes under the Governance Regulation – and vice versa.
- As mentioned above, there is also **no obligation to ensure coherence between the NECPs and LTS**.⁶³² There is also no mandatory revision of LTS in the Governance Regulation: this results in a situation in which, although manifestly outdated, the LTS are not in the process of being reviewed (while updated NECPs are going to be submitted by the first half of 2024), entailing that the long-term direction remains unclear and misaligned with the short-term action.⁶³³
- The **sequencing of NECPs and LTSs** is also not coherent, with the first LTS being submitted after NECPs, while the former should inform the latter.⁶³⁴

Additionally, as mentioned in Annex A2.5 (Relevance), stakeholders highlighted that the **legislative changes** introduced after 2018 have significantly impacted the relevance of the Governance Regulation.⁶³⁵ This also affects the external coherence of the Regulation. Specifically, stakeholders raised the following issues:

- The **Energy Efficiency Directive** (EED) recast includes many new elements for a stronger governance that are not currently incorporated nor streamlined into the Governance Regulation, including an EU binding target of 11.7% for final energy consumption.⁶³⁶ There is also little guidance on how to calculate a fair national energy efficiency contribution (in contrast to national renewable energy contributions).⁶³⁷
- The same applies for the **Renewable Energy Directive** (RED) revision, which introduced new elements which are not reflected in the Governance Regulation.⁶³⁸
- The NECPs (due end 2019) were out of sync with the **Energy Performance of Buildings Directive's** (EPBD) Long-term renovation strategies (due in March

⁶²⁹ NGOs (5); Environmental organisations (2); Academic (1).

⁶³⁰ NGOs (1).

⁶³¹ Academic (1).

⁶³² NGOs (4); Environmental organisations (2); Academic (1).

⁶³³ NGOs (1).

⁶³⁴ NGOs (1); Academic (1)

⁶³⁵ NGOs (8); Business associations (2); Environmental organisations (3); EU citizen (1); Public authority (1) Other (1); Academic (1)

⁶³⁶ NGOs (2); Business associations (2); Public authority (1); Company/Business (1); Other (1)

⁶³⁷ Academic (1)

⁶³⁸ NGOs (1); Environmental organisations (1); Business association (1)

2020), which limited the positive synergies for national planning of building renovations.⁶³⁹ The recast EPBD foresees that the next Long Term Renovation Strategies evolving into Building Renovation Plans (BRPs) shall be submitted as part of the NECPs. Considering the urgency to scale up renovation based on solid national plans, the date for the submission of the first national building renovation plan has been set as early as possible. The recast EPBD foresees that the following BRPs will be fully synchronised with the NECP cycle.

- According to one public authority, there are challenges as regards the coordination of timelines for the preparation of the National Energy and Climate Plan and the National Air Pollution Control Programme under the **National Emissions reduction Commitments Directive** (2016/2284/EU).⁶⁴⁰ Given that the NECPs set out the national energy and climate policy framework, the submission deadline for the final NECPs should ensure that they are available well in advance of other plans and programmes to be developed in coherence with that framework.
- Three respondents also indicated that, despite recent improvements, coherence between the climate and energy governance and the **EU economic governance** need to be strengthened,⁶⁴¹ so that the coordination of economic policies at EU level becomes an enabler for the achievement of ambitious EU climate and energy goals.

As regards coherence with international processes, six stakeholders indicated that the **alignment between EU climate policy cycles and UNFCCC 5 years common time frames** should be strengthened, as foreseen by Article 4(7) of the European Climate Law.⁶⁴²

A2.4. A2.4 EU added value

Little feedback was provided in the call for evidence on the EU added value of the Governance Regulation.

According to one stakeholder, through the provisions on NECPs, the Governance Regulation appears to positively influence the actions of EU Member States in the field of energy and climate.⁶⁴³ As mentioned under effectiveness, six respondents also mentioned that the Governance Regulation has streamlined the different climate and energy planning and reporting requirements, in particular through the introduction of NECPs.⁶⁴⁴

A2.5. A2.5 Relevance

Overall, stakeholders highlighted that the **legislative changes introduced after 2018 have significantly impacted the relevance of the Governance Regulation**.⁶⁴⁵ These changes encompass the adoption of the European Green Deal, the Fit for 55 package, REPowerEU, the European Climate Law, and the collective commitment to a long-term climate neutrality objective. For instance, seven stakeholders highlighted that elements introduced by the new Renewable Energy Directive and the Energy Efficiency Directive are not reflected in the Governance Regulation, thus hindering its relevance.⁶⁴⁶

Similarly, stakeholders underlined that recent **geopolitical event**, including the consequences of the COVID-19 pandemic and Russia's war of aggression against Ukraine,

⁶³⁹ NGOs (1); Other (1)

⁶⁴⁰ Public authority (1)

⁶⁴¹ NGOs (2); Environmental organisations (1)

⁶⁴² NGOs (3); Environmental organisations (2); Public authority (1)

⁶⁴³ Company/Business (1)

⁶⁴⁴ NGOs (2); Business Associations (2); Academic (1); Other (1);

⁶⁴⁵ NGOs (8); Business associations (2); Environmental organisations (3); EU citizen (1); Public authority (2) Other (1); Academic (1)

⁶⁴⁶ NGOs (2); Business associations (2); Public authorities (2); Other (1)

make an update of the Governance Regulation imperative, to ensure it remains relevant and fit for purpose.⁶⁴⁷

Three stakeholders also pointed out that the **EU has not updated its 2018 Long-Term Strategy ('Clean Planet for all Europeans')**, which is now outdated and not in line with the new EU legislative and policy landscape on energy and climate.⁶⁴⁸

In terms of gaps, although NECPs and LTS's are subject to the access to information and access to justice obligations of the Aarhus Convention, six stakeholders underlined that the Governance Regulation has no reference nor specific provisions on **access to justice**.⁶⁴⁹

Finally, four respondents underlined that the Governance Regulation does not capture nor define the important concept of energy **sufficiency**.⁶⁵⁰

⁶⁴⁷ NGOs (4); Business associations (2); Environmental organisations (2); EU citizen (1); Public authority (1)

⁶⁴⁸ NGOs (1); Environmental organisations (1); Academic (1)

⁶⁴⁹ NGOs (3); Environmental organisations (2); Academic (1);

⁶⁵⁰ NGOs (2); Environmental organisations (1); Academic (1)

ANNEX 3. DETAILED METHOD ON THE EFFICIENCY ANALYSIS

This annex sets out the methodology and sources used to analyse the costs and benefits of the implementation of the Governance Regulation. Consistently with the content of the obligations set by the Governance Regulation, and with the evaluation questions for the efficiency criterion defined by the evaluation framework (see section 8.1.2 and Annex 4), the focus of the analysis is on the regulatory costs (direct compliance costs) and administrative burden (i.e. part of the process and costs of collecting and processing information that stems directly from legal obligations and would not exist otherwise⁶⁵¹). On the other hand, in addition to any streamlining of reporting obligations and resulting cost savings, the focus of the analysis is mostly on qualitative benefits.

A3.1 Sources

The analysis is carried out using multiple sources and triangulating data where possible. The main sources are:

- Desk research, including analysis of references in Annex 9 ;
- Call for evidence;
- Targeted survey;
- Interviews; and,
- Case studies.

In addition, the obligation mapping (see Annex 8) provided the basis for the identification of the main obligations to be analysed. The same tool is used to collect data on the costs and benefits of the relevant obligations for both Member States (national authorities, but also industry and NGOs, when applicable) and for the Commission .

A3.2 Focus of the analysis

The analysis focuses on the quantification and monetisation of the key direct cost and benefit items for which information was available, which concerned (some of) the direct costs and benefits for the main stakeholders. The remaining costs and benefits are assessed qualitatively.

The main stakeholders identified as relevant for the analysis are:

- Member States' authorities responsible for and/or involved in the reporting obligations set by the Governance Regulation. This category includes national authorities (e.g. ministries of environment, climate transition, agencies). The analysis also considers whether regional and/or local authorities are also involved in the reporting process (e.g. in Member States with a federal institutional structure and/or with devolved powers on environmental matters);
- Industry stakeholders, mainly business representative organisations representing different sectors, including energy-intensive sectors. The analysis considers whether and to what extent these stakeholders are involved in the reporting process set by the Governance Regulation, and whether they perceive any of the expected benefits of the Regulation;
- Non-governmental organisations active in energy, climate and environmental matters. The analysis considers whether and to what extent these stakeholders are involved in the reporting process set by the Governance Regulation, and whether they perceive any of the expected benefits of the Regulation.

⁶⁵¹ Better Regulation Toolbox, Tool #56 and Tool #58

A3.3 Definition of the baseline for the evaluation

The baseline represents the situation before the intervention started and the Governance Regulation entered into force, and it includes identifying and collecting information on key indicators, metrics, and relevant data that reflect the situation before the start of the initiative (BR Toolbox, Tool #60). The evaluation is then assessing the intervention against this baseline, and the key points of comparison relevant to the evaluation criteria and questions.

Considering the nature and content of the Governance Regulation, which is meant to rationalise and streamline reporting obligations of existing legislation, among other objectives, a key step in the definition of the baseline was to identify the pieces of legislation within the scope of the Regulation.

The consolidated list of the pieces of legislation within the scope of the Regulation is provided in Annex 9 and is based on the analysis on the energy and climate acquis carried out when the Commission prepared its Governance Regulation proposal and reported in a Commission Staff Working Document (SWD)⁶⁵². The analysis encompassed 20 different pieces of legislation for the energy acquis, and one piece of legislation for the climate acquis (the MMR). With a few exceptions, all the obligations that were indicated for integration made their way into the Governance Regulation, while those indicated for repeal were repealed from sectorial legislation and removed from the EU energy and climate acquis. Finally, obligations recommended to be kept separate were maintained as independent obligations, either in general or in sectorial legislation.

Of the 76 obligations identified as relevant for the Governance Regulation in the Commission's SWD, 54 concern obligations included in energy legislation (from 20 different pieces of legislation) and 22 in climate legislation (all from the MMR).

Overall, 68 of the 76 obligations are classified as follows:

- 15 are planning obligations (all energy-related);
- 29 are reporting obligations (of which, 16 are energy-related and 13 climate-related);
- 2 are planning and reporting obligations (one energy- and one climate-related); and,
- 22 are monitoring obligations (all in the energy acquis).

The remaining 8 obligations under the climate acquis cannot be assigned to either planning and/or reporting and/or monitoring types and are classified as 'others'.⁶⁵³

Within the 54 energy-related obligations, 22 target the Commission and 26 Member States. Four of the remaining obligations target Transmission Systems Operators (TSOs) in relation to the Electricity Directive, the Gas Directive, the Network Access for Cross-Border Electricity Exchanges Regulation and the Network Access for Natural Gas Transmission Regulation. The final two obligations target respectively the European Network of Transition Operators for Energy (ENTSO-E), in relation to Network Access for Cross-Border Electricity Exchanges Regulation and European Network of Transition Operators for Gas (ENTSO-G) in relation to the Network Access for Natural Gas Transmission Regulation. Out of the 54 energy-related obligations listed as relevant (and a sub-set of the 76 obligations in scope – see above), 18 were integrated in the Governance Regulation, most of them (13) related to energy efficiency, the remaining

⁶⁵² SWD(2016) 394 final.

⁶⁵³ These eight 'other' obligations vary in nature, encompassing: obligations related to the procedures for completing emission estimates to compile the Union inventory (gap filling); obligations on the review of GHG inventories for ESD purposes and on addressing the effects of recalculations in the ESD; and more 'organisational' provisions, about cooperation between Member States and the Union, role of the European Environment Agency and Climate Change Committee to assist the Commission.

4 related to decarbonisation and the internal energy market. The same number of obligations (18) were repealed, most of them relating to the internal energy market (11) and energy efficiency (4). Other obligations (11) were kept separate but still reflected in the Governance Regulation, mostly as part of the internal energy market dimension (5), but also within the energy security (3) and energy efficiency (1) dimensions.

The 22 relevant obligations contained in climate legislation (from the MMR) all fall under the decarbonisation dimension, and were all integrated in the Governance Regulation, with the exception of one. Out of the 22 obligations identified as relevant, 8 target Member States, 5 the Commission (one of which is the EEA), and 8 both Member States and the Commission. The remaining obligation refers to the Climate Change Committee to assist the Commission and cannot be attributed to any of the stakeholder listed above.

However, not all elements of the 76 obligations described above (and in Annex 9) were subject of integration and streamlining in the Governance Regulation, which concerned elements relevant for national competent authorities on Member States and EU Institutions (mostly the European Commission). As such, the analysis focused on the effort and costs to comply with the Governance Regulation obligations for Member States and EU institutions,

The comparison between the baseline for the evaluation and the implementation period was carried out for the main obligations included in the analysis. However, the results need to be taken very cautiously, due to the limited comparability of the figures (as also described in the main body of the report).

A3.4 Main costs and benefits identified

As part of the refinement of the methodology, the main categories of costs and benefits for each of the stakeholders impacted have been identified, and data collection tools and protocols developed to identify the most relevant ones, collect quantitative and (when available) qualitative data for the analysis.

The table below provides an overview of the categories of costs and benefits identified and included in the data collection and analysis. Those marked with an (*) are quantified, while the others are assessed in a qualitative way.

Table 31. Categories of costs and benefits identified

Stakeholder	Direct costs identified per group	Direct benefits identified
Member States	<p>Direct compliance costs for planning and reporting obligations, including:</p> <ul style="list-style-type: none"> • Adjustment costs (one-off costs) for adapting national planning and reporting systems and processes to Governance Regulation, including those for developing or adapting the IT infrastructure, e.g. transposition and implementation of legislation and the adoption of plans and reports, introduction of organisational changes / establishment of processes, cost for organising the consultation on draft NECP, possible external costs such as external consultancy and support) (*) <p>Adjustment costs (annual basis, recurrent costs) for complying with</p>	<ul style="list-style-type: none"> • Savings in time and/or resources for planning and reporting thanks to rationalisation, use of templates and IT tools, among others (*) • Improved quality and timeliness of information produced • Higher visibility of different but interconnected policy domains • Direct export of information in easily readable and editable formats for reuse in international reporting obligations (e.g. GST, AC) • Higher coherence of planning and reporting timelines and procedures • Higher coordination of different competent authorities/Ministries

Stakeholder group	Direct costs identified	Direct benefits identified
	<p>planning and reporting obligations, e.g.:</p> <ul style="list-style-type: none"> • Administrative costs to comply with planning and reporting obligations, e.g. cost of ongoing coordination between different entities compiling or providing data, cost of preparing/ submitting reports, IT maintenance costs, possible external costs such as external consultancy and support) (*) • Administrative burden related to planning and reporting obligations, in addition to the 'business as usual' scenario (*) • Adjustment costs related to consultation and coordination mechanisms in place, such as participating in physical and online meetings, preparing meetings etc. (*) 	<ul style="list-style-type: none"> • Better established processes, policies and procedures
European Institutions (European Commission and European Environmental Agency)	<p>Direct compliance costs for monitoring obligations, including:</p> <ul style="list-style-type: none"> • Adjustment costs (one-off costs) : e.g. legislative changes (revision or renewal of legislation, provision of templates, introduction of a new legislative act), preparation of guidance documents for Member States, ICT/ equipment costs, outsourcing costs (consultancy, support, if any) (*) <p>Adjustment costs (annual basis, recurrent costs) for monitoring obligations, including:</p> <ul style="list-style-type: none"> • Administrative costs: e.g. information and monitoring costs to comply with monitoring costs; IT/equipment maintenance costs, outsourcing costs (consultancy, support, if any) (*) • Administrative burden related to monitoring obligations, in addition to the 'business as usual' scenario/ (*) • Adjustment costs related to consultation and coordination mechanisms in place, such as participating in physical and online meetings, preparing meetings, secretariat etc (*) 	<ul style="list-style-type: none"> • Improved planning of policies • Better investor certainty • Assessing progress of reporting entities • Checking compliance of reporting entities • Awarding derogations/exemptions to reporting entities • Improved quality and timeliness of information • Higher coherence of information available for policy-making • Increased coordination between different competent authorities/Ministries
Industry	No major costs identified	<ul style="list-style-type: none"> • Better information about the Energy Union implementation • Better investor certainty

Stakeholder group	Direct costs identified	Direct benefits identified
Citizens	No major costs identified	<ul style="list-style-type: none"> Better information about the Energy Union implementation

A3.5 Quantifications of costs and benefits

As per the ToR requests and per the BRGs, the analysis is based on the Tools #56 to #58, and used to the extent possible the categorisation and quantification of costs related to the planning, reporting and monitoring obligations set by the Governance Regulation and the procedures and tools created for its implementation. The costs and benefits quantified and monetised for the different categories of stakeholders (Member States, the Commission and the European Environmental Agency especially) can be compared to those quantified in the baseline, with some caution.

The costs and (to the extent possible) the administrative and financial benefits for the key stakeholders (Member States, the Commission and the European Environmental Agency) are estimated in euro values and in current prices (2023 prices). The quantification of costs followed to the extent possible the general approach to SMC analysis detailed in the BR Toolbox (Tool #58). This section details the approach adopted for the quantification of costs for both Member States and the European Commission (and Agencies, EEA especially).

The analysis was based on data and information collected throughout the study, via desk research, targeted interviews and case studies in selected Member States. However, evidence collected provided limited and fragmented information on the current costs of implementing the Governance Regulation for Member States and the European Commission due to several reasons:

- Difficulties in mobilising stakeholders in the relevant national administrations in Member States selected for the case studies, despite many efforts and many different channels used;
- Partial knowledge among the stakeholders reached by the consultation activities of the interactions among different administrations, and fragmentation of some of the procedures in place to comply with the Governance Regulation obligations;
- Limited knowledge among many of the stakeholders reached of the situation in place before the Governance Regulation entered into force, so that they could not make an informed evaluation (even in qualitative terms) of the evolution of activities and costs compared to the baseline;
- Related to the previous point, lack of information on one-off implementation costs related to the Governance Regulation.

The analysis therefore is based on a set of assumptions and simplifications and needs to be taken with some caution.

In consideration of the limited evidence available, the analysis focuses on the direct compliance costs for both national authorities in Member States and the European Commission, and considers both the direct staff costs, and the external costs (e.g. consultancies and research institutes contracted by national authorities and/or the European Commission to support them in complying with the different reporting obligations imposed by the Governance Regulation).

Very limited data was collected on IT costs. Concerning Member States, none of the national competent authorities consulted (via survey, targeted interviews and case studies) reported IT costs related to the Governance Regulation, either directly (to provide the information requested) nor indirectly (to adapt national systems to the information needs of the Governance Regulation). Data collected on IT costs for the EU

institutions concerned the costs for the design, implementation and maintenance of the e-platform.

Very limited evidence was also collected on external (e.g. outsourcing costs) related to the Governance Regulation, especially concerning national competent authorities. While in the case studies several of them confirmed that they are supported by external consultants for different elements of the Governance Regulation obligations (from GHG projections to public consultations to compiling of data and drafting of reports), they did not divulge information on the amounts of such contracts⁶⁵⁴. Indicators and proxies had to be used, to provide possible indications of outsourcing costs.

No evidence was collected on the adjustment costs encountered to comply with the Governance Regulation, either for Member States or for the EU institutions. Qualitative information collected from Member States highlighted how the Governance Regulation required a much stronger cooperation among different national competent authorities and their different departments, which in some cases led to a broad process of design or re-design of processes and (in some instances still ongoing). Unfortunately, none of the primary sources of information (surveys, targeted interviews, case studies) provided quantitative indications of the efforts (and costs) of this redesign processes. Assumptions had to be made, based on available literature (see details in the following sub-sections).

A3.5.1 Costs for Member States

As far as compliance costs for Member States are concerned, data collected included all the main planning and reporting obligations of the Governance Regulation, namely:

- NECP (Article 3, Article 4, Annex I)
- NECPR (Article 17)
- Long-term strategies (Article 15)
- Integrated reporting on greenhouse gas policies and measures and on projections (Article 18, , Annex I)
- National Climate Change Adaptation Planning and Strategies (NAP/NAS) (Article 19(1))
- Annual reporting, including oil stocks, offshore safety and greenhouse gas inventory data (Article 26)
- Reporting on 2020 targets (Article 27, one-off obligation).

To compensate at least partially for the limited availability of data, was decided to group the Member States in clusters, and to use the data available to provide a more accurate estimation of costs for Member States within more homogeneous groups.

Taking into account some of the criteria used to identify the Member States for the case studies, three criteria were used to group Member States:

- Size, based on the population – Member States with a population below 10 million inhabitants were classified as ‘small countries’, those with a population between 10 and 60 million inhabitants were classified as ‘medium-sized countries’, while those with a population of 60 million inhabitants and above were classified as

⁶⁵⁴ The study team made it clear to the interviewee that no specific details were needed, and that simply the indication of the order of magnitude of such contracts would have been sufficient to provide indications useful to the analysis.

'large countries. Data on population was taken from Eurostat statistics on population for 2022 (last year available).⁶⁵⁵

- Institutional organisation (i.e. centralised, devolved or federal administration), since it is considered that a devolved/federal institutional set-up may require additional coordination among the competent central and regional/local administrations (and thus possibly higher costs).
- Member States' capacity comply with the planning, reporting and monitoring obligations existing even before the Governance Regulation entered into force. This was measures by looking at the submission date of GHG inventory data for both 2018 and 2019 as reported in the Annual European Union greenhouse gas inventory and inventory reports for 2018 and 2019.⁶⁵⁶ The use of GHG inventory data was considered the most suitable proxy for this parameter, since the same obligation was in force before the Governance Regulation entered into force (as part of the MMR), and then was included in the Governance Regulation, thus presented the least disruption in the change of legislative framework. Member States were divided in two groups, one including those countries that somewhat improved their compliance between 2018 and 2019 (measured by a reduction in the delay of submission of GHG inventory data) and another including those whose compliance slightly worsened from 2018 to 2019 (measured by an increase in the delay of submission of GHG inventory data).

Three clusters resulted from this exercise, as presented in the table below, together with the main assumptions of FTEs used for estimating the staff costs to comply with the main obligations of the Governance Regulation. The effort estimations were calculated using data from the case studies.

Table 32. Overview of Member States' clusters

Group	Group A	Group B	Group C
Description	Small countries, with a centralised institutional organisation and showing a somewhat improving capacity to comply with planning, reporting and monitoring obligations over time	Medium-sized countries, with different institutional organisations, showing a limited capacity to comply with planning, reporting and monitoring obligations over time	Large countries, with different institutional organisations, showing a somewhat improving capacity to comply with planning, reporting and monitoring obligations over time
Composition	Bulgaria, Croatia, Cyprus, Denmark, Estonia, Finland, Hungary, Ireland, Latvia, Lithuania, Luxembourg, Malta, the Netherlands,	Austria, Belgium, Czech Republic, Greece, Poland, Portugal, Romania, Spain, and Sweden.	France, Germany and Italy.

⁶⁵⁵ Eurostat data on population on 1 January [demo_gind], available at: https://ec.europa.eu/eurostat/databrowser/view/DEMO_GIND/default/table?lang=en

⁶⁵⁶ See <https://www.eea.europa.eu/publications/european-union-greenhouse-gas-inventory-2018> and <https://www.eea.europa.eu/publications/european-union-greenhouse-gas-inventory-2019>

Group	Group A	Group B	Group C
	Slovakia, Slovenia and		
Effort for NECP <i>(frequency: every five years)⁶⁵⁷</i>	12-15 FTEs	15-20 FTEs	20-25 FTEs
Effort for NECPR <i>(frequency: every two years)</i>	6-8 FTEs	8-10 FTEs	10-12 FTEs
Effort for LTSs <i>(frequency: every 10 years)</i>	8-12 FTEs	12-15 FTEs	15-20 FTEs
Effort for GHG reporting and projections <i>(frequency: every two years))</i>	2-3 FTEs	3-4 FTEs	5-6 FTEs
Effort for NAP/NAS <i>(frequency: every two years)</i>	2-5 FTEs	5-7 FTEs	8-10 FTEs
Effort for Annual reporting <i>(frequency: every year)</i>	2-3.5 FTEs	3.5-5- FTEs	5-6.5 FTEs
Effort for oil stocks <i>(frequency: every year)</i>	0.25-0.5 FTEs	0.5-0.75 FTEs	0.75-1 FTEs
Effort for offshore safety <i>(frequency: every year)</i>	0.25-0.5 FTEs	0.5-0.75 FTEs	0.75-1 FTEs
Effort for GHG inventory data <i>(frequency: annual)</i>	1.5-2.5 FTEs	2.5-3.5- FTEs	3.5-4.5 FTEs
Effort for reporting on 2020 targets	2-5 FTEs	5-7- FTEs	8-10 FTEs

⁶⁵⁷ The analysis includes the full process, encompassing the draft and the final report

Group	Group A	Group B	Group C
(frequency: one-off)			

Data on staff costs were taken from Eurostat statistics on salary data for staff employed in public administration in the EU for 2023.⁶⁵⁸

The data on FTEs necessary to comply with the different obligations were multiplied by a coefficient reflecting their frequency over the years covered by this evaluation (e.g. coefficient of 1 in case of annual obligations, coefficient of 0.5 for obligations due every two years). This was done to allow for calculating the annual costs of complying with the Governance Regulation for Member States, and for an easier comparison of the effort and cost of each obligation.

Table 33. As mentioned above, little to no evidence was collected on adjustment costs for staff, beside general considerations on the much stricter cooperation among national authorities needed to comply with the Governance Regulation, and the (sometimes still ongoing) redesign of processes and procedures. To provide some indication on the extent of adjustment costs, the study considered the estimates for such costs included in the Fitness Check⁶⁵⁹ and in the SWD supporting the introduction of the Governance Regulation⁶⁶⁰, both for the energy and the climate components. Both studies provided estimates of one-off and running costs related to the Governance Regulation. To make the exercise more meaningful, the study only took into account the cost items that were relevant to both the supporting studies for the Governance Regulation and the current evaluation. Details are provided in the table below. The analysis calculated the share of one-off costs over the running costs for staff as estimated by these two documents – which were widely diverging – and used an average value (20%). Details of one-off adjustment costs for staff from available documents

From Fitness Check IA estimations (ENER component) (Policy Option 3b, p 163)			
Implementation of single act via ministerial order			
● Development of the ministerial order (3-5 person months):		EUR	308,000
● Discussion in a working group		EUR	756,000
TOTAL		EUR	1,064,000
TOT running costs			

⁶⁵⁸ Eurostat data on Average remuneration of national civil servants in central public administration [prc_rem_avg_custom_10621770], nominal terms, 2023 (second semester), available at: https://ec.europa.eu/eurostat/databrowser/view/prc_rem_avg/default/table?lang=en&category=prc.prc_re_m

⁶⁵⁹ Trinomics (2016) Preparatory study for the Commission's Fitness Check Evaluation of Planning and Reporting Obligations in the EU Energy acquis

⁶⁶⁰ SWD(2016) 394 final

Implementation	EUR	8,200,000
Administrative and reporting costs	EUR	6,700,000
Outsourcing	EUR	5,300,000
TOTAL	EUR	20,200,000
% one-off vs recurring		5%
From IA Proposal for a Regulation of the European Parliament and the Council on the Governance of the Energy Union (p. 103, Table 15)		
Option S4 (single act replacing relevant parts of energy acquis and MMR) and Option S5 (single act replacing relevant parts of energy acquis and fully replacing MMR)		
Implementation costs for Member States		
One-off costs	EUR	7,600,000
Annual costs	EUR	20,100,000
% one-off vs recurring		38%

The lack of evidence regarding external costs, particularly regarding the extent to which Member States rely on consultancies or other external parties to comply with the obligations of the Governance Regulation, did not allow for an estimation based on data collected from case studies. Notably, case studies reveal that some Member States, such as Poland, Germany, and Romania, have received some support, including contractual agreements with external entities. However, the specifics on the amounts or durations of these contracts have not been disclosed.

To supplement this information gap, it was decided to use data on projects implemented by the European Commission's DG REFORM through procurement since July 2019. These projects fall under two EU programmes: the Technical Support Instrument (TSI), providing tailor-made technical expertise to EU Member States to design and implement reforms since 2021, and its predecessor, the Structural Reform Support Programme (SRSP) for 2017-2020. The TSI assistance covers various policy areas, with the analysis focusing on projects related to Energy Union, energy and climate policies, given their relevance to the Governance Regulation. This source is used as a proxy for gaining insights on the extent of overall external costs. This approach has limitations, such as excluding any external cost linked to national procurement processes and attributing the full cost to the compliance with the Governance Regulation, while it may be only a component of the overall project. Furthermore, the values available from the tracker represent the maximum value of the contracts, not considering possible discount provided by the contractors as part of the procurement process. Nevertheless, this proxy can provide an indication of the number of Member States requesting some form of external support, and of the costs linked to it.

A3.5.2 Costs for the European Commission and Agencies

European Institutions have also borne costs related to the obligations of the Governance Regulation. The below table provides an estimate of the total number of European Commission staff (FTE) working on the Governance Regulation. The figure is an

estimation, based on previous studies and on expert assessment by the EU Commission's Directorate-Generals most involved in the implementation of the Governance Regulation (DG ENER and DG CLIMA). Those estimations are to be considered inclusive of costs (staff and outsourcing) of all EU institutions involved in the implementation of the Governance Regulation, including support by Agencies. The scope of the evaluation included all the obligations already analysis for Member States' national competent authorities, as well as of the obligations related to the preparation of the State of the Energy Union (Article 35).

The costs reported also include outsourcing costs (when relevant), both among one-off and recurring costs.

Same as for costs for Member States, the costs for the EU institutions are reported on an annual basis, for an easier comparison of the effort and cost of each obligation.

Finally, IT costs were reported for the design, implementation and maintenance of the e-platform. Figures were in line with the estimates included already in the SWD.

Total annual costs for staff time are estimated based on the Administrator (AD7, step 1) entry salary (EUR 7.050,14 per month) as reported 2023 Annual update of the Remuneration and Pensions of the Officials and other servants of the European Union and the correction coefficients applied thereto (C/2023/1544).⁶⁶¹

These costs pertain the different activities carried out by the European Institutions to apply the Governance Regulation, which include, among others, revision and comment to national reports (e.g. NECPs, NECPRs., GHG repository and inventories), preparation of own reports and documents (e.g. State of the Energy Union, UN reporting obligations), coordination of tasks among different DGs and Agencies, and support to Member States' national administrations.

⁶⁶¹ As per 2023 Annual update of the Remuneration and Pensions of the Officials and other servants of the European Union and the correction coefficients applied thereto (C/2023/1544) for Grade Administrator 7 (step 1).. See: https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ%3AC_202301544

Table 34. Estimation of EU institutions' costs for implementing the Governance Regulation

Obligation	Art.	Frequency of obligation	One-off adjustment costs				Recurring adjustment costs				Other costs (if any, EUR)
			FTEs (per exercise)	Equipmen t, software, etc (EUR)	Outsourci ng costs (EUR)	Other costs (if any, EUR)	FTEs (per exercise)	Equipmen t, software, etc (EUR)	Outsourci ng costs (EUR)		
NECP	3, 4 annex I	Every 5 years (covers both draft and final)	0	0	0	0	10	0	1,100,000	0	
MS LTS	15	Every 10 years	0	0	0	0	4	0	280,000	0	
NECPR	17	One-off	2	0	500,000	0	5	0	350,000	0	
GHG policies and projections	18	Every 2 years	0	0	0	9	6	0	0	0	
NAP/NAS	19	Every 2 years	0	0	0	0	4	0	0	0	
Annual reporting	26	Every 2 years	0	0	0	0	3.7	0	0	0	
Oil stocks	26	Every year	0	0	0	0	0.1	0	0	0	
Offshore safety	26	Every year	0	0	0	0	0.1	0	0	0	
GHG inventory data	26	Every year	0	0	0	0	3.5	0	0	0	
Reporting on 2020 targets	17	One-off	0.5	100,000	200,000	0	0	0	0	0	
SOEUR (cumulated reporting)	35		0	0	0	0	3.15	0	600,000	0	

Obligation	Art.	Frequency obligation	of	One-off adjustment costs				Recurring adjustment costs				Other costs (if any, EUR)
				FTEs (per exercise)	Equipmen t, software, etc (EUR)	Outsourci ng costs (EUR)	Other costs (if any, EUR)	FTEs (per exercise)	Equipmen t, software, etc (EUR)	Outsourci ng costs (EUR)	Other costs (if any, EUR)	
SOEUR	35	pre-existing, but no legal base	0	0	0	0	0	1	0	0	0	0
NECPR assessment report	35	cost covered under NECPR	0	0	0	0	0	0	0	0	0	0
Carbon market report	35	Every year	0	0	0	0	0.25	0	0	0	0	0
Bioenergy sustainability report	35	Every 2 years	0	0	0	0	0.1	0	300,000	0	0	0
Voluntary schemes report	35	Every 2 years	0	0	0	0	0.1	0	0	0	0	0
Gas internal market report	35	Every year	0	0	0	0	0.1	0	0	0	0	0
Electricity internal market report	35	Every year	0	0	0	0	0.1	0	0	0	0	0
EEOIS report	35	Every year	0	0	0	0	0.1	0	0	0	0	0
Renovation report	35	Every 2 years	0	0	0	0	0.15	0	0	0	0	0
NZEB report	35	Every 4 years	0	0	0	0	0.1	0	0	0	0	0
Internal market report	35	Every year	0	0	0	0	0.1	0	0	0	0	0
Fuel quality report	35	Every year	0	0	0	0	0.1	0	0	0	0	0

Obligation	Art.	Frequency obligation	of	One-off adjustment costs				Recurring adjustment costs			
				FTEs (per exercise)	Equipmen t, software, etc (EUR)	Outsourci ng costs (EUR)	Other costs (if any, EUR)	FTEs (per exercise)	Equipmen t, software, etc (EUR)	Outsourci ng costs (EUR)	Other costs (if any, EUR)
<i>competitiveness report</i>	35	Every year		0	0	0	0	0.25	0	0	0
<i>subsidies report</i>	35	Every year		0	0	0	0	0.1	0	300,000	0
<i>CAPR</i>	35	Every year		0	0	0	0	0.5	0	0	0
<i>CCS report</i>	35	Every year		0	0	0	0	0.1	0	0	0
TOTAL				2.5	100,000	700,000	9	43	0	2,930,000	0

A3.1.1. Main challenges and limitations

As described above, the challenges of the exercise were represented by the scarcity of the data collected via the different sources, and of the partial knowledge of the full set of activities and costs related to those by many of the stakeholders reached.

As a consequence, the analysis had to rely heavily on estimations and assumptions, which resulted in several limitations:

- Absence of data collected on one-off implementation costs. It was not possible to collect any evidence from the different primary sources scrutinised. The analysis looked therefore to the estimations included in the preparatory studies and SWD prepared for the Commission's impact assessment for the Governance Regulations. Since the preparatory studies were in turn based on estimations, the figures presented by the analysis suffer from any over- or under-estimation in the initial exercises. Nevertheless, triangulation between the available sources helped provide a somewhat more robust indication. .
- The recourse to proxy for estimating the external costs for Member States. The proxy used (the project financed via the Technical Support Instrument (TSI) and the Structural Reform Support Programme (SRSP), do not cover any external cost linked to national procurement processes. Furthermore, attributing the full costs of those projects to the compliance with the Governance Regulation could lead to overestimations, since only a component of the overall project may be attributable to the Governance Regulation. Finally, the values available from the tracker represent the maximum value of the contracts, not considering possible discount provided by the contractors as part of the procurement process.
- The continuous evolution of the policy and legislative framework relevant to the planning, monitoring and reporting obligations set in the Governance Regulation makes it even more difficult to make comparisons over time. The EU policy evolved to include several new elements within the five years covered by the evaluation (e.g. European Green Deal, European Climate Law, Fit for 55). Furthermore, every time one of the pieces of legislation whose reporting obligations are integrated in the Governance Regulation is amended, the Governance Regulation need to align the reporting obligations with the new needs. While the changes introduced by Fit for 55 are still to be reflected in future NECPs, updates to the NECPs to reflect the changing legislative landscape were managed via additional guidance and support provided to Member States via Working Groups. This implies additional work from both the European Commission and Member States, to identify the changes needed, adapt the templates and formats of the reporting, and align the information collected and elaborated. The legislative procedures for revising the Energy Efficiency Directive (Directive 2010/31/EU) and the Energy Performance of Buildings Directive (Directive 2010/31/EU) are recent examples.⁶⁶²

Overview of benefits and costs

Consistently with the BR Toolbox (Tool #49)⁶⁶³, the evaluation identified and quantified to the extent possible the costs and benefits related to the Governance Regulation. It also tried to identify any simplification and reduction of administrative burden related to the Governance Regulation, and any potential for further simplification. The results of these analyses are included in Table 35 and Table 36 respectively.

⁶⁶² See: https://energy.ec.europa.eu/topics/energy-efficiency/energy-efficiency-targets-directive-and-rules/energy-efficiency-directive_en and https://energy.ec.europa.eu/topics/energy-efficiency/energy-efficient-buildings/energy-performance-buildings-directive_en respectively

⁶⁶³ European Commission (July 2023) 'Better regulation' toolbox July 2023, available at: https://commission.europa.eu/law/law-making-process/planning-and-proposing-law/better-regulation/better-regulation-guidelines-and-toolbox_en

Table 35. Overview of benefits and costs

Overview of costs and benefits identified in the evaluation									
	Citizens/Consumers		Businesses		Administrations		European Commission's services		
	Quantitative	Comment	Quantitative	Comment	Quantitative	Comment	Quantitative	Comment	
Costs									
Direct compliance costs administrative costs	One-off costs	N/A	Citizens/consumers are not subject to any obligations related to the implementation of the Compliance Regulation	N/A	Businesses are not subject to any obligations related to the implementation of the Compliance Regulation	NECP: EUR 2.9 million to EUR 3.7 million (2023 prices) NECPR: EUR 1.5 to EUR 1.9 million (2023 prices) National LTSs: EUR 2.1 million to EUR 2.9 million (2023 prices)	Figures based on estimates derived from previous studies accompanying the Governance Regulation Reporting on 2020 targets is a one-off obligation, hence reported here	Outsourcing costs: EUR 700,000 (or which EUR 500,000 related to NECP and EUR 200,000 of reporting on 2020 targets) (2023 prices) Staff costs: EUR 100,000 related to reporting	Costs largely relying on self-assessment from EU institutions

Overview of costs and benefits identified in the evaluation								
	Citizens/Consumers		Businesses		Administrations		European Commission's services	
	Quantitative	Comment	Quantitative	Comment	Quantitative	Comment	Quantitative	Comment
					GHG reporting and projections: EUR 0.6 million to EUR 0.8 (2023 prices) Reporting on 2020 targets: EUR 0.8 million to EUR 1.3 million (2023 prices)		on 2020 targets) (2023 prices) IT costs: EUR 5 million for design and implementation of e-platform	
Direct compliance costs administrative costs	Recurrent costs (yearly costs)	N/A	Citizens/consumers are not subject to any obligations related to the	N/A	Businesses are not subject to any obligations related to the	NECP: EUR 2.9 million to EUR 3.7 million These figures are based on estimations, due to	NECP: EUR 431,000 (2023 prices)	Costs largely relying on self-assessment

Overview of costs and benefits identified in the evaluation								
		Citizens/Consumers		Businesses		Administrations		European Commission's services
Quantitative	Comment	Quantitative	Comment	Quantitative	Comment	Quantitative	Comment	Quantitative
		implementation of the Compliance Regulation		implementation of the Compliance Regulation (2023 prices) NECPR: EUR 3.7 million to EUR 4.7 million (2023 prices) National LTSs: EUR 1.1 million to EUR 1.4 million (2023 prices) GHG reporting	scarcity of data available. years.	NECPR: EUR 439,375 (2023 prices) National LTSs: EUR 70,300 (2023 prices) GHG policies and projections : EUR 317,250 (2023 prices) NAP/NAS: EUR	from EU institutions	

Overview of costs and benefits identified in the evaluation								
	Citizens/Consumers		Businesses		Administrations		European Commission's services	Commission's
	Quantitative	Comment	Quantitative	Comment	Quantitative	Comment	Quantitative	Comment
					<p>and projections EUR 1.4 million to EUR 1.9 million (2023 prices)</p> <p>NAP/NAS EUR 1.9 million to EUR 3.2 million per year, (2023 prices)</p> <p>Annual reporting (cumulative): EUR 2.9 million to EUR 4.5 million</p>		<p><u>211,500 (2023 prices)</u></p> <p><u>Annual reporting : EUR 391,275 (2023 prices), of which EUR 21,150 for reporting on oil stocks and offshore safety, and EUR 370,125 for reporting on GHG inventory data</u></p>	

Overview of costs and benefits identified in the evaluation								
	Citizens/Consumers		Businesses		Administrations		European Commission's services	
	Quantitative	Comment	Quantitative	Comment	Quantitative	Comment	Quantitative	Comment
					(2023 prices) of which EUR 0.8 million to EUR 1.3 million for reporting on gas stocks and offshore safety, and EUR 1.7 million to EUR 2.5 million for GHG Inventory data		<u>State of the Energy Union report (SOEUR): EUR 748,744 (2023 prices)</u> <u>IT costs for maintenance of e-platform: EUR 750,000</u>	
Benefits								
Benefits:	Recurrent	N/A			Contribution to creating a stable framework for		increased transparency	N/A

Overview of costs and benefits identified in the evaluation								
	Citizens/Consumers		Businesses		Administrations		European Commission's services	Commission's services
	Quantitative	Comment	Quantitative	Comment	Quantitative	Comment	Quantitative	Comment
Direct benefits				clean energy businesses, which is crucial for long-term investment and development in the sector.		y and predictability better coordination and cooperation among different national authorities higher coherence of planning and reporting timelines and procedures better-established processes,		

Overview of costs and benefits identified in the evaluation									
	Citizens/Consumers		Businesses		Administrations		European Commission's services		
	Quantitative	Comment	Quantitative	Comment	Quantitative	Comment	Quantitative	Comment	
						policies and procedures Effects on administrative burden are uncertain 'learning curve' component acknowledged by the stakeholders (especially national authorities), so that it is expected that the burden will lower over time			

Table 36. Simplification and burden reduction (template)

Simplification and burden reduction (savings already achieved)							
	Citizens/Consumers/Workers		Businesses		Administrations		[Other...] _ specify
	Quantitative	Comment	Quantitative	Comment	Quantitative	Comment	Quantitative
Title ⁶⁶⁴ [Select among: (i) direct compliance cost savings (for example adjustment cost savings, administrative cost savings, savings from regulatory charges); (ii) enforcement cost savings (for example cost savings associated with activities linked to the implementation of an initiative such as monitoring, inspections and adjudication/litigation); (iii) indirect cost savings (if possible - for example indirect compliance cost savings or other indirect cost savings such as transaction cost savings).]							
Type: Recurrent (select)	Not applicable		Not applicable			The Governance Regulation has streamlined some aspects of energy policy planning and reporting, but a number of Member States also	

⁶⁶⁴ Each simplification/saving should be included on a separate line.

						<p>point to increased administrative burdens, while others seem to have noticed actual savings in time and/or resources. It is difficult to disentangle the workload created by the Governance Regulation from aspects more related to the organisational aspects of the national administrations (including limited coordination between those involved in the reporting obligations, the evolution of the legislative framework</p>		
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							and the additional workload imposed by the Regulation – if any – compared to reporting obligations that would be in place anyway).	
PART II: II Potential simplification and burden reduction (savings)								
Identify further potential simplification and savings that could be achieved with a view to make the initiative more effective and efficient without prejudice to its policy objectives ⁶⁶⁵ .								
	Citizens/Consumers/Workers		Businesses		Administrations		[Other...] _ specify	
	Quantitative	Comment	Quantitative	Comment	Quantitative	Comment	Quantitative	Comment
Description:								
Type: Recurrent (select)	Not applicable		Not applicable		Costs for annual reporting (cumulative)	Synchronization with obligations like Directive	Costs for annual reporting (art. 26)	

⁶⁶⁵ This assessment is without prejudice to a possible future Impact Assessment.

						ve) represent about 22% of the recurrent costs incurred by Member States to comply with the Governance Regulation on a yearly basis. Reducing the frequency of this obligation (e.g. every two years instead of every year) would reduce by half the costs of the obligation, and by 12% the	(EU) 2016/2284 on the reduction of national emissions of certain atmospheric pollutants, and National Air Pollution Control Programmes under the NEC Directive	Alignment of frameworks on GHG emissions with UN obligations: both include biennial reporting obligations, but each in different year (even years for UNFCCC/BTR - Biennial Transparency Report, and odd years for NECPR	represent about 10.4% of the recurrent costs incurred by EU institutions to implement the Governance Regulation on a yearly basis. Reducing the frequency of this obligation (e.g. every two years instead of every year) would reduce by half the costs of the obligation, and by 6% the annual costs for	
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					annual costs for Member States .		EU institutions	
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ANNEX 4. EVALUATION FRAMEWORK

This annex presents the evaluation framework, which provides the foundation for the evaluation and ensures that each of the five evaluation criteria covered by this assignment (effectiveness, relevance, efficiency, coherence, and EU added value) are properly addressed in a systematic and transparent way. For each criterion, the evaluation framework presents the following elements:

- **Evaluation questions and sub-questions** that indicate the main elements that will be analysed, presented by evaluation criteria and in accordance with the evaluation questions listed in the ToR;
- **Judgement criteria**, which summarise the initial assumptions which will be tested throughout the evaluation, further indicating the elements that will be covered in the answers to the evaluation questions;
- **Examples of quantitative, qualitative, and opinion-based indicators**, which provide an insight into the types of data and evidence that will be used to inform the assessment of the judgement criteria and, ultimately, the answers to the evaluation questions. The list of indicators provided in the table is preliminary and non-exhaustive. For some indicators, data may not be available, and the indicators may thus need to be excluded at a later stage. In other cases, there may be additional indicators that have not yet been identified and that will only emerge through the desk research and consultation as the study progresses; and
- **Data sources**, which provide the methodological sources expected to produce relevant evidence.

This evaluation framework covers all the topics considered in the questions provided in the ToR. However, in collaboration with DG ENER and DG CLIMA, we have integrated the evaluation questions and/or grouped and rearranged them to ensure a streamlined approach to the evaluation. This evaluation framework was approved by DG ENER and DG CLIMA on 25 July 2023 and forms the basis of the evaluation.

Table 37. Evaluation Framework of the evaluation

Evaluation Questions & Sub-questions	Judgement criteria	Indicators and information requirements	Data sources	Analysis cross-reference
<ul style="list-style-type: none"> • EFFECTIVENESS • To what extent has the Regulation effectively achieved its key objectives, across the five dimensions of the Energy Union (energy security; internal energy market; energy efficiency; decarbonisation; research, innovation and competitiveness) 				<ul style="list-style-type: none"> •
<ul style="list-style-type: none"> • EQ1 - To what extent has the Governance Regulation led to increased quality, increased timeliness and increased (public) accessibility of the reported information across the Energy Union's five dimensions and regarding all aspects of relevance to the Regulation's objectives, notably in terms of national Energy and Climate Plans (NECPs), Long-Term Strategies, and annual and biennial reports? • EQ1.1 - To what extent did the Governance Regulation contribute to improved plans, reports and monitoring, including through more integrated and streamlined processes? • EQ1.2 - To what extent do Member States fulfil their current planning and reporting obligations in a complete and timely manner? • EQ1.3 - Are the indicators used in the reports effective in tracking progress across all dimensions? • EQ1.4 - What are the main reasons for any limitations / deficiencies of the plans and reports? • EQ1.5 -To what extent have the guidance documents produced by the EC been appropriate and up-to-date? 	<ul style="list-style-type: none"> • The information is made available in an accurate, complete and timely manner • Member States fulfilled their current planning and reporting obligations in an adequate manner in terms of timeliness, completeness, consistency, comparability, coherence, transparency and accuracy. • Indicators used in the reports effectively and comparably tracked progress across all dimensions. There are no information gaps, no areas where increased coverage would yield benefits (without resulting in disproportionate costs for concerned entities) • The Governance Regulation led to increased transparency and public accessibility of reported information. 	<ul style="list-style-type: none"> • Quantitative indicators <ul style="list-style-type: none"> • Number of documents / reports submitted on time to the Commission • Number of views / downloads of the publicly available documents / reports • Qualitative indicators <ul style="list-style-type: none"> • Quality / degree of completeness of planning documents and data/ reports provided • Public availability of complete planning documents and data/ reports • Stakeholders' degree of satisfaction with current coverage of information • Extent to which the EC guidance was adhered to and facilitated the planning / reporting processes • Extent to which dedicated technical support funded by the Commission facilitated the process (take up statistics, views on its usefulness) • Main limitations or deficiencies in the plans and reports submitted by the MS, as identified by key stakeholders • Further information requirements 	<ul style="list-style-type: none"> • Legal mapping • Desk research, including desk review of EC assessments of draft / final NECPs, and of wider stakeholders assessments (reports from ECA, academics or think tanks) on potential scope for better coverage • Mapping of information requirements along the five dimensions vs information available • EU level interviews • Interviews with MS authorities • Targeted surveys with MS authorities • Case studies • Workshop on draft evaluation results 	<ul style="list-style-type: none"> • See section 5.111

Evaluation Questions & Sub-questions	Judgement criteria	Indicators and information requirements	Data sources	Analysis cross-reference
<p>To what extent have the Member States followed the guidance documents provided by the Commission? What problems have been observed and why?</p> <ul style="list-style-type: none"> • EQ1.6 - To what extent has the dedicated technical support funded by the Commission facilitated the planning and reporting process? • EQ1.7 - To what extent has the Governance Regulation led to increased transparency and public accessibility of reported information? 		<ul style="list-style-type: none"> • Reasons put forward by some MS for not submitting documents / reports (e.g. LTS), or not on time, and consequences for the EU / international level and wider stakeholders • Any further room for improvement / support tool that could be implemented • Suggestions made by relevant stakeholders for improving or expanding coverage / timeliness / transparency / accessibility and feasibility of addressing these needs 		

- **Answer**

The Governance Regulation has led to increased quality of the reported information across the Energy Union's five dimensions and regarding all aspects of relevance to the Regulation's objectives.

Quality of reported information

While the Governance Regulation enhanced the quality of reported information in **NECPs** to a sufficient extent, some gaps, and issues with the completeness of reported data remain. There are indications that individual Member States have taken divergent approaches with this potentially influencing the nature of the collected information. The Governance Regulation has effectively contributed to an improved accuracy of the available data around the five dimensions to be covered as per Article 15(4) of the Governance Regulation in **LTSs**. Notwithstanding this the evaluation found that divergent national planning traditions negatively impacted the completeness of the LTSs, with Member States sometimes not reporting all the mandatory content as per Article 15(4) or doing so not coherently with their NECPs. On the quality of reported information for the **biennial progress reports and their follow up**, the evaluation finds that the enforcement of Articles 17 to 25 proved effective only to some extent, with significant data gaps still remaining. Concerning the **integrated planning and reporting on GHG policies and measures and on projections** (Article 18), the evaluation finds that, although the number of PaMs has increased over time, the completeness of reported information (particularly quantitative information) has deteriorated. The quality of information on projections of anthropogenic greenhouse gas emissions by sources and removals by sinks increased from 2017 to 2021.

Timeliness of reported information

The timeliness of the submission of the draft **NECPs** was not always ensured. Nevertheless, it is unclear whether this problem is directly linked to the Governance Regulation or whether it results from practices and/or procedural bottlenecks occurring at a Member State level. There were significant delays in the submission of **LTSs**, with this resulting in delays and inefficiencies in the process of producing an EU-wide assessment of the LTSs by the Commission. There are indications that the lack of timeliness in the submission of LTSs derives from both an insufficient administrative capacity at national level to fulfil the reporting obligations under the Governance Regulation and the sequencing of the planning and reporting obligations (e.g., NECPs deadline prior the LTSs one). Notwithstanding this, there is no evidence that the Governance Regulation, as such, was ineffective in ensuring that LTSs were submitted in a timely manner. Enforcement and administrative burdens seem to have caused the delayed submission of LTSs. The **biennial progress reports and**

Evaluation Questions & Sub-questions	Judgement criteria	Indicators and information requirements	Data sources	Analysis cross-reference
<p>their follow up (NECPRs and reporting obligations stemming from Article 17 of the Governance Regulation) were submitted either on time or with a small delay, with this not impacting the effectiveness of the Governance Regulation.</p> <p>The timeliness of information on PaMs remained stable between 2017 and 2019, it improved in 2021, and then deteriorated in 2023. Information reported on projections of anthropogenic greenhouse gas emissions by sources and removals by sinks improved in 2019 if compared to 2017, while it deteriorated in 2021. Notwithstanding this, the evaluation does not find a lack of effectiveness that can be attributed to the Governance Regulation.</p> <p>(Public) accessibility of reported information</p> <ul style="list-style-type: none">• The Governance Regulation has increased (public) accessibility of reported information at least to some extent. Stakeholders have partly divergent views and have highlighted areas in which the public accessibility of reported information proved limited. However, it remains unclear whether these issues are linked to the Governance Regulation as such or, which is more likely, to implementation issues and/or different national traditions across the EU.				

<ul style="list-style-type: none"> EQ2 - What difference has the Governance Regulation made in terms of promoting better planning processes and effective implementation of plans and reports? EQ2.1 - What qualitative or quantitative evidence is there that Member States make adequate use of the information contained in NECPs, LTSs and annual and biennial reports for policy (energy and climate-related reforms and investments, energy poverty and just transition strategies etc) and communication purposes? EQ2.2 - What evidence is there that the Commission makes effective use of that information to develop or adapt EU energy and climate policies? EQ2.3 - Is there qualitative or quantitative evidence that the Governance Regulation has increased the effectiveness of Member States' national planning and has resulted in more substantial implementation of climate, energy policies and other relevant policies (reforms and investments) and faster progress towards national energy and climate objectives, targets, and contributions? EQ2.4 - Is there any qualitative or quantitative evidence of any barriers in implementing NECPs and fulfilling reporting requirements? 	<ul style="list-style-type: none"> There is evidence of information provided in the context of the Governance Regulation being used at the MS and EU level There is ownership of Governance Regulation tools at the national level There has been progress towards the national objectives, targets and contributions along the five dimensions of the Energy Union, at MS level and collectively at EU level The role and contribution of the Governance Regulation can be identified There is evidence of progress with measures (reforms and investment) There is evidence to suggest that the Governance Regulation accelerated, reinforced or promoted measures (reforms and investment) in certain areas Barriers to the implementation of NECPs are adequately monitored and actions are planned / undertaken to correct them as appropriate. 	<ul style="list-style-type: none"> Qualitative indicators <ul style="list-style-type: none"> Extent to which MS authorities agree that MS make adequate use of the information contained in NECPs, LTSs and annual and biennial reports for policy and communication purposes Specific examples of where the information contained in NECPs, LTSs and annual and biennial reports has been used by MS for policy and communication purposes Specific examples of where information from NECPs, LTSs and annual and biennial reports has not been adequately used by the MS Extent to which EU stakeholders agree that the Commission makes adequate use of the information contained in NECPs, LTSs and annual and biennial reports for policy and communication purposes Specific examples of where the information contained in NECPs, LTSs and annual and biennial reports has been used for policy and communication purposes by the Commission Specific examples of where information from NECPs, LTSs and annual and biennial reports has not been adequately used by the Commission Quantitative indicators <ul style="list-style-type: none"> Number of non-compliance cases identified at EU level or internationally (UNFCCC/ Paris Agreement); Distance to targets i.e. extent to which latest climate and energy data is in line with i) NECPs targets and trajectories; 	<ul style="list-style-type: none"> Literature review of actual progress towards the national objectives, targets and contributions vs plans / expectations (e.g. National GHG PaMs in Europe – European Environment Agency (europa.eu)) EU level interviews International level interviews Interviews with MS authorities Targeted surveys with MS authorities Workshop on draft evaluation results EU level interviews International level interviews Interviews with MS authorities Targeted surveys with MS authorities Workshop on draft evaluation results 	See section 5.1.1.2
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		<p>ii) EU targets and iii) international commitments</p> <ul style="list-style-type: none">• Overall implementation status of planned measures as per the integrated national energy and climate progress reports e.g. share of measures that are on track• <u>Qualitative indicators</u><ul style="list-style-type: none">• Extent to which inter-ministerial teams are set up and work consistently towards the implementation, update and monitoring of the national energy and climate policy• Qualitative assessment of overall progress made with relevant Policies and Measures• Stakeholders' and experts' views on the specific contribution of the Governance Regulation to progress made• <u>Further information requirements</u><ul style="list-style-type: none">• Any factors constraining the implementation of NECPs (identification of barriers to the deployment of some measures) and planned corrective / mitigating measures	
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Evaluation Questions & Sub-questions	Judgement criteria	Indicators and information requirements	Data sources	Analysis cross-reference
Answer				
Planning processes and implementation of plans and reports				
<p>The Governance Regulation has been effective in promoting better planning processes and effective implementation of plans and reports. For instance, the Governance Regulation helped streamline the planning processes across the energy and climate domains, with an increased cooperation among different ministries/authorities at national level. Nevertheless, in several Member States, NECPs are not particularly relevant for national planning processes and are mainly developed to meet an EU obligation. Similarly, LTSs are partly outdated and do not necessarily serve as the basis for NECP development.</p>				
<ul style="list-style-type: none"> • EQ3 - How effective has the Governance Regulation been in responding to any ambition or implementation deficit (enforcement)? • • EQ3.1 - To what extent did the review-and-recommendations system (chapter 5 of the Regulation) prove to be sufficient? • EQ3.2 - What were the consequences if Member States did not report timely and adequately? • EQ3.3 - Have the ambition gap-filling mechanisms under Articles 31 and 32 of the Regulation been used effectively? 	<ul style="list-style-type: none"> • The EU has tools to deploy in case ambition gaps or implementation deficits are detected. • These tools are effectively deployed when needed • These tools are effective when deployed. • The ambition gap-filling mechanisms are fit for purpose, they prompt MS to act to cover the gap (when needed). • Need to provide an explanation of how gap will be covered in progress report acts as a powerful incentive. • Potential gap filling measures work as planned. • RES financing mechanism is fit for adequately fulfilling its gap filling function 	<ul style="list-style-type: none"> • Quantitative indicators <ul style="list-style-type: none"> • Number of times the gap filling mechanism has been used (e.g. number of Union or national measures taken, number/ size of voluntary financial contributions made) • Number / share of Commission recommendations taken into account by MS in their final NECPs • Number of additional measures taken by MS in order to cover the gap where appropriate • Further information requirements <ul style="list-style-type: none"> • Stakeholders' and experts' view on (anticipated) effectiveness of the tools and potential scope for improvement 	<ul style="list-style-type: none"> • Legal mapping of the available tools and desk review of their use including statistics / mapping on the use of the Union-level measures, , gap filling mechanisms for RES, EE and GHG goals; mapping of Commission recommendations to MS and follow up to EC recommendations • International level interviews • EU level interviews • MS level interviews • Targeted surveys with MS authorities • Case studies • Workshop on draft evaluation results 	See Section 5.1.1.3
Answer				
Enforcement				

Evaluation Questions & Sub-questions	Judgement criteria	Indicators and information requirements	Data sources	Analysis cross-reference
Evidence shows that the main hindering factor when it comes to implementation deficits is the fact that the enforcement mechanism is mainly based on recommendations, which are not legally binding. The Governance Regulation has also partly stimulated regional cooperation among Member States. However, the potential of regional cooperation has yet to be fully exploited.				
<p>EQ4 - What difference has the Governance Regulation made in terms of stimulating spending and investment?</p> <ul style="list-style-type: none"> • EQ4.1 - Is there qualitative or quantitative evidence that NECPs created a more stable and predictable regulatory framework to create investment certainty and stimulate public and private energy and climate spending and investments? • EQ4.2 - To what extent has the Regulation helped MS to take full advantage of opportunities for economic development, investment stimulation, job creation and social cohesion? • EQ4.3 - Which elements of the framework (still) hindered such investor certainty? • EQ4.4 -To what extent has the Regulation resulted in reliable information on investment needs and sources of private and public finance? What bottlenecks can be identified in this regard? 	<ul style="list-style-type: none"> • There has been increased investment in sustainable technologies • The role and contribution of the NECPs can be identified 	<ul style="list-style-type: none"> • Quantitative indicators <ul style="list-style-type: none"> • Investment needs at Energy Union priority level or sector level in NECPs for 2021-2030 • Source of financing public/private at EU and national level in NECPs for 2021-2030 • Investment levels in sustainable technologies in Member States and at EU level (trends before / after the Governance Regulation) • Funds incl. EU funds being deployed to support the ambition of the NECPs • Awareness levels of the investor community / industry about NECPs in survey results • Share of respondents assessing the contribution of NECPs to investment levels as essential / anecdotal • Qualitative indicators <ul style="list-style-type: none"> • Stakeholder views on contribution of NECPs to investment levels (qualitative) • Further information requirements <ul style="list-style-type: none"> • Examples / instances where NECPs were used as capital raising plan 	<ul style="list-style-type: none"> • Desk research • EU level interviews (with representatives of the investor community / industry) • MS level interviews (with representatives of the investor community / industry) • Targeted survey of energy industry and of energy-intensive industries • Case studies 	See section 5.1.1.4

Evaluation Questions & Sub-questions	Judgement criteria	Indicators and information requirements	Data sources	Analysis cross-reference
		<ul style="list-style-type: none"> Any factors still hindering investor certainty 		
Answer				
<p>Stimulating spending and investment and ensuring regional cooperation</p> <p>There was limited feedback on the Governance Regulation's impact on stimulating targeted spending and investments and on creating increased predictability for investors. The Commission's assessments reveal that NECPs lacked detail on investment needs and funding sources. This was confirmed by industry stakeholders consulted as part of the data collection. Overall, interviewed stakeholders were not always knowledgeable about all the objectives, obligations, and outputs stemming from the Governance Regulation, with many of them mainly providing feedback on the NECPs and NLTSS. Additionally, consulted stakeholders were not always aware of the situation before the entry into force of the Governance Regulation or could not link specific trends (e.g., on investments, on regional cooperation) to the entry into force of the Governance Regulation</p>				
<ul style="list-style-type: none"> EQ5 - How successful has the Regulation been in ensuring regional cooperation? EQ5.1 - How successful has the Regulation been in stimulating regional cooperation between Member States? Can any barriers be identified in this respect? 	<ul style="list-style-type: none"> MS have cooperated with each other in the preparation of their NECP MS have had adequate opportunity to comment on other MS draft NECPs The Commission has facilitated cooperation between the MS as regards the preparation of their NECP 	<ul style="list-style-type: none"> Quantitative indicators <ul style="list-style-type: none"> Number of times MS have cooperated bilaterally or multilaterally with other MS in preparation of their NECPs Qualitative indicators <ul style="list-style-type: none"> Level of regional cooperation in drawing up the plan, as reported by MSs in their NECPs Steps taken toward regional cooperation in transnational regions when preparing / implementing the plan Extent to which MS authorities believe the Commission has adequately supported cooperation between the MS Further information requirements <ul style="list-style-type: none"> Any factors facilitating / constraining regional cooperation 	<ul style="list-style-type: none"> Desk research including review of regional cooperation activities undertaken as summarised in NECPs, review of the outcomes of the NECPlatform project EU level interviews Targeted surveys of MS authorities MS level interviews Case studies Workshop on draft evaluation results 	See section 5.1.1.5
Answer				

Evaluation Questions & Sub-questions	Judgement criteria	Indicators and information requirements	Data sources	Analysis cross-reference
Consulted stakeholders were not always aware of the situation before the entry into force of the Governance Regulation or could not link specific trends (e.g., on investments, on regional cooperation) to the entry into force of the Governance Regulation. It is important to note that, while a lot of reports are published by external stakeholders/NGOs on the public consultation/multi-level dialogues, research on the NECPs and LTSs/other reporting obligations is more limited and hence a lot is based on the European Commission reports/assessments	<ul style="list-style-type: none"> • EQ6. How successful has the Regulation been in ensuring adequate multi-level and multi-stakeholder dialogue and consultation? • • EQ6.1 - How successful has the Regulation been in ensuring Member States set up adequate multilevel climate and energy dialogues involving sub-national authorities and other relevant actors in national energy and climate policy-making? • EQ6.2 - How successful has the Regulation been in involving the public in designing NECPs? Was the public feedback considered in drafting and updating of NECPs? • EQ6.3 - Can any barriers to the effective consultation of stakeholders be identified? 	<ul style="list-style-type: none"> • Appropriate multilevel climate and energy dialogues were set up • Regional cooperation activities were conducted • Appropriate public consultations were conducted <ul style="list-style-type: none"> • Quantitative indicators <ul style="list-style-type: none"> • Existence of a permanent structure acting as multi-level climate and energy dialogue, with participation of sub-national authorities and other relevant stakeholders. • Extent to which such platform is used consistently throughout the implementation of the NECPs, including its mandatory reporting. • Extent to which activities were in line with the Aarhus Convention (e.g. wide consultations, open for sufficiently long periods with real possibilities to provide inputs) • Number of MS where a public consultation on the draft NECP was conducted • Extent to which national stakeholders feel they were adequately consulted on MS draft NECPs • Further information requirements <ul style="list-style-type: none"> • Any factors facilitating / constraining regional cooperation 	<ul style="list-style-type: none"> • Desk research including review of consultation activities undertaken as summarised in NECPs, review of the outcomes of the NECPlatform project • EU level interviews • Targeted surveys of MS authorities • MS level interviews including interviews of sub-national authorities and relevant stakeholders • Targeted interviews • Case studies • Workshop on draft evaluation results 	See section 5.1.1.6
Answer				
Ensuring adequate multi-level and multi-stakeholder dialogue and consultation				

Evaluation Questions & Sub-questions	Judgement criteria	Indicators and information requirements	Data sources	Analysis cross-reference
<p>The available evidence shows that although the introduction of Articles 10 and 11 of the Governance Regulation is perceived as a significant step forward, the Governance Regulation has not been particularly successful in ensuring adequate multi-level and multi-stakeholder dialogue and consultation, as several Member States failed to set up public consultation or multi-level and multi-stakeholder dialogue of an acceptable quality.</p> <ul style="list-style-type: none"> • EFFICIENCY • To what extent has the Regulation achieved its key objectives in an efficient manner? 				
<ul style="list-style-type: none"> • EQ7 - To what extent have the integrated and streamlined planning and reporting processes led to cost savings (in terms of policy coherence and administrative burden) and can costs and administrative burden be considered as proportionate? • • EQ7.1 - Has the harmonised, integrated, and predictable nature of the Regulation resulted in the expected cost savings at MS and EU level in terms of administrative burden and policy coherence (both in terms of energy and climate policies and across other policy areas such as environmental protection)? • EQ7.2 - Is the (already rationalised) administrative burden of Member States' planning and reporting obligations proportionate to the need for a harmonised and integrated planning and reporting process across the five dimensions of the Energy Union? • EQ7.3 - Do the benefits of this harmonised and integrated process (in terms of improved policy coherence, regional cooperation, impact assessment, etc) justify the higher complexity compared to individual processes? 	<ul style="list-style-type: none"> • The streamlining of the energy and climate planning, reporting and monitoring obligations led to cost savings / reduced administrative burden at both EU and MS level. • Costs and administrative burden are assessed to be and seen as proportionate. • The rationalised administrative burden for integrated planning and reporting process is justified when considering the benefits (in terms of improved policy coherence, regional cooperation, impact assessment, etc) 	<ul style="list-style-type: none"> • Quantitative indicators <ul style="list-style-type: none"> • Enforcement and compliance costs (incl. admin burden) for Member States and the Commission as reported in the baseline scenario /in the 2016 fitness check • Enforcement and compliance costs (incl. admin burden) resulting from the implementation of the Governance Regulation, as reported by Member States, the Commission and the European Environmental Agency • Administrative and financial benefits resulting from the implementation of the Governance Regulation, as reported by Member States, the Commission and the European Environmental Agency • Number / share of respondents reporting favourable evolution of costs since the entry into force of the Regulation, and comparison of results with expectations when adopting the Governance Regulation • Number / share of respondents agreeing that the actual benefits (until now) are higher than the costs / agreeing that the actual and expected benefits (e.g. by 2030) are expected to be higher than the costs 	<ul style="list-style-type: none"> • Desk research, including data on enforcement and compliance costs from the 2016 fitness check • EU level interviews • MS level interviews • Case studies • SCM for costs and administrative burden for Member States and Commission (including European Environmental Agency), including from the use of the e-platform • Cost benefit assessment or cost-effectiveness assessment of obligations (in terms of administrative and implementation costs as well as administrative benefits) • Targeted survey of MS authorities 	Section 5.1.2.1

Evaluation Questions & Sub-questions	Judgement criteria	Indicators and information requirements	Data sources	Analysis cross-reference
<ul style="list-style-type: none"> EQ7.4 - What factors most influence the costs and administrative burden of Member States' planning and reporting obligations? Is there qualitative or quantitative evidence allowing to weigh the impact of each factor on costs? • 		<ul style="list-style-type: none"> Number / share of reporting and planning teams who deem the allocated time to be sufficient to perform their duties adequately • Qualitative indicators <ul style="list-style-type: none"> Extent to which the expected benefits are considered to be already tangible now (e.g. ease of reporting process) or are expected to materialise in the medium to long term (e.g. benefits coming with stability / predictability of regulatory framework, impact on investor confidence) Extent to which the cost/ benefits are considered to be balanced across the five dimensions 	<ul style="list-style-type: none"> Workshop on draft evaluation results 	
Answer				The efficiency analysis shows mixed results: it has streamlined some aspects of energy policy planning and reporting, but a number of Member States also point to increased administrative burdens, while others seem to have noticed actual savings in time and/or resources. However, it is difficult to disentangle the workload created by the Governance Regulation from aspects more related to the organisational aspects of the national administrations concerned (including limited coordination between those involved in the reporting obligations, the evolution of the legislative framework and the additional workload imposed by the Regulation – if any – compared to reporting obligations that would be in place anyway). Recognised advantages brought by the Governance Regulation include the increased transparency and predictability, better coordination and cooperation among different national authorities involved in the reporting process, higher coherence of planning and reporting timelines and procedures, and better-established processes, policies and procedures. The benefits of the Governance Regulation also include its role in providing a stable framework for clean energy businesses, which is crucial for long-term investment and development in the sector. Even when not fully materialised yet, many stakeholders (especially within national authorities) considered that the Governance Regulation is pushing national administrations to work more closely and establish coordination procedures when they did not exist before. There is also a 'learning curve' component acknowledged by the stakeholders (especially national authorities): while the initial reporting cycles have been more complex and burdensome, it is realised that the whole process will become simpler (and thus less burdensome) over time, the more reporting are files and assessed, the more clarity is made over the expected content, and the more the tools and templates are fine-tuned.
EQ8. What is the role played by the electronic reporting platform and/or common templates as well as digital technologies ?	<ul style="list-style-type: none"> Development and use of the reporting electronic platform led to decreased administrative 	<ul style="list-style-type: none"> • Quantitative indicators <ul style="list-style-type: none"> Administrative and financial benefits for Member States and the Commission 	<ul style="list-style-type: none"> Desk research MS level interviews Case studies 	See section 5.1.2.2

Evaluation Questions & Sub-questions	Judgement criteria	Indicators and information requirements	Data sources	Analysis cross-reference
<ul style="list-style-type: none"> EQ8.1 - Regarding progress reporting, to what extent does the availability of an electronic reporting platform and/or common templates decrease the administrative burden and costs of Member States and/or make it easier for the Commission to evaluate and use the information and data provided? EQ8.2 - Are the current Member States' and Commission's planning and reporting obligations designed in such a way that they make efficient use of developments in the fields of digital technologies and processes of collecting, organising, and analysing large sets of data (big data analytics, machine-to-machine reporting)? 	burden and costs for the Member States.	<p>resulting from reporting via an electronic platform instead of textual format</p> <ul style="list-style-type: none"> Further information requirements <ul style="list-style-type: none"> Stakeholder views on main cost drivers – distinguishing between one-off implementation costs (cost for developing or adapting the IT infrastructure, introduction of organisational changes / establishment of processes, cost for organising the consultation on draft NECP) and regular costs (cost of ongoing coordination between different entities compiling or providing data, cost of preparing/submitting progress reports) 	<ul style="list-style-type: none"> Targeted survey of MS authorities 	
Answer				
		<p>The evidence suggests that the Regulation has partially streamlined the planning, reporting, and monitoring processes by introducing digital tools. Yet it falls short of achieving complete harmonisation and timely alignment with EU and international obligations, as indicated by the mixed stakeholder feedback and survey responses. Among the difficulties, stakeholders mentioned that the prescribed 5-year timeframe for strategic decisions in the energy sector often falls short, as significant shifts in energy systems typically require longer-term planning, the alignment of timetables for various tasks, such as preparing the NECPs and NEC reporting, resulting in a lack of adequate incorporation of lessons learned from previous planning cycles, and the overlapping of draft NECP update and NECPR in 2023. Among other EU obligations, the main difficulties included the synchronization with obligations like Directive (EU) 2016/2284 on the reduction of national emissions of certain atmospheric pollutants, and National Air Pollution Control Programmes under the NEC Directive, leading to challenges in achieving coherence in implementation efforts. Concerning international obligations, the most critical one seems to be that both frameworks on GHG emissions include biennial reporting obligations, but each in different year (even years for UNFCCC/BTR - Biennial Transparency Report, and odd years for NECPR) (more details are provided in section 5.1.3).</p>		
<ul style="list-style-type: none"> EQ9 - To what extent has the Regulation contributed to streamlined planning, reporting and monitoring including through further digitalisation or consolidation? 	<ul style="list-style-type: none"> The current set up is suitable (to facilitate communication, to facilitate public access to information) and reflects latest digital developments. There is consistency between different planning, reporting and monitoring obligations in 	Qualitative indicators <ul style="list-style-type: none"> Extent to which the e-platform fulfils all of its functions repository for plans, reports and strategies tracker function (allowing to follow live the latest developments in the implementation of the NECPs) access to data and underlying assumptions in a user- 	<ul style="list-style-type: none"> Mapping of the functions of the e-platform Legal mapping EU level interviews and international level interviews (feedback from those 	See section 5.1.2.3

Evaluation Questions & Sub-questions	Judgement criteria	Indicators and information requirements	Data sources	Analysis cross-reference
<ul style="list-style-type: none"> • EQ9.1 - To what extent are the timing and periodicity of the different planning and reporting obligations, both within the Governance Regulation and outside, consistent? • EQ9.2 - Is there evidence of red tape due to overlaps with other EU or national planning and reporting procedures? • EQ9.3 - To what extent have the planning and reporting processes taken into consideration other reporting and planning obligations (e.g. JTM, RRF, etc.) in order to avoid potential peak reporting and planning periods? • 	<p>different fields that is directly related to the energy and climate (in terms of timing / periodicity/ scope) – including synchronicity with the Paris Agreement / other international obligations</p> <ul style="list-style-type: none"> • There is no scope for further consolidating obligations within Governance and between the Governance Regulation and other related EU acquis 	<p>friendly manner (e.g. those underpinning impact assessment of planned policies and measures) interactivity (allowing multi-level, cross-national dialogue)</p> <ul style="list-style-type: none"> • Extent to which e-platform / common templates match users/ needs <p><u>Further information requirements</u></p> <ul style="list-style-type: none"> • Room for improvement, any best practice example at MS (solutions for streamlining and digital processing) • Main factors / obligations, within or beyond the scope of the Governance Regulation, adding to administrative burden and/or undermining policy coherence (e.g. new initiatives adopted since the entry into force of the Governance Regulation, international obligations, domestic planning and reporting procedures) • Potential for further streamlining of obligations (e.g. better alignment of the periodicity of planning, reporting and monitoring obligations with obligations at the international level, potential for streamlining parallel domestic planning and reporting procedures) 	<p>receiving the information)</p> <ul style="list-style-type: none"> • MS level interviews (feedback from those producing the information) • Targeted survey of MS authorities • Case studies • Workshop on draft evaluation results 	

Answer

Mixed views were also reported about the benefits brought by the use of common templates and platforms. Indeed, the number of responding national authorities who believe that savings in time and/or resources – thanks to the use of IT tools – led to more efficient planning and reporting in their Member States, is the same of those who have an opposite view. Although the majority of responding national authorities shared that entering data on EU electronic platforms led to cost increases, the number of those who said that the costs remained the same or decreased is almost the same. Among the reasons for costs increases, stakeholders referred to the need to reformulate data and information before uploading it on the platforms, since these are designed following different criteria than the templates provided in the Regulation. They also emphasised the lack of an easily sharable tool for compiling a comprehensive answer from different contributing authorities in the same reporting country, as well as the lack of strong interlinks between the platforms. The

Evaluation Questions & Sub-questions	Judgement criteria	Indicators and information requirements	Data sources	Analysis cross-reference	
<p>reasons for cost/ and burden decrease included the fact that the platforms give the possibility to know what information and data should be collected and submitted, they help to avoid developing national tools for submissions and enable access to the reported information by several users at the same time, who can check and validate information, thus minimising the possibility of errors. The existence of two separated platforms has garnered some criticism from many stakeholders, in particular because of the poor interlinkages between the two, including the formats. However, some stakeholders appreciated the existence of the two platforms, for instance due to their role in standardising reporting and systematising data collection, hence facilitating availability and comparability of information.</p>	<ul style="list-style-type: none"> • COHERENCE • To what extent has the Regulation achieved its key objectives in a coherent manner? <ul style="list-style-type: none"> • EQ10 - To what extent does the harmonised and integrated nature of planning, reporting, and monitoring lead to improved coherence of MS and EU climate and energy policy within the remit of the Regulation? (internal coherence) • • EQ10.1 - To what extent are the different planning, reporting and monitoring obligations under the Governance Regulation coherent with one another? • • 	<ul style="list-style-type: none"> • Domestic, EU and international objectives are reconciled, the NECP process with drafts and revisions has resulted in MS increasing national targets to reach the overall EU target • National governance framework is in place in MS • Cross-national dimensions of MS energy policies are better coordinated, MS taking up cross-border considerations in their revised NECPs • Synergies, potential trade-offs and spillovers across climate and energy policy areas are better addressed. 	<p>Quantitative indicators</p> <ul style="list-style-type: none"> • Number / share of stakeholders agreeing that governance framework / coordination processes are adequate in terms of whole-of-government coordination, coordination with sub-national levels of government as appropriate, ex-ante and ex-post impact assessment practices consistently measuring climate / energy / environmental impacts of policies across areas <p>Qualitative indicators</p> <ul style="list-style-type: none"> • Extent to which EU level reports are consistent with those submitted by EU Member States • Extent to which the information in the plans and reports are assessed to be consistent including no mismatch between targets, consistency of definitions, consistency between targets / planned measures, alignment between measures planned / measures financed timely alignment of the different obligations 	<ul style="list-style-type: none"> • Review of targets, plans and policies to check alignment and consistencies • Review of the information at international level (UNFCCC/ Paris Agreement) by the EU and EU MS • Review of EU assessments and international (UNFCCC/ Paris Agreement) reviews • Review of the national climate governance framework in place in MS • International level interviews • EU level interviews • MS level interviews • Case studies • Workshop on draft evaluation results 	See section 5.1.3.1
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Evaluation Questions & Sub-questions	Judgement criteria	Indicators and information requirements	Data sources	Analysis cross-reference
		<ul style="list-style-type: none"> Extent to which adequate processes for consulting / coordinating with other MS on national planning activities with a regional scope <u>Further information requirements</u> Any best practice examples illustrating increased policy coherence at national / transnational level and remaining challenges 		

Answer

Overall, evidence shows that the Governance Regulation streamlined previously existing planning and reporting obligations from various pieces of legislation across energy, climate, and other Energy Union related policy areas. Evidence suggests though that some inconsistencies affect both the internal and external coherence of the Governance Regulation.

Issues on internal coherence are mostly due to the complexity of integrating many obligations in a single framework and to the many changes occurred since the adoption of the Governance Regulation in December 2018.

<ul style="list-style-type: none"> EQ11 - To what extent is the Regulation coherent with other EU and international obligations (external coherence)? EQ11.1 - To what extent is the Regulation coherent notably with: Obligations from other energy and climate EU acquis, such as those stemming from the European Climate Law, and other relevant parts of the European Green Deal, Fit For 55? International obligations, including from the Paris Agreement and its enhanced transparency framework, the Sustainable Development Goals, the Aarhus Convention and other relevant international conventions and for a (e.g. G7, G20)? Other relevant EU policy fields? 	<ul style="list-style-type: none"> Objectives from the Regulation are well aligned (in terms of ambition /content / substance) with other pieces of legislation / funding instruments Synergies, potential trade-offs and spillovers with other policy areas are better addressed 	<ul style="list-style-type: none"> <u>Quantitative indicators</u> <ul style="list-style-type: none"> Number of MS covering particular trade-off and synergies in their draft, final and revised NECPs. <u>Qualitative indicators</u> <ul style="list-style-type: none"> Extent to which potential incoherences are minimised 	<ul style="list-style-type: none"> Legal mapping including review of the different provisions stemming from the different legal bases and the areas of potential incoherence Desk research International level interviews EU level interviews MS level interviews Case studies Workshop on draft evaluation results 	See section 5.1.3.2
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Evaluation Questions & Sub-questions	Judgement criteria	Indicators and information requirements	Data sources	Analysis cross-reference
<ul style="list-style-type: none"> EQ11.2 - To what extent has the Regulation helped MS identify and address trade-offs and synergies with environmental policies, including as regards biodiversity, in the NECPs and LTSs? 				
Answer				
<p>Issues on external coherence are mostly related to the fact that several EU-level instruments have been introduced and/or updated after 2018, notably the various policies developed under the European Green Deal as well as different reporting timelines compared to the UNFCCC reporting cycle, and that the timing of different reporting/planning obligations are not always aligned. For instance, the Energy Efficiency Directive (EED) recast includes many new elements for a stronger governance that are not currently incorporated nor streamlined into the Governance Regulation. Similarly, with the Renewable Energy Directive (RED) revision, new elements were introduced- including a binding EU target of 42.5 % renewable energy, with an additional non-binding top-up of 2.5% - which are not reflected in the Governance Regulation</p>				
<ul style="list-style-type: none"> EU ADDED VALUE How did the Regulation make a difference and to whom? 			<ul style="list-style-type: none"> • 	
<ul style="list-style-type: none"> EQ12 - To what extent could the improved consistency of Member States national energy and climate policies and coordination of energy and climate policies at EU level also have been achieved without the current Governance Regulation's planning, reporting, and monitoring obligations? 	<ul style="list-style-type: none"> The improved consistency of Member States national energy and climate policies and the coordination of energy and climate policies at EU level could not have been achieved without the Governance Regulation 	<ul style="list-style-type: none"> Qualitative indicators Extent to which MS would be able to plan their policies and measures in the energy and climate fields to achieve the Energy Union objectives across its five dimensions in the absence of the formal consultation / coordination process with the EU / other MS stemming from the current Governance Regulation Extent to which the Commission could assess whether MS are collectively on track to achieve the Energy Union objectives / could intervene in the case of insufficient progress made in the absence of the current Governance Regulation 	<ul style="list-style-type: none"> • Desk research • EU level interviews • MS level interviews • Case studies • Workshop on draft evaluation results 	See section 5.2.1.1
Answer				

Evaluation Questions & Sub-questions	Judgement criteria	Indicators and information requirements	Data sources	Analysis cross-reference
<p>The EU added value of the Governance Regulation stems from a notable improvement in terms of enhanced consistency in national energy and climate policies, though such impact varied across Member States and also depended on national processes that preceded the Governance Regulation. The Governance Regulation contributed to enhance coordination in national energy and climate policies. While stakeholders agreed that it contributed to enhanced cooperation, they also noted that coordination with sub-national actors could be further strengthened</p>				
<ul style="list-style-type: none"> EQ13 - To what extent do the current planning and reporting obligations provide information at EU or national level that would not otherwise be available? 	<ul style="list-style-type: none"> The current planning, reporting and monitoring obligations provide benefits in terms of useful information at EU or national level that would not otherwise be available 	<ul style="list-style-type: none"> Qualitative indicators <ul style="list-style-type: none"> Extent of the usefulness of the information provided by the current obligations as assessed by stakeholders. Extent to which the Governance Regulation makes additional information accessible or available, provides information that would not be available from other sources by other regulations, as assessed by stakeholders 	<ul style="list-style-type: none"> Legal mapping of obligations and their rationale Desk research EU level interviews MS level interviews Survey of MS authorities Case studies Workshop on draft evaluation results 	See section 5.2.1.2
<p>Answer</p> <p>The planning and reporting obligations set out in the Governance Regulation provided additional information at EU and national level. The Regulation increased information availability by publishing reports and data for Member States who may not do so themselves and by requesting data on indicators that certain Member States may not have been reporting on or collecting before. Stakeholders highlighted the information they can access from other Member States as an element that brings added value stemming from the Regulation, both by being able to access other Member States' plans and through assessment and reporting by the European Commission. Importantly, the Regulation has improved the management of energy and climate data in the EU, promoting a clearer and more open setting for sharing information and making decisions.</p>				
<ul style="list-style-type: none"> EQ14 - What is the added value of the Governance Regulation for the transparency and predictability of Member States' energy and climate policies? 	<ul style="list-style-type: none"> The transparency and predictability of Member States' energy and climate policies increased for a wider set of stakeholders. 	<ul style="list-style-type: none"> Qualitative indicators <ul style="list-style-type: none"> Extent to which the Governance Regulation is seen as providing added value for the transparency and predictability of Member States' energy and climate policies 	<ul style="list-style-type: none"> Desk research International level interviews EU level interviews including wider stakeholders' views (e.g. views from representatives from private sector / civil society / academia) 	See section 5.2.1.3

Evaluation Questions & Sub-questions	Judgement criteria	Indicators and information requirements	Data sources	Analysis cross-reference
			<ul style="list-style-type: none"> MS level interviews including wider stakeholders' views Survey of MS authorities Case studies Workshop on draft evaluation results 	
Answer				
While the Governance Regulation had a positive effect on the reporting, availability, and predictability of data, stakeholders highlighted issues related to the timely submission, quality (in terms of completeness), accessibility and transparency of reported data.				
<ul style="list-style-type: none"> EQ15 - What is the added value of the Regulation in terms of ensuring accountability and access to justice? EQ15.1 - To what extent has the Governance Regulation enabled public and private actors to hold MS and the EU accountable for their obligations under the Governance Regulation? EQ15.2 - Is the Regulation fit for purpose in terms of safeguarding the rights of public and private actors to have access to justice? 	<ul style="list-style-type: none"> The Governance Regulation provides adequate mechanisms to hold the MS and EU accountable for their obligations under the Governance Regulation. The Governance Regulation supports access to justice. 	<ul style="list-style-type: none"> Qualitative indicators <ul style="list-style-type: none"> Extent to which the Governance Regulation is seen as providing added value in terms of enabling accountability in relation to energy and climate policies. Extent to which the Governance Regulation is seen as providing added value in terms of access to justice issues in relation energy and climate policies. Extent to which the obligations under the Governance Regulation are enforceable by the public Further information requirements <ul style="list-style-type: none"> Examples of when information produced within the framework of the Governance Regulation was used e.g. by CSOs to hold MS / EU accountable (e.g. climate litigation cases) 	<ul style="list-style-type: none"> Desk research International level interviews EU level interviews including wider stakeholders' views (e.g. views from representatives from private sector / civil society / MS level interviews including wider stakeholders' views Survey of MS authorities Case studies Workshop on draft evaluation results 	See section 5.2.1.4

Evaluation Questions & Sub-questions	Judgement criteria	Indicators and information requirements	Data sources	Analysis cross-reference
Answer				
There were contrasting views on the added value of the Regulation in terms of ensuring accountability and access to justice , with some stakeholders highlighting that the Regulation enabled better accountability and access to justice across a number of key domains, and others highlighting that significant improvements should be made to enhance accountability and access to justice				
<ul style="list-style-type: none"> • RELEVANCE • Is the Regulation still relevant? • EQ16 - Are the Member States' and Commission's planning, reporting and monitoring obligations under the Governance Regulation still relevant in view of legislative developments⁶⁶⁶ ? • • EQ16.1 - Are there planning, reporting, and monitoring obligations missing from the Governance Regulation in view of recent legislative developments? • EQ16.2 - Are there planning, reporting and monitoring obligations under the Governance Regulation that have become obsolete? • 	<ul style="list-style-type: none"> • Existing planning, reporting and monitoring obligations continue to be relevant. • Existing planning, reporting and monitoring obligations continue to be sufficient, there are no missing elements that ought to be covered given the new legislation adopted after the entry into force of the Governance Regulation. 	<ul style="list-style-type: none"> • Qualitative indicators <ul style="list-style-type: none"> • Extent of the completeness of the template for NECPs • Extent of completeness of the template for progress reports • Assessment of coverage of final / revised NECPs • Extent to which the updated NECPs covered the missing elements (e.g. to detail how EU funding e.g. from the Recovery and Resilience Facility will support the deployment of the Facility) • Extent of completeness of the template for national adaptation reporting • Extent to which stakeholders agree that the planning, reporting and monitoring obligations of the Governance Regulation are still relevant in view of recent legislative developments. 	<ul style="list-style-type: none"> • Legal mapping • Desk research including mapping of final / revised NECPs • International level interviews • EU level interviews • MS level interviews • Survey of MS authorities • Case studies • Workshop on draft evaluation results 	See section 5.3.1.1

⁶⁶⁶ (the European Green Deal (EGD) and the relevant follow-up legislation, the European Climate Law (ECL), the Recovery and Resilience Facility (RRF) and RepowerEU, the Green Deal Industrial Plan (GDIP), the (planned) Net-Zero Industry Act (NZIA) and the Critical Raw Materials Act (CRMA), the international developments under the UNFCCC and the Paris Agreement, the enhanced international dimension of energy and climate policy, and any other energy and climate legislation adopted after the entry into force of the Governance Regulation)

Evaluation Questions & Sub-questions	Judgement criteria	Indicators and information requirements	Data sources	Analysis cross-reference
Answer				
The evaluation found that Governance Regulation's core objective of providing a governance structure that both enables and pushes Member States to commit to and deliver on ambitious climate targets has not lost its relevance . It has rather become more relevant given the growing urgency of climate action and the increasingly complex needs that Member States' energy and climate policies have to address. As the outlook for climate change and its associated impacts is both worsening and becoming more clear-cut, the core objective of the Governance Regulation - to enable and support climate action - is more relevant than ever. Since the adoption of the Governance Regulation in 2018, the EU energy and climate acquis has undergone important developments , notably in the 'Fit for 55' package. As a primarily procedural framework that does not itself set specific targets, this has not rendered the Governance Regulation obsolete as an instrument. However, certain issues reflected in recent legislation need to be better addressed in the "products" adopted under the Governance Regulation, such as the NECPs				
<ul style="list-style-type: none"> • EQ17 - How well has the governance mechanism set out by the Regulation responded to socio-economic, environmental, and geopolitical changes & risks? • • EQ17.1 - To what extent is the information it provides relevant, complete and timely in the context of the current geo-political context, in context of the accelerated energy transition (including increasing macro-economic impact of energy and climate policy) and in view of scientific/technological progress and innovation? 	<ul style="list-style-type: none"> • There are mechanisms in place to ensure information produced under the Governance Regulation reflects new priorities (e.g. accelerated timetable for energy transition in view of scientific/technological progress) • The Regulation is fit for purpose to make the required information readily available at times of crises 	<ul style="list-style-type: none"> • Qualitative indicators <ul style="list-style-type: none"> • Extent to which reporting / review processes are seen as frequent enough • Extent to which final / revised NECPs reflect emerging priorities • Frequency of update of the Commission guidance and extent to which templates take into account new priorities • Extent to which the required information was available during the recent energy crisis 	<ul style="list-style-type: none"> • Legal mapping of reporting / review processes • Desk research including mapping of final / revised NECPs to • International level interviews • EU level interviews • MS level interviews • Survey of MS authorities • Case studies • Workshop on draft evaluation results 	See section 5.3.1.2
Answer				
The governance mechanisms of the Governance Regulation do not adequately address some of the issues that have come to the forefront of energy policy due to more recent geopolitical and legislative developments . Themes that do not appear to be adequately reflected include climate adaptation and energy sufficiency. This may negatively impact the ability of the Governance Regulation framework to fully respond to emerging needs in European energy and climate policy. The Russian aggression against Ukraine disrupted EU energy policy across several dimensions. While lending additional relevance to the Energy Union's objectives and accelerating clean energy transition it also caused a recalibration of immediate policy priorities and highlighted transition challenges.				

Evaluation Questions & Sub-questions	Judgement criteria	Indicators and information requirements	Data sources	Analysis cross-reference
The energy supply crisis following the Russian aggression and the COVID-19 pandemic both highlighted social and economic challenges that need to be addressed if climate change and just transition goals are to be met in the long term. Feedback from stakeholders suggest that socio-economic issues such as energy poverty, but also labour shortages are not adequately covered by the governance mechanisms of the Governance Regulation. This inadequacy is exacerbated by the lack of robust macroeconomic assessments of the measures included in the NECPs.				

ANNEX 5. CASE STUDIES

This annex provides the findings from case studies. As explained already in Annex 1 on the methodological approach and limitations, seven case study countries (Belgium, Denmark, France, Germany, Malta, Romania, and Poland) were purposively selected for a more detailed data collection and analysis. The data for the case studies has been collected via desk research and a small number of telephone interviews with key stakeholders, including national authorities, industry and NGOs, in each of the case study Member States. The information presented in these case studies has been used to support the efficiency analysis (information on the costs and benefits of the Governance Regulation) as well as other themes of the evaluation including the effectiveness and EU added value of public consultation and multilevel climate and energy dialogues, and of regional cooperation. The findings from the case studies have also been used in identifying lessons learned and recommendations. The following subsections present the case study results. .

A5.1. Case Study - Belgium

A5.1.1. Background

Belgium is a federal constitutional monarchy where decision-making powers are divided between three levels of government: the federal government, three language-based communities (Flemish, French and German-speaking) and three regions (Flanders, Brussels Capital and Wallonia). Legally they all are equal, but have powers and responsibilities for different fields.⁶⁶⁷ Economy, transport, environment, energy, research, cities and 'mixed competences', exercised both at federal and regional or community level. Regions have powers in 'territory-related' areas, in a broad sense. They are responsible for the economy, employment, agriculture, water policy, housing, public works, energy, transport (with the exception of the national railway), environment, town and country planning, rural revitalisation, nature conservation, among others. They are responsible for scientific research and foreign relations in the above-mentioned areas.⁶⁶⁸

In the framework of reporting obligations resulting from the Governance Regulation, several interinstitutional organs are worth mentioning:

- The Belgian Interregional Environment Agency CELINE (IRCEL in Flemish) is in charge of compiling regional environmental data (incl. GHG emissions) and report it at national level;
- The National Climate Committee (NCC) has a more policy-oriented role, bringing together representatives from ministries of Environment, Climate, Health, etc. with representatives from the different regional administrations;
- The CONCERE (Energy Concertation between the Regions and the State) is the equivalent of NCC for energy;
- The Stuurgroep NEKP (*steering committee NECP*) composed of representatives from the NCC and CONCERE. Its role is to coordinate NCC and CONCERE's works with a comprehensive vision of climate and energy actions, from both federal and regional perspectives.
- The Coordination Committee for International Environmental Policy (CCIEP) that ensures the coherence of the international position of the Belgian State and its components during international negotiations.

Due on the 30th June 2023, Belgium submitted its draft NECP on the 3rd December 2023. The document is a compound of four Energy & Climate Plans: one for the federal level and one for each of the three regions. As such, each section of the template contains a sub-

⁶⁶⁷ https://european-union.europa.eu/principles-countries-history/country-profiles/belgium_en

⁶⁶⁸ Belgian 8th National Communication and 5th Biennal Report on Climate Change - <https://climat.be/doc/nc8-br5.pdf>

section for each entity, thus resulting in a longer document than for other countries (752 pages, against 199 pages for France, for example).

Due on the 1st January 2020, Belgium submitted its Long-Term Strategy (LTS) on the 2nd March 2020. It is composed of a summary of measures at country level, based on the three regional contributions found later in the report, which in fact are regional long-term strategies. The documents announces that national GES emissions were 79 Mt CO₂eq in 2005 to decrease to 70.9 in 2017. Following its LTS, Belgium expects this number to fall at 52.6 Mt CO₂eq in 2030 and between 10 and 12 Mt CO₂eq in 2050, thus reducing its emissions by 85% on the period 2005-2050.

Since the draft NECP update has only been submitted in December 2023, the European Commission has not performed its assessment at the time this case study is written. Also, the interviews did not provide any indication about the possible contents of the NECP's final version.

A5.1.2. Main costs and benefits of the Governance Regulation

Main costs

At all levels (Federal or regional), interviewees representing agencies and authorities (AwAC, VEKA, CNC) deem difficult to estimate the costs induced by the Governance Regulation's requirements, as the Government also finances a lot of projects that are not necessary linked to the Governance Regulation. Operational teams try to mutualise monitoring resources and methods for all energy and climate policies.

At federal level, there is enough expertise in quantifying GHG emissions, energy production, consumption, transport and storage, but not concrete financial flows, thus making difficult to estimate real investments. In the process of drafting the NECP update, this information was difficult to obtain, as only qualitative estimates were available; interviewees (AwAC, VEKA, CNC) believe this could be a point to be improved in the next period.

Although regional stakeholders have the necessary expertise to carry out activities required by the Governance Regulation, they estimate the lack of staff as critical bottleneck. However, this is a permanent situation that can sometimes be worsened when several reporting obligations come to term at the same time; when the workforce (or possibly the knowledge) is unavailable internally, a tender will be launched to subcontract a consultancy, which is a common process that is not specific to the Governance Regulation. Nevertheless, it was clearly stated by all interviewees that all Governance Regulation-related activities were carried out without calling for external support.

As shown in Table A6.1 below, regional stakeholders could more easily estimate their overall effort related to the Governance Regulation, while Federal level stakeholders could only express the intensity of the effort. This can mainly be explained by the effort distribution on many different teams in different ministries and agencies, but also by the distribution of accountability, whereas at regional level accountability would be held by a reduced number of people. The distribution of tasks between working groups (WG) is also presented. It can be observed that while the different reporting obligations are distributed among various working groups in different organs, they are mostly taken care of by *Experts and Project Managers* at regional level who, according to collected testimonies, usually are people from the same reduced team.

Table 38. Governance Regulation implementation costs

Reporting obligation	Carried out (Y/N)	N. and type of stakeholders' involved	Main internal costs (i.e. staff FTEs)
NECP (art. 3, 4 Annex I), incl.	Y	Federal Stuurgroep (=steering committee (joint WG NCC ⁶⁶⁹ -CONCERE ⁶⁷⁰) NEKP) Regional Experts & Project Manager	F: +++ R: 2-3 FTE ⁶⁷¹
MS contribution to EE targets	Y	R: Experts & Project Manager	R: 0.5 FTE
Implementation of RES targets	Y	R: Experts & Project Manager	R: 0.5 FTE
Reporting on energy security	Y	R: Experts & Project Manager	
Internal energy market	Y	R: Experts & Project Manager	
Reporting on energy poverty	Y	R: Experts & Project Manager	R: 0.5 FTE
Reporting on R&I	Y	R: Experts & Project Manager	R: 0.2 FTE
NECPR (art. 17)	Y	NCC WG PAMs WG Projections (joint WG NCC-CONCERE) CONCERE WG Energy Efficiency (EE) CONCERE WG Renewables (REN) Ad-hoc WG fossil fuel subsidies NCC WG adaptation	F: +++ R: 2 FTE

⁶⁶⁹ National Climate Commission - <https://www.cnc-nkc.be/fr>

⁶⁷⁰ Energy Concertation between the Federal State and the Regions - <https://economie.fgov.be/fr/themes/energie/politique-energetique/contexte-belge/concertation-de-lenergie-entre>

⁶⁷¹ Regional FTE values are for one region

Reporting obligation	Carried out (Y/N)	N. and type of stakeholders' involved	Main internal costs (i.e. staff FTEs)
Long-term strategies (Art. 15)	Y	WG LTS (joint WG NCC-CONCERE)	F: + R: 1 FTE
Integrated reporting on greenhouse gas policies and measures and on projections (art. 18, 20-25, Annex I) = NECP (art 17)	Y	NCC WG PAMs (art 118) NCC WG Projections (art 18) CONCERE WG REN (art 20) CONCERE WG EE (art 21) CONCERE energy security ? (art 22) CONCERE energy market ? (art 23) CONCERE Energy poverty ? (art 24) CONCERE RI&D ?(art 25)	F: +++ R: 1 FTE
Annual reporting on NECP (art. 26(1))		F: Unclear Wallonia: SPW Energie, AWAC Flanders: VEKA Brussels: Bruxelles Environnement	R: 0.5 FTE
National Climate Change Adaptation Planning and Strategies (NAP/NAS) (art. 19(1))	Y	NCC WG Adaptation	F: ++ R: 2 FTE
Report on the use of ETS revenues (art. 19(2))	Y	NCC WG Register	F: + R: 0.2 FTE
Support to developing countries (art. 19(3))	Y	NCC WG Reporting Climate Finance	F: + R: 0.3 FTE

Reporting obligation	Carried out (Y/N)	N. and type of stakeholders' involved	Main internal costs (i.e. staff FTEs)
Annual reporting on GHG inventories (art. 26 (2))	Y	CCIEP ⁶⁷² Emissions WG	F: + R: 0.5 FTE
Final greenhouse gas inventory report (art. 26(3)) [from 2023]	Y	CCIEP WG Emissions	F: +++ R: 0.5 FTE
Reporting on the 2020 energy efficiency national targets		?	R: 0.2 FTE
Member States shall establish, operate and seek to continuously improve national inventory systems to estimate anthropogenic emissions by sources and removals by sinks of greenhouse gases (art. 37)	Y	NCC WG PAMs NCC WG Projections	+

Key:

- + little effort, can easily be integrated to workload.
- ++ significant effort, difficult to integrate to workload.
- +++ important effort, which can lead to overtime and lesser quality/granularity to respect deadlines.

Main benefits

In order to respect its reporting obligations, Belgium had to better structure its interinstitutional communication, between federal and regional levels, different ministries and agencies but also between "silos" within ministries and agencies, since energy and climate are often dealt with by different teams/ministries at a given level. This already resulted in a better coordination between ministries.

Federal authorities and regional agencies particularly highlighted the importance and the usefulness of working groups organised by the European Commission to support them in

⁶⁷² Coordination Committee for International Environmental Policy - <https://www.health.belgium.be/en/cciep-coordination-committee-international-environmental-policy>

their reporting mission; nevertheless the lack of resources and available staff was pointed out as a major bottleneck to their regular participation in such encounters.

Table 39 summarising stakeholders' answers well reflects the analysis above.

Table 39. Possible benefits from the Governance Regulation

Possible benefits	Type of stakeholder	Benefit experienced and/or perceived (Y/N, which one)	Motivation/example of the benefit(s) – qualitative information most likely (if possible, backed-up by quantitative information)
Savings in time and/or resources for planning and reporting		R: Not really	F: Experience of collecting data for Policies and Measures (PAMs) led to decide to automate requests to the various departments concerned. Until now, the exchange of large Excel files has shown its limitations, and a tool will replace them (work/reflection in progress). R: More quantitative data to provide.
Possible reasons for savings (e.g. rationalisation of reporting, use of templates, use of IT tools)			
Improved quality and timeliness of information produced	WG Projections WG PAMs	F: Y for projections (better alignment Energy/Climate assumptions) N for timeliness (NECPR template available too late) R: Not really	
Higher visibility of different but interconnected policy domains		R: Not really	
Higher coherence of planning and reporting timelines and procedures		R: Y	

Higher coordination of different competent authorities/Ministries	Federal Civil servants : Federal Task Force	F: Y R: Y	
Better established processes, policies and procedures	Federal climate law	F: Y R: Not really	
Better information about the Energy Union implementation		R: Not really	R: Already clear
Better investor certainty		R: Not really	
Any other benefit (if mentioned by stakeholders)		R: Not really	

A concrete example of Governance Regulation use is a court case launched by a citizen movement called *Affaire Climat*⁶⁷³ (or *KlimaatZaak*) on climate denouncing the Belgian State for its inaction in this matter. The verdict⁶⁷⁴ issued on November 30th 2023 imposes on Belgium (all levels) a higher emission reduction target; the court will use the final NECP to monitor and track whether the different governments have reached their revised targets.

A5.1.3. Public consultation and multilevel climate and energy dialogues (MECDs)

Public consultation

The EU Directive 2001/42/CE on the environmental impact of plans and programmes imposes that for environmental planning measures, public consultations must be held. This procedure is considered as "very heavy"; in the former planning framework (pre-Governance Regulation), the whole consultation process had to be paper-based and paper versions of impact assessments were sent to communes for feedback. Consultations would take more than a year.

In 2023 in Wallonia, for the regional energy and climate plan, a citizen panel was constituted, with members selected by random draw, and invited to give their opinion on the plan. The results should be made public early 2024. This consultation falls under Article 10 definition.

Multi-level climate and energy dialogues

Regarding MECDs as defined in Art. 11 of the Governance Regulation, there is no evidence that such an initiative was implemented in Belgium, neither the draft NECP nor the interviewees reported any known initiative. According to the collected testimonies, it can be assumed that such dialogues would possibly overlap with existing cooperation structures (NCC, CONCERE, CELINE) and therefore were not pursued further. This type of dialogue could however carry added value compared to existing structures in that they also welcome representatives from sectors such as industry, businesses, NGOs and civil society associations.

⁶⁷³ See: <https://affaire-climat.be/>

⁶⁷⁴ See: https://prismic-io.s3.amazonaws.com/affaireclimat/a2250051-e0b7-4488-8944-14c33a82d017_SP52019923113012320+fr.pdf

Regarding the LTS, no consultation was held so far.

A5.1.4. Regional cooperation

As member, Belgium had exchanges with the following organisations:

- The PENTA Forum⁶⁷⁵: The Pentalateral Energy Forum is a regional cooperation structure between Belgium, the Netherlands, Luxembourg, Germany, France, Switzerland and Austria. Its latest joint statement⁶⁷⁶ defines the members' vision for a decarbonized electricity system;
- The North Seas Energy Cooperation⁶⁷⁷ (NSEC): Belgium, Denmark, France, Germany, Ireland, Luxembourg, the Netherlands, Norway, Sweden and the European Commission. It supports and facilitates the development of the offshore grid development and the large renewable energy potential in the region.

These high-level exchanges about objectives regarding renewables' development were compiled in a joint NECP chapter⁶⁷⁸ that was integrated to the Belgian draft NECP in the Regional Cooperation section. This joint chapter develops these groups' member states' willingness to decarbonise through electrification and wider deployment of solar and wind electricity production.

A5.1.5. Compliance mechanisms

Overlapping of reporting periods in different fields (e.g. energy and adaptation) and/or at different levels (regional and national but also European and international, e.g. UNFCCC) are perceived as a lack of coordination resulting in overloaded times. The example of NECP drafting and NECPR update happening on the same period was mentioned several times. The European Commission's reporting timeline should also take into consideration other reporting requirements, such as UNFCCC's, which analyses could feed each other instead of belonging to separate workstreams and could further generate policy coherence issues, as it is the case currently according to regional agencies.

In general, the number of policies and measures to be monitored was cited as an obstacle slowing works down. As a result, reporting teams with limited staff must "cluster" them to assess them in the imparted time, thus resulting in a lower definition in the assessment.

Regional agencies, while deplored their lack of resources to further participate in EU-led initiatives, clearly highlighted the crucial role of working groups organised by EU Services, which allow for more informal exchanges between professionals working at various levels of the compilation value chain. For example, in these meetings, actors from regions could obtain first-hand guidance from EU and/or national services, while national and EU services could receive feedback on how their initiatives are perceived at local level, if they are successful, what could be improved.

Regarding the reporting system, ReportNET3 is perceived as an improvement from the previous system, whereas ReportENER is still considered as too complicated, asking for very specific data that can hardly be obtained. Also, reporting can be complicated for a country like Belgium, where the information must be entered in the system from three different regions, which can be time-consuming due to double entries and cross-checking.

⁶⁷⁵ The Pentalateral Energy Forum is a regional cooperation structure between Belgium, the Netherlands, Luxembourg, Germany, France, Switzerland and Austria - <https://www.benelux.int/fr/info-citoyen/benelux-plus/forum-pentalateral-de-lenergie/>

⁶⁷⁶ See: <https://energeia-binary-external-prod.imgix.net/9e0e99-56gyeF0YvBgPyZIKDUhk.pdf?dl=Statement+van+het+Pentalaterale+Energie+Forum+over+een+CO%E2%82%82-vrij+elektriciteitssysteem+in+2035.pdf>

⁶⁷⁷ https://energy.ec.europa.eu/topics/infrastructure/high-level-groups/north-seas-energy-cooperation_en

⁶⁷⁸ See: <https://www.benelux.int/wp-content/uploads/2023/12/Statement-by-Penta-Ministers-on-a-joint-vision-for-a-decarbonized-electricity-system-short.pdf>

Also, users do not necessarily have a link with the IT system they use, thus leading them to add the values manually.

The major issue faced by Belgium in drafting and submitting the draft NECP to the European Commission is the lack of proper distribution of tasks between different participating authorities. The major issue faced by Belgium in drafting and submitting the draft NECP to the European Commission is the lack of proper distribution of tasks between different participating authorities. The insufficient consideration for this issue led to delayed submission of the draft. A burden-sharing exercise should therefore be carried out while designing the NECP drafting workplan.

A5.1.6. Lessons learnt and recommendations

Lessons learnt

The proximity of deadlines for 2023's NECPR and the NECP drafting put a lot of pressure on the teams, since they needed to run very similar reporting processes twice. This led respondents to wonder whether an integration of NECP drafting and NECPR could be possible in the case this deadline proximity occurs again.

If the Regulation's recast was resulting in new or revised reporting obligations, the effort should be quantified, in order for local teams to plan the effort and assess whether they should recruit new persons or ensure the reporting with existing resources.

Adaptation reporting too frequent for slowly evolving metrics - Adaptation measures happen on the long run and these short-term reporting obligations do not streamline the work but instead increase the workload unnecessarily.

At federal level, there is enough expertise in quantifying GHG emissions, energy production, consumption, transport and storage, but not concrete financial flows, thus making difficult to estimate real investments. In the process of drafting the NECP update, this information was difficult to obtain, as only qualitative estimates were available; interviewees believe this could be a point to be improved in the next period.

Recommendations

Along the interviewing process, the following recommendations to the European Commission were made:

- The EC needs to reconsider the timeline of the NECPRs and align them with the UNFCCC reporting requirements, as this creates a question of policy coherence.
- The 2040 climate targets discussion needs to be taken into account in the NECPs;
- Reporting templates should be consistently provided in a timely manner. For example, the digital templates for NECPR's Policies and Measures were received rather late (February 2023) when reporting was due on the 15th March, immediately followed by the NECP reporting;
- Requirements for NECPR Policies and Measures, wherever possible, should require less granularity in the policy description; since teams in charge of the reporting do not have the time to deep-dive in the concerned policies, they cluster them to be able to meet the reporting deadlines.

Table 40. List of stakeholders consulted

Stakeholder type	Position/Role	Interview date
National/Regional authority	Team coordinator EU policy and industrial climate policy	12/12/2023

Stakeholder type	Position/Role	Interview date
<i>National/Regional authority</i>	Head of Agency	20/12/2023
<i>National/Regional authority</i>	Project Manager Climate Air-Energy-	22/12/2023
3 rd Party Stakeholder	Head of Group EU Affairs	05/01/2024
<i>National/Regional authority</i>	Adaptation and Climate Change Advisor	19/01/2024
<i>National/Regional authority</i>	Coordinator of the National Climate Committee	02/02/2024

Table 41. Documents reviewed

Document type	Author(s) and title	Year
Draft updated NECP	Belgium	2023
Final NECP	Belgium	2019
European Commission Documentation	European Commission, Staff Working Document, Assessment of the draft NECP	2019

A5.2. Case Study – Denmark

A5.2.1. Background

Energy and climate governance in Denmark falls within the competence of the Danish Ministry of Climate, Energy and Utilities. Among other competencies, the Ministry is responsible for national and international efforts to prevent climate change and promotes sustainable policy towards the green transition.⁶⁷⁹ The Ministry is also responsible for ensuring that the country is compliant with the Paris Agreement.⁶⁸⁰ The Ministry works under the framework of the Danish Climate Act, whose agreement was reached in December 2019. The Climate Act sets a target to reduce Denmark's emissions by 70% by 2030, relative to 1990, and to achieve climate neutrality by 2050. The Act sets a rolling five-year target for emissions reduction.⁶⁸¹

The processes are supported by different agencies, such as:⁶⁸²

The Danish Energy Agency – Established in 1976, under the Ministry of Climate, Energy and Utilities, it is responsible for tasks linked to energy production, supply and consumption, as well as Danish efforts to reduce carbon emissions.⁶⁸³

The Danish Council on Climate Change – Independent body of experts that advises how Denmark can most effectively and cost-efficiently undertake the transition to a low-carbon economy by 2050.⁶⁸⁴

The Danish Government has also recently set up a national energy crisis department (NEKST) tasked with identifying solutions to green challenges and expediting the implementation of the Green Political Agreements.⁶⁸⁵

Danish NECP and LTS

Denmark notified the European Commission of its first draft integrated National Energy and Climate Plan (NECP) in December 2018,⁶⁸⁶ thus meeting the deadline set in Article 9 of the Governance Regulation of 31 December 2018. In June 2019, the European Commission published an assessment of the draft NECPs, which was country-specific and contained specific recommendations for each Member State.⁶⁸⁷ A summary of the European

⁶⁷⁹ State of Green, (2023), About Danish Ministry of Climate, Energy and Utilities, available at: <https://stateofgreen.com/en/solution-providers/danish-ministry-of-energy-utilities-and-climate/#:~:text=The%20Danish%20Ministry%20of%20Climate,efforts%20to%20prevent%20climate%20change>.

⁶⁸⁰ Danish Ministry of Climate, Energy and Utilities, (2019), Denmark's Integrated National Energy and Climate Plan, available at: https://energy.ec.europa.eu/system/files/2020-01/dk_final_necp_main_en_0.pdf.

⁶⁸¹ Climate change laws of the world, Denmark – The Climate Act, available at: https://climate-laws.org/document/the-climate-act_dae7.

⁶⁸² The list is illustrative and not exhaustive.

⁶⁸³ Danish Energy Agency, About the Danish Energy Agency, available at: <https://ens.dk/en/about-us/about-danish-energy-agency>.

⁶⁸⁴ Danish Council on Climate Change, About the Danish Council on Climate Change, available at: <https://klimaraadet.dk/en/about-danish-council-climate-change>.

⁶⁸⁵ Danish Ministry of Climate, Energy and Utilities, (2023), Draft Updated NECP, available at: https://commission.europa.eu/document/download/31895e48-37c3-46fe-8a8f-8f61fbff6724_en?filename=EN_DENMARK%20DRAFT%20UPDATED%20NECP.pdf.

⁶⁸⁶ Danish Ministry of Climate, Energy and Utilities, (2018), Draft integrated NECP, available at: https://energy.ec.europa.eu/document/download/9bef5f79-7f6e-4acb-8b9f-39fca0880481_en?filename=denmark_draftnecp.pdf.

⁶⁸⁷ European Commission, (2019), Staff Working Document. Assessment of the draft NECP. Available at: https://energy.ec.europa.eu/document/download/3b349a81-0b2c-492c-b264-e6b492cfbeda_en.

Commission's assessment and recommendations was also provided, in the form of a factsheet.⁶⁸⁸

The recommendations provided by the European Commission were to be taken into consideration when preparing the final NECP. This was submitted by Denmark in December 2019 – within the deadline of 31 December 2019. The assessment of the Danish final NECP was published by the European Commission in October 2020.⁶⁸⁹

The Governance Regulation required the Member States to prepare a draft updated NECP by 30 June 2023. Denmark respected this deadline and submitted its draft updated NECP on 29 June 2023.⁶⁹⁰ The European Commission's assessment and recommendations on Denmark's draft updated NECP were published on 18 December 2023.⁶⁹¹

The Governance Regulation also required Member States to submit their first national long-term strategies (LTS) to the European Commission by 1 January 2020. Denmark submitted its LTS on 20 December 2019. An assessment conducted by a contractor to support DG CLIMA with the assessment of the LTS concludes that the Danish LTS contains clear goals but is insufficiently detailed and lacks some mandatory content.⁶⁹²

Denmark's objectives, targets and contributions in the draft updated NECP

The figure below summarises the climate and energy objectives, targets and contributions provided in Denmark's 2023 draft updated NECP.

⁶⁸⁸ European Commission, (2019), Denmark – Summary of the Commission assessment of the draft National Energy and Climate Plan 2021-2030, available at: https://energy.ec.europa.eu/document/download/7d52df51-97ab-4562-97d9-692123ad0272_en.

⁶⁸⁹ European Commission, (2020), Assessment of the final national energy and climate plan of Denmark, available at: https://energy.ec.europa.eu/document/download/d7ad3cd1-84c4-4616-936e-df9ed09c1a8e_en.

⁶⁹⁰ Danish Ministry of Climate, Energy and Utilities, (2023), Draft update of the NECP, available at: https://commission.europa.eu/publications/denmark-draft-updated-necp-2021-2030_en.

⁶⁹¹ European Commission, (2023), Commission Recommendation, Assessment and Factsheet of the draft updated National Energy and Climate Plan of Denmark, available at: https://commission.europa.eu/publications/commission-recommendation-assessment-swd-and-factsheet-draft-updated-national-energy-and-climate-12_en.

⁶⁹² Ricardo Energy & Environment, Assessment of the Long-Term Strategies of EU Member States, Denmark, available at: https://ec.europa.eu/clima/sites/lts/lts_dk_summary_en.pdf.

Figure 54. Denmark's key objectives, targets and contributions

	2030 value submitted in the draft updated NECP	2030 target under EU legislation	Assessment of 2030 ambition level
 Greenhouse gas (GHG) emissions in ESR sectors (compared with 2005)	-39.5%	-50%*	Denmark does not reach its target based on projections
 GHG removals in LULUCF (Mt CO ₂ eq. net GHG removals)	missing	0.441 (additional net removal target) 5.338 (total net removals)**	Denmark is not reaching its target based on projections (accumulated reduction gap of 9.7Mt)
 Energy Efficiency (final energy consumption)	14.2 Mtoe	13.7 Mtoe***	Denmark's final energy consumption is above the indicated target resulting from EU legislation
 Renewable Energy (share of renewable energy in gross final consumption)	70.9%	60%****	Denmark's submitted contribution to the EU target is significantly above the one resulting from EU legislation

* under the Effort Sharing Regulation (ESR).

** under the Regulation on Land Use, Land Use Change and Forestry (LULUCF).

*** according to the formula set out in Annex I of the Directive (EU) 2023/1791 on energy efficiency and amending Regulation (EU) 2023/955 ('EED recast').

**** according to the formula set out in Annex II of the Regulation (EU) 2018/1999 on the Governance Regulation of the Energy Union and Climate Action.

Source: European Commission (2023) Factsheet: Denmark's Draft Updated National Energy and Climate Plan.⁶⁹³

A5.2.2. Main costs and benefits of the Governance Regulation

This section provides an overview of the main costs and benefits linked to compliance with the obligations of the Governance Regulation. As it was only possible to conduct two interviews in Denmark – with Danish national authorities –, the information in this section is not fully comprehensive.

Main costs

Given the comprehensiveness of the NECP and the different aspects that it touches upon, numerous staff were involved in the drafting. This complicates the quantification of internal costs.

One national authority explained that 20-30 people were involved in the work on the NECP. Of these, one person was responsible for each chapter and subchapter of the NECP, and other team members participated as contributors or in a quality assurance role.

Of the 20-30 people involved in preparing the NECP, 5-10 people were responsible for the main chapters and comprised the core team. The core team was then supported by the remaining colleagues. The drafting of the NECP occupied around half the time of the 5-10 core team members, while the other contributors used less time. Costs were higher during the first round of drafting of the NECP in 2018, because staff had to familiarise themselves with a new format and new type of requests.

Fewer team members contributed to the drafting from other national authorities.

No other major costs were reported, as the main cost was staff time.

⁶⁹³ European Commission, (2023), Factsheet – Denmark's Draft Updated National Energy and Climate Plan, available at: https://commission.europa.eu/document/download/ec51a283-b9e3-4ab4-aa00-1a5dce4b4ef9_en?filename=Factsheet_Commissions_assessment_NECP_Denmark_2023.pdf.

One national authority that was interviewed shared that although the objective of the Governance Regulation of streamlining reporting is worthy, the complexity of certain reporting requirements might generate some burden.

The authority also shared that another potential source of burden is the misalignment between the multiple deadlines stipulated in the Governance Regulation and those set by other international obligations, such as those set by the UNFCCC, as well as national reporting frameworks. As a result, staff duplicate effort by working twice on similar deliverables with different deadlines and different reporting styles.

One of the national authorities interviewed had a role in the drafting of other reports, such as the integrated national energy and climate progress report. Compared to the NECP, this smaller report required less participation from the national authority – only 5-10 people were involved. Similarly, the team also contributed to the integrated reporting on greenhouse gas policies and measures and on projections, but the stakeholder did not elaborate on the costs involved in this.

Concerning the Reporting on 2020 targets, according to one national authority, the time required for the completion of this Report is already included in the amount of time indicated for the completion of the NECP. Indeed, the stakeholder indicated that given the standardising and consolidated nature of the process on this report, it was not excessively time consuming.

Main benefits

Given the limited stakeholder input, it is not possible to draw solid conclusions on the benefits of the Governance Regulation.

One of the authorities interviewed explained that most data required to meet the Governance Regulation's reporting obligations were already collected as national statistics. Consequently, the reporting process mainly entailed adapting the report to the new model. Nevertheless, the stakeholder emphasised that the reporting requirements of the Governance Regulation also provided an occasion to collect new and additional data, such as on the consumption of biomass for energy purposes.

One authority indicated that the guidance and support received from the European Commission during the reporting process was useful, although they also emphasised that it was sometimes received too late, given the deadlines for submission. The national authority shared that, during the early stages of the new process, there was a learning curve for all the stakeholders and that it would have been preferable to receive guidance and support at an earlier point in this process.

One national authority noted that the Governance Regulation mostly aggregated and duplicated pre-existing reporting obligations, albeit with a different timing. In this respect, an extensive added value was not perceived.

A5.2.3. Public consultation and multilevel climate and energy dialogues

This section of the case study focuses on Denmark's compliance with the obligations set in Article 10 (on public consultation) and Article 11 (on multilevel climate and energy dialogues) of the Governance Regulation.

Public consultation

Article 10 of the Governance Regulation requires Member States to ensure public participation in the preparation of the draft NECPs and national LTSSs. It sets timeframes for the public to be informed and to participate by expressing their views.

According to an assessment conducted by an external contractor for DG CLIMA, Denmark did not carry out a public consultation to support the drafting of its national LTS.⁶⁹⁴ This presents a gap in one of the mandatory elements foreseen by the Governance Regulation.

A public consultation was, however, conducted for the first version of the NECP, between 22 November 2019 and 2 December 2019. For this, the Ministry of Climate, Energy and Utilities used the EU Special Committee, a committee comprising around 100 stakeholders, interest groups, and organisations (e.g. public institutions, NGOs, companies). The members of the committee were given the opportunity to express their views on the draft NECP, however, only 12 responses to the public hearing notice were received.⁶⁹⁵ The public was also given the opportunity to comment on the draft NECP when it was published on the Danish Ministry of Climate, Energy and Utilities' website on 22 November 2019.⁶⁹⁶ The NECP for Denmark contains a summary of the public's view and of how these views were considered in the final plan. Local and regional authorities were also involved via the organisation representing the municipalities, named "Local Government Denmark", and the organisation representing the different regions, called "Danish Regions". Finally, the national Parliament was indirectly involved, as the content of the NECP draws on the Energy Agreement adopted in the Danish Parliament.⁶⁹⁷

To update the NECP, Denmark followed the same path, namely submitting for public consultation the draft updated NECP via the EU Special Committee. The draft was available for consultation from 16 May 2023 to 6 June 2023. The draft updated NECP submitted by Denmark to the European Commission collated and summarised the answers provided by stakeholders.⁶⁹⁸ It is again noteworthy that only 12 stakeholders provided input in this process. According to the assessment published by the European Commission, the public participation procedure in Denmark was inadequate to guarantee sufficient public participation. Denmark's draft updated NECP mentions that a longer period for consultation will be ensured for the final updated plan. This intention was confirmed by one authority during an interview. The authority also emphasised that the NECP is compiled with information and ambitions set in several pieces of legislation, that have already been discussed at the national level and for whom public consultation has been carried out.

Multi-level climate and energy dialogues

Article 11 of the Governance Regulation requires the Member States to establish a multi-level climate and energy dialogue (MLCED) in which local authorities, civil society organisations, businesses and other stakeholders can engage and discuss relevant points of the national energy and climate plans, including NECP and national LTS.

The Commission's assessment of the 2019 NECP states that Denmark should better exploit the potential of the MLCED to better engage with stakeholders on the different scenarios envisaged for its energy and climate policies.⁶⁹⁹ This was also confirmed in 2023 in the context of the assessment of the draft updated NECP, where the Commission emphasised that there was little evidence of a proper MLCED during the process of updating the NECP

⁶⁹⁴ Ricardo Energy & Environment, Assessment of the Long-Term Strategies of EU Member States, Denmark, available at: https://ec.europa.eu/clima/sites/lts/lts_dk_summary_en.pdf.

⁶⁹⁵ Danish Ministry of Climate, Energy and Utilities, (2019), Denmark's Integrated National Energy and Climate Plan, available at: https://energy.ec.europa.eu/system/files/2020-01/dk_final_necp_main_en_0.pdf

⁶⁹⁶ Danish Ministry of Climate, Energy and Utilities (2019): Denmark's Integrated National Energy and Climate Plan, available at: https://energy.ec.europa.eu/system/files/2020-01/dk_final_necp_main_en_0.pdf

⁶⁹⁷ Danish Ministry of Climate, Energy and Utilities (2019): Denmark's Integrated National Energy and Climate Plan, available at: https://energy.ec.europa.eu/system/files/2020-01/dk_final_necp_main_en_0.pdf.

⁶⁹⁸ Danish Ministry of Climate, Energy and Utilities, (2023), Draft update of the NECP.

⁶⁹⁹ European Commission, (2020), Assessment of the final national energy and climate plan of Denmark.

in Denmark.⁷⁰⁰ This finding is supported by research from CAN Europe and WWF which identified that by 31 March 2023, Denmark had not yet set up a MCLED.⁷⁰¹

A5.2.4. Regional cooperation

Article 12 of the Governance Regulation requires the Member States to cooperate with each other, exploiting all potential forms of regional cooperation, to meet the objectives of their NECP. The 2019 Danish NECP details the fora where Denmark cooperated for the preparation of its national plan.

The North Seas Energy Cooperation (NSEC) is a voluntary, bottom up, market-oriented, regional cooperation initiative, established in 2016 by countries in the North Seas region.⁷⁰² Denmark used the NSEC for the preparation of its NECP by gathering specific support from the following internal Support Groups:⁷⁰³

- Support group 1: Maritime Spatial Planning and environmental assessment;
- Support group 2: Development and regulation of offshore grids and other offshore infrastructure;
- Support group 3: Support framework and finance for offshore wind projects;
- Support group 4: Standards, technical rules and regulations in the offshore wind sector.

Moreover, regional cooperation took place in the framework of the Nordic Council of Ministers, the official body for inter-governmental cooperation in the Nordic Region. The Nordic cooperation promotes the green transition of the Nordic region, to meet the ambitious Nordic countries' climate targets. Consequently, the already established cooperation on climate and energy matters has been further intensified.⁷⁰⁴ For instance, an ad hoc working group on national energy and climate plans has been established to provide a forum for cooperation on the NECP.

The regional cooperation arrangements established by Denmark were deemed as good by the European Commission in its assessment of the draft updated NECP. As shown in the table below, of the recommendations given by the European Commission in its assessment of the final NECP, two were considered as fully addressed and one (on research and innovation) only partially addressed.

Table 42. European Commission assessment of the final NECP of Denmark: regional cooperation

Recommendation on regional cooperation	Status	Commission's assessment
Expand the already good regional cooperation arrangements, in particular with the other Nordic (Finland, Iceland,	Fully addressed	The contribution to security of supply from biogas has historically been low. This is because the share of biogas in the natural gas grid has been limited, and

⁷⁰⁰ European Commission, (2023), Commission Recommendation, Assessment and Factsheet of the draft updated National Energy and Climate Plan of Denmark.

⁷⁰¹ CAN Europe; WWF, (2023) Public participation in national energy and climate plans. Evidence of weak and uneven compliance in Member States

⁷⁰² Danish Ministry of Climate, Energy and Utilities, (2019), Denmark's Integrated National Energy and Climate Plan.

⁷⁰³ Danish Ministry of Climate, Energy and Utilities, (2019), Denmark's Integrated National Energy and Climate Plan.

⁷⁰⁴ Danish Ministry of Climate, Energy and Utilities, (2019), Denmark's Integrated National Energy and Climate Plan.

Recommendation on regional cooperation	Status	Commission's assessment
Norway and Sweden) and Baltic (Estonia, Latvia and Lithuania) countries to other cooperation mechanisms.		there are ample opportunities for natural gas supplies from the North Sea and Germany. The Danish national transmission system operator Energinet is currently looking into various operational solutions in close dialogue with Danish stakeholders.
Possible areas for enhanced cooperation in renewable energy include planned statistical transfers or hybrid renewable projects, where offshore wind electricity is connected to more than one market.	Fully addressed	Denmark works together with the other North Seas Energy Cooperation countries on the possibilities for joint offshore-wind projects that would be connected to – and supported by – several Member States. This includes work on possible 'hybrid' solutions that would: (i) use cross-border solutions for connecting offshore wind farms to the grid; and (ii) seek synergies in both interconnection capacity between countries, and the corresponding market arrangements.
In research and innovation, these include alignment of research programmes coordinated funding, and identification of synergies with other Member States and with Union's programmes and initiatives.	Partially addressed	ERA-NETS are mentioned, but more alignment could have been listed.

Source: European Commission (2020) Staff Working Document. Assessment of the final national energy and climate plan of Denmark. Annex

In the European Commission's recommendations on the draft updated NECP, issued in December 2023, the European Commission invited Denmark to "Expand the already good regional cooperation by pursuing efforts to sign all the needed bilateral solidarity arrangements for the security of gas supply with its neighbours (Poland), including those arising from the building of new cross-border infrastructure".⁷⁰⁵ The assessment of the implementation of these new recommendations has not yet been carried out.

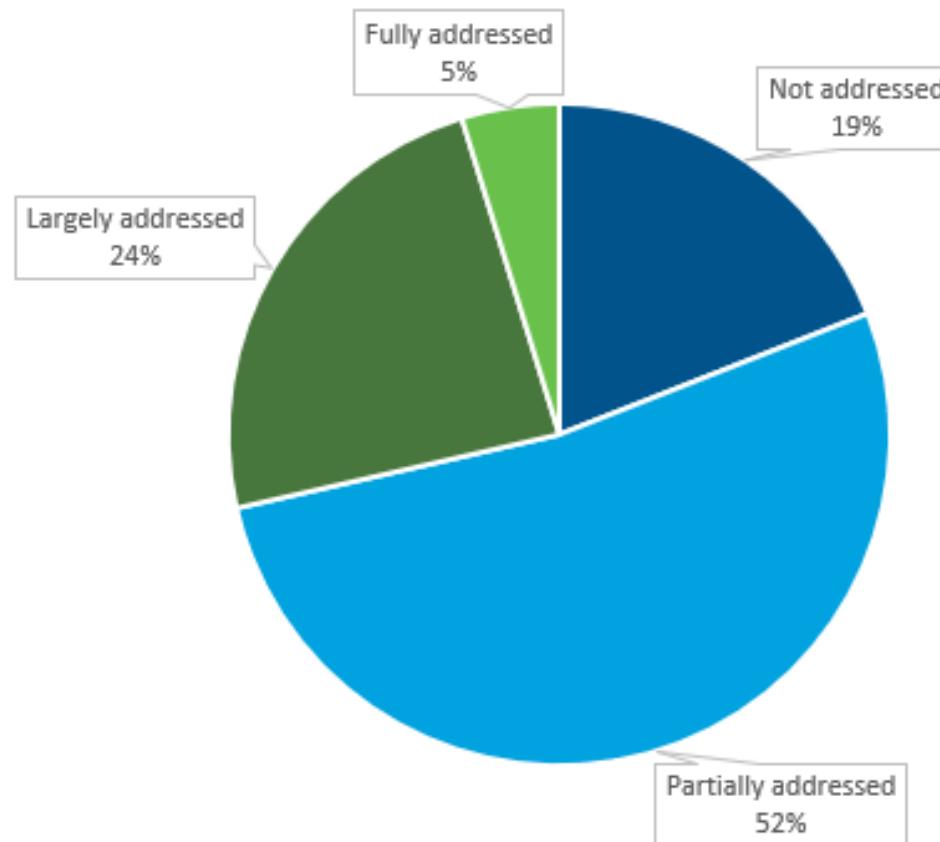
⁷⁰⁵ European Commission, (2023), Commission Recommendation on the draft updated integrated national energy and climate plan of Denmark covering the period 2021-2030, available at: https://commission.europa.eu/document/download/13258c5a-f447-4656-bbc9-29a4e8adcb0e_en?filename=Recommendation_draft_updated_NECP_Denmark_2023.pdf.

A5.2.5. Compliance mechanisms

This section of the case study provides an overview of the extent to which Denmark has progressed towards addressing the European Commission's recommendations provided to the first draft NECP, and the quality of the updated NECP and LTS.

The European Commission issued 10 recommendations on the first draft Danish NECP,⁷⁰⁶ which were divided into 21 recommendations. According to the European Commission's assessment of the final NECP, published in 2020, Denmark addressed only some of the recommendations provided, with room for improvement, as shown in the figure below.

Figure 55. Implementation of Commission's recommendations in the Danish NECP (n=21)



Source: ICF based on European Commission (2020) Staff Working Document. Assessment of the final national energy and climate plan of Denmark. Annex

According to one national authority that was interviewed in Denmark, one of the main compliance challenges for national authorities, is the very tight timeline for gathering all the required information.

The European Commission's assessment of Denmark's draft updated NECP, published in December 2023, recognises that the draft updated NECP refers to the revised energy and climate targets agreed under the Fit for 55 Package and the RePowerEU plan, but it concludes that the Danish plan is not convincing on how the climate targets will be reached.⁷⁰⁷

⁷⁰⁶ European Commission, (2019), Commission Recommendation on the draft integrated National Energy and Climate Plan of Denmark covering the period 2021-2030.

⁷⁰⁷ European Commission, (2023), Assessment of the draft updated National Energy and Climate Plan of Denmark.

The table below provides a summary of the European Commission's assessment of the draft updated NECP of Denmark.

Table 43. European Commission's assessment of the draft updated NECP of Denmark

Topic	Summary of European Commission's assessment (2023)
GHG emissions	<p>The plan provides emission projections demonstrating that with existing policies and measures Denmark is not on track to meet its national greenhouse gas target of -50% in 2030 compared to 2005 levels;</p> <p>There is the need for more ambitious climate action.</p>
LULUCF	<p>The draft updated projections in the plan indicate that Denmark will fall short of the 2030 ambition;</p> <p>The draft does not clearly set out a pathway to increase the land sector's contribution to the EU's overall enhanced climate target;</p> <p>The draft does not provide a clear implementation timeframe nor quantification of the impacts of specific policies and measures;</p> <p>The draft lacks information on the status and progress in ensuring higher tier levels and geographically explicit datasets needed to ensure the robustness of net removal estimates.</p>
CCUS	<p>No split into ETS and non-ETS sources has been provided;</p> <p>The information on the process for assessing the volumes of CO2 emissions to be captured and the potential storage capacity is not always very detailed.</p>
Paris Agreement	<p>The draft does not address how and when fossil fuels subsidies will be phased out.</p>
Adaptation to climate change	<p>The draft updated NECP does not contain adequate analysis of the relevant climate vulnerabilities and risks to the achievement of national objectives, targets, and contributions and the policies and measures in the dimensions of the Energy Union;</p> <p>The link to the specific Energy Union objectives and policies is not specified or quantified;</p> <p>Adaptation policies and measures to support Denmark's achievement of national objectives, targets and contributions under the Energy Union are not properly described.</p>
Renewable energy	<p>The draft updated plan puts forward a contribution for a share of 70.9% of the country's gross final energy consumption by 2030, which is significantly above the share of 60%;</p> <p>The draft plan includes specific trajectories for renewables in the electricity, transport, heating and cooling sectors but does not provide the trajectories for buildings and industry;</p> <p>The plan does not provide any details on renewable fuels of non-biological origin (RFNBOs).</p>

Topic	Summary of European Commission's assessment (2023)
Energy efficiency	The draft updated NECP is a very preliminary update of the 2020 plan; Several key elements are missing such as the 2030 energy efficiency targets and the expected impact of measures in terms of energy savings, accordingly a comprehensive assessment of the plan cannot be completed.
Buildings	The draft updated NECP does not update the ambition of the 2020 long-term renovation strategy (LTRS) in relation to targets and indicators such as building renovation targets, energy savings and CO2 emission reduction.
Energy security	The draft updated plan convincingly sets out measures to enhance the security of gas, oil and electricity supply; The draft does not sufficiently demonstrate how emergency measures adopted in response to Russian invasion of Ukraine, in particular with regard to gas demand reduction, are integrated into the medium-term planning towards 2030.
Oil	The draft updated NECP contains few details on efforts undertaken to phase out Russian oil; The draft updated plan does not include a target for energy storage.
Internal market	Denmark is exemplary with regards to electricity interconnection, with the current interconnectivity level already significantly exceeding the EU target for 2030.
Energy poverty	The draft updated NECP indicates an engagement to launch work that will tackle energy poverty in line with the recent EU legislative developments in this field.
Research, innovation, competitiveness, skills dimension	This dimension in draft updated NECP is well developed; The draft updated plan did not provide a breakdown of research and innovation funding per public and private investors and does not set the share of green R&I compared to the overall R&I; The plan provides limited information on the investments needed for the manufacturing of key components and equipment for net-zero technologies; The draft updated NECP does not include information on potential skills shortages in strategic subsectors.
Just transition	Only partially addressed in the draft updated NECP; There is little analysis of the social, employment and skills impacts, including distributional impacts, of the climate and energy transition; The plan does not detail the resources dedicated for supporting a just transition.

Topic	Summary of European Commission's assessment (2023)
Alignment with other planning tools	The draft updated NECP appears consistent with the recovery and resilience plan (RRP); The measures in the draft updated plan address the 2023 European Semester country specific recommendations.
Investment needs	The draft updated plan does not include information on expected investment needs to implement the planned policies and measures; For the analytical base, details on projections of the scenario with existing measures (WEM) are reported, but the impacts of additional measures adopted until 1 January 2024 are still missing; The draft updated NECP contains a macro-economic assessment, but it is not sufficiently developed or robust.

Source: Summary based on European Commission Assessment of the draft updated National Energy and Climate Plan of Denmark, 2023.

The contractor responsible for assessing the national LTS concluded that although Denmark's national LTS defines a clear goal for Denmark to reach net-zero emissions by 2050, it does not clearly specify if the target includes emissions from international aviation and maritime.⁷⁰⁸

The analysis maintains that the LTS is insufficiently detailed and omits several mandatory elements, namely:

- Public consultation;
- Energy sector's emission reductions;
- Emissions reductions in buildings;
- Estimated investment needs;
- Socio-economic impact assessment.⁷⁰⁹

Finally, the analysis emphasises that the LTS includes some of non-mandatory contents, but with projections limited to 2040.⁷¹⁰

According to a study recently conducted, the Governance Regulation's objective to establish an integrated framework for planning and reporting of national energy and climate policies has not yet been achieved.⁷¹¹

The study, which contained an analysis of the implementation of the Governance Regulation in several Member States, including Denmark, showed that the main critical elements pertained to different layers. These included the national administrative structures, the national implementation of the Governance Regulation and finally, some of them were more connected to the Regulation design itself. The table below provides an overview of the main issues and recommendations identified in the study. While not all the

⁷⁰⁸ Ricardo Energy & Environment, Assessment of the Long-Term Strategies of EU Member States, Denmark.

⁷⁰⁹ Ricardo Energy & Environment, Assessment of the Long-Term Strategies of EU Member States, Denmark.

⁷¹⁰ Ricardo Energy & Environment, Assessment of the Long-Term Strategies of EU Member States, Denmark.

⁷¹¹ Wachsmuth, Jakob et al. (2023): National Energy and Climate Plans: Evidence of Policy Impacts and Options for more Transparency. A Meta Study assessing Evaluations of selected Policies reported in the Danish, French, German, Slovenian, and Swedish Plan. Final report. Dessau-Roßlau: German Environment Agency, available at: <https://www.ecologic.eu/19479>.

issues identified as critical in the case of Denmark, they need to be considered in the future reporting cycles.

Table 44. Main issues and recommendations identified in the Wachsmuth, Jakob et al. (2023) study

Issues	Recommendations
Knowledge gaps with regard to PaM impacts	Undertaking of ex-post evaluations of the main PaMs, on a regular basis; GHG impacts included in the agricultural evaluations; Creation of a centralised platform for increasing transparency.
Insufficient transparency about the selection of policies and the impacts on NECPs	The NECP would benefit from more detailed description of the role of existing and planned PaMs, including the explanation of which PaMs are key and why; Ex-ante estimates on the emission reduction for the key PaMs, which take into account the findings of the ex-post evaluations.
Gaps in reporting of PaMs impacts in relation to climate and energy objectives	Enforce a higher degree of harmonisation between NECPs, Progress Reports and PaM reports; Harmonise the baselines between NECPs, Progress Reports and PaM reports building on the requirements of the NECPs, i.e. allowing for a comparison between current and planned policies; if a Member State keeps the PaM report separate from the NECP progress report, the progress report should clearly reference the PaM report and corresponding evaluations of PaMs; Make reporting the contributions of PaMs to RES expansion mandatory if available.
Insufficient transparency in the use and development of evaluations	Harmonisation of the reporting requirements under the EED and the Governance Regulation; Evaluations should be carried out on the basis of existing guidelines; Integrate requirement to measure PaM contributions into all evaluations; Improve planning by using the same templates for all evaluations of PaMs.

Source: ICF based on Wachsmuth, Jakob et al. 2023: National Energy and Climate Plans: Evidence of Policy Impacts and Options for more Transparency. A Meta Study assessing Evaluations of selected Policies reported in the Danish, French, German, Slovenian, and Swedish Plan. Final report.

A5.2.6. Lessons learnt and recommendations

The following conclusive section of the case study details the main lessons learnt and draws some recommendations, based on the evidence collected from desk research and the

limited stakeholder consultation on the implementation of the Governance Regulation in Denmark.

Evidence collected appears to suggest that in Denmark energy and climate policy is not driven by the NECP, on the contrary the NECP seems more a collection of the results of existing policies and measures that have been deliberated separately. This emerges clearly, for instance, in the context of the public consultation, which albeit limited for the purpose of the NECP, had already been carried out separately for the single policies and measures that eventually flowed into the NECP.

Overall, Denmark respected the deadlines for reporting submissions,⁷¹² which however are misaligned with the deadlines of similar reports at different governance levels – e.g., national and international – therefore potentially generating burden and duplication of efforts. This issue emerges mostly in relation to the need to adapt to different reporting styles, since the typology of data that has to be reported is often the same in the different reports. Therefore, either flexibility on the reporting style of the NECP or providing more guidance within a reasonable time compared to the deadline, can be recommendable.

Moreover, according to the desk research conducted for the case study, only 5% of the recommendations provided by the European Commission to the first draft NECP, had been fully addressed by the time of the 2020 assessment of the final NECP. Although Denmark worked on improving the implementation of the recommendations, it emerges from the assessment of the draft updated NECP that omissions of necessary data and of clearer information still takes place. Similarly, it emerges from desk research that the Danish LTS defines the clear goal of reaching net-zero emissions by 2050, but it is insufficiently detailed and omits several mandatory elements. Also in these cases, according to one authority one of the main compliance challenges was the timeline, deemed as very tight.

Given the reiterative nature of the exercise, economies of scale can potentially be expected, with a progressive flattening of the learning curve regarding data and information to be collected and reported. This should, at least in theory, contribute to reduce these compliance issues.

Table 45. List of stakeholders consulted

Stakeholder type	Position/Rôle	Interview date
National authority	Policy Officers	04-12-2023
National authority	Policy Officers	29-02-2024

Table 46. Documents reviewed

Document type	Author(s) and title	Year
NECP	Danish Ministry of Climate, Energy and Utilities, Draft integrated NECP	2018

⁷¹² This information refers to NECP and national LTS.

Document type	Author(s) and title	Year
NECP	Danish Ministry of Climate, Energy and Utilities, Denmark's Integrated National Energy and Climate Plan	2019
NECP	Danish Ministry of Climate, Energy and Utilities, Draft Updated NECP	2023
European Commission Documentation	European Commission, Staff Working Document, Assessment of the draft NECP	2019
European Commission Documentation	European Commission, Denmark – Summary of the Commission assessment of the draft National Energy and Climate Plan 2021-2030	2019
European Commission Documentation	European Commission, Commission Recommendation on the draft integrated National Energy and Climate Plan of Denmark covering the period 2021-2030	2019
European Commission Documentation	European Commission, Assessment of the final national energy and climate plan of Denmark	2020
European Commission Documentation	European Commission, Recommendation, Assessment and Factsheet of the draft updated National Energy and Climate Plan of Denmark	2023
NLTs assessment	Ricardo Energy & Environment. Assessment of the Long-Term Strategy of Germany. Summary of main findings.	ND
Study	Wachsmuth, Jakob et al. National Energy and Climate Plans: Evidence of Policy Impacts and Options for more Transparency. A Meta Study assessing Evaluations of selected Policies reported in the Danish, French, German, Slovenian, and Swedish Plan. Final report. Dessau-Roßlau: German Environment Agency.	2023
Report	CAN Europe; WWF. Public participation in national energy and climate plans. Evidence of weak and uneven compliance in Member States	2023
Webpage	State of Green, About Danish Ministry of Climate, Energy and Utilities	2023
Webpage	Climate change laws of the world, Denmark – The Climate Act	ND
Webpage	Danish Energy Agency, About the Danish Energy Agency	ND
Webpage	Danish Council on Climate Change, About the Danish Council on Climate Change	ND

A5.3. Case Study – France

A5.3.1. Background

Institutional background and organisation

The preparation of the NECP and other reporting, including the NECPRs, is managed directly by the ministry in charge of energy and climate (namely the DGEC – General Directorate for Energy and Climate), including two directorates (Directorate for Energy, and Directorate for Climate, Energy Efficiency and Air). This implies coordination between the two directorates.

The process is fully led and implemented by DGEC (no use of external contractor). The reporting obligations are distributed within the teams of the two directorates of DGEC, according to their missions. However, other ministries or administrations (e.g. Directorate of State's real estate; Directorate in charge buildings' policies; ministry in charge of transport; ministry in charge of agriculture) may be involved, especially to provide data.

Moreover, a general secretariat for ecological planning (SGPE), placed under the authority of the Prime Minister, was created in 2022. It is responsible for coordinating the development of national strategies on climate, energy, biodiversity and the circular economy. It thus plays a role in coordinating interministerial discussions during the preparation of the NECP. However, the SGPE was not created due to the Governance Regulation. It is a political decision related to the national context (following the President's election in April 2022).⁷¹³

Compliance with the Governance Regulation

Overall, France has complied with all reporting obligations of the Governance Regulation, though sometimes with a short delay (cf. final NECP and draft NECP update):

- France reported its draft NECP in January 2019, final NECP in March 2020 (3-month delay) and draft NECP update in October 2023 (4-month delay).
- France's LTS is its National Low Carbon Strategy (SNBC) established by the 2015 French law on energy transition and green growth. The version submitted as LTS is the one of March 2020.
- France published its first national adaptation strategy in 2007, and its second national adaptation plan in October 2018. EEA's Climate Adapt platform⁷¹⁴ mentions that France reported its national adaptation policy in 2023, as well as its adaptation portal.
- France submitted its reporting about the achievement on the 2020 targets on time (early May 2022).
- Based on the ReportNET portal⁷¹⁵, France is up-to-date with the annual reporting obligations and the NECPR2023, with no or minor delays (less than a month) for the

⁷¹³ See e.g. Jacque, M. (2022) Planification écologique : une cellule de pilotage au cœur de Matignon. Online article of Les Echos, June 2022.

⁷¹⁴ Climate Adapt : <https://climate-adapt.eea.europa.eu/en/countries-regions/countries/>

⁷¹⁵ ReportNET : <https://reportnet.europa.eu/public/country/FR>

annual reporting, and longer delays for parts of the NECP2023 (e.g. the dataflow about energy efficiency reporting was reported with a 3-month delay)

Quality of the reporting

France's NECP is based on French main planning documents: the planning process for medium (PPE – multiannual energy planning)⁷¹⁶ and long term (SNBC – national low-carbon strategy)⁷¹⁷. France has recently established a detailed dashboard to monitor the progress and achievements against the planning and targets set in PPE and SNBC. This enables France to provide detailed reporting.

The European Commission's factsheet about France provides an overview of the key climate and energy objectives, targets and contributions, as outlined in the 2023 draft updated NECP of France (submitted in November 2023).

Figure 56. France's key objectives, targets and contributions

	2030 value submitted in the draft updated NECP	2030 target under EU legislation	Assessment of 2030 ambition level
 GHG emissions in ESR sectors (compared to 2005)	-46.4%	-47.5%*	France does not reach its target based on projections.
 GHG emissions in LULUCF (Mt CO₂ eq. net greenhouse gas removals)	-18	-6.693 (additional removal target) -34.046 (total net removals)**	Not reaching its target based on projections.
 Energy Efficiency (Final energy consumption)	104 Mtoe	104 Mtoe***	France's final energy consumption meets the indicated target resulting from EU legislation.
 Renewable Energy (Share of renewable energy in gross final consumption)	33%	44%****	France's contribution to the EU target is significantly below the one resulting from EU legislation.

* under the Effort Sharing Regulation (ESR).

** under the Regulation on Land Use, Land Use Change and Forestry (LULUCF).

*** according to the formula set out in Annex I of the Directive (EU) 2023/1791 on energy efficiency and amending Regulation (EU) 2023/955 ('EED recast').

**** according to the formula set out in Annex II of the Regulation (EU) 2018/1999 on the Governance Regulation of the Energy Union and Climate Action.

Source: European Commission (2023) Factsheet: France's draft updated National Energy and Climate Plan⁷¹⁸

France's draft NECP update partially takes into account the new framework from the Fit-for-55 package, with some ambition gaps, especially about RES. The European Commission's assessment also highlights that France fell short of meeting its 2020 renewable energy sources (RES) target and the NECP does not indicate how it intends to meet its binding baseline. France did not submit a 2030 contribution in this field.

Similarly, regarding effort sharing, the emissions projections, encompassing both existing and additional policies and measures, indicate that France is not on track to meet its national GHG emissions target of -47.5% by 2030, compared to 2005 levels, a gap of 1.1 percentage points.

On energy efficiency, the draft NECP update includes a set of comprehensive measures addressing most of the relevant sectors, including building, transport and business sectors.

⁷¹⁶ <https://www.ecologie.gouv.fr/politiques-publiques/programmations-pluriannuelles-lenergie-ppe>

⁷¹⁷ <https://www.ecologie.gouv.fr/strategie-nationale-bas-carbone-snbc>

⁷¹⁸ [Factsheet_Commissions_assessment_NECP_France_2023.pdf](https://ec.europa.eu/eurostat/documents/2023/11/Factsheet_Commissions_assessment_NECP_France_2023.pdf) (europa.eu)

However, France reports its white certificates scheme as the sole measure to Article 8 of the Energy Efficiency Directive (EED), thus omitting estimates of expected energy savings for other measures.

The sections on energy poverty in the NECP or NECP update include detailed data for the assessment on energy poverty and related measures in place, thanks to the national energy poverty observatory (established in 2011).

The European Commission's assessment highlighted information that was incomplete or requiring further explanation, including among others:

- incomplete information on the policies and measures;
- the need to improve and expand the analysis of investment needs;
- the need to explain how the policy framework identified in the NECP will contribute to the preparation of France's Social Climate Plan and how the consistency between the two plans will be ensured.

A5.3.2. Main costs and benefits of the Governance Regulation

Main costs

Overall, the Governance Regulation's reporting process require a lot of coordination between services. The person in charge of each reporting obligation must exchange with various services to anticipate, gather, consolidate, and validate the information needed for reporting.

No particular investment was made in new tools or IT to support the Governance Regulation reporting in France. Rather, DGEC has continued using the tools set up for designing and monitoring the French low carbon national strategy (SNBC) and the French multiannual energy plan (PPE). Likewise, France did not make use of sub-contractors in the preparation of its reporting (NECPR or draft NECP update).

The interviewed policy officers in charge of the reporting obligations found it difficult to make a specific quantitative assessment of the costs that the reporting obligations of the Governance Regulation generate for the French ministry. They did, however, mention that it has generated a significant workload, particularly in 2023, as the first NECPR occurred at the same time as the draft NECP update had to be prepared, and the same persons are involved in both processes. Moreover, at the same time, there was also the legislative process of the fit-for-55 package, creating an additional workload and uncertainties in what had to be considered in the preparation of the draft NECP update.

Overall, about 20 to 30 ministry personnel were involved in the reporting obligations in 2023 (NECPR and NECP). However, this does not correspond to FTEs: each person who took part in the process did their part among other tasks and activities.

It was difficult for the interviewed policy officers to assess whether the efficiency of reporting or administrative burden, had increased because of the Governance Regulation, especially because of the turnover in the services. None of the interviewees oversaw the reporting before the Governance Regulation, nor at the time of the first NECP in 2019. They acknowledged that the Governance Regulation gathers all obligations related to energy and climate in a joint process and document, but they also explained that each reporting obligation remains the same and is now part of a 'big machine'.

The interviewed policy officers were unsure whether this enables the rationalisation or streamlining of reporting work or saves time. Nevertheless, they mentioned that a lot of information is requested, in a very detailed manner. Taking the example of the Policies and Measures (PaMs), France reported about 200 PaMs in its NECPR. This entails entering a significant amount of data and prompts the question of whether to focus on documenting the main measures to optimize efforts.

Regarding the relevance and usefulness of the templates and other support provided to the Member States, the interviewed policy officers acknowledged that the European Commission made significant efforts in the preparatory phase. They mentioned that the webinars and video recordings of tutorials were very useful. However, they also suggested that it could have been even better if the ReportNET platform had been fully operational at the time of the online sessions. This meant it was not possible to immediately test the information presented in the webinars, as there was some delay in the full availability of the platform. There were also some technical bugs in the platform which probably arose because this was the first NECPR and thus the first full-scale test of the online platform.

The guidelines providing complementary detailed guidance and explanations on the data to be reported (for the NECPR) provide a useful support and are appreciated by the interviewed policy officers. However, because these guidelines cover all data fields, the document is very long and requires time to be digested.

Another important point raised by the interviewed policy officers is that it is unclear what is expected from the reporting on PaMs; whether the aim is to be exhaustive (but less detailed), or instead to focus on main measures that would be documented more in detail.

The national authorities that were interviewed reflected on their experiences of using the ENER and ReportNET platforms. They explained that the ergonomics of both platforms (ENER and ReportNET) could be improved, noting that:

- Importing and exporting data to the online platforms was challenging:
 - Regarding data imports: this creates extra work associated with preparing or entering the data.
 - Regarding data exports: it is difficult to review the reported data or to share them with other services. This made the communication with the other services (within DGEC or of other ministries) more difficult. The data exported from ReportNET could not be easily read and understood directly. Thus, the ministry developed an Excel file internally gathering all the data in a more transparent way. This data file could then be shared with the other services involved.
- Reviewing data in the platforms was sometimes difficult and this hindered proofreading the data before it was submitted. A lot of information and text is required. It was difficult to review this directly in the tool, and this made the submission process more time-consuming. The platforms also fail to provide a general overview of data that have been entered, which impedes the implementation of optimal internal data quality checks.

During the consultation, third-sector organisations explained that the reporting processes of the Governance Regulation, and particularly the five-yearly cycle for the NECPs, have improved the transparency and availability of data, especially about intentions and objectives. When stakeholders look for recent data about progress and achievements, they use national sources. For example, in France, they use the reports of the [High Council on Climate](#) or the new dashboard of the energy transition developed by the SGPE (General Secretariat for Ecological Planning). Data on progress and achievements are supposed to be publicly available from ReportNET. However, the stakeholders did not find the ReportNET platform user-friendly (when they knew about it). Beyond this usability issue, they mentioned that the ReportNET platform follows too closely a mere accounting or box-ticking process. Consequently, the assessments from the European Commission are mostly limited to comparing reported implementation and achievements against plans and targets, only pointing out when Member States are late or off-track. Third-sector organisations thus stressed the importance of having national evaluation bodies. National evaluations delve into more detail, using more specific indicators and providing more qualitative analyses. When asked about additional problems or issues, the national authorities that were interviewed mentioned that it has sometimes been difficult to understand communications

with the European Commission for the complementary questions related to the NECPR. This has resulted in many email exchanges. They mentioned, for example, that some annexes were closed, and then re-opened. The status of the information ('submitted', 'validated', etc.) was not always clear. It was also sometimes unclear what the European Commission had taken into account. Some files could not be uploaded to the online platform, and therefore had to be submitted by email, and were not considered as official communications.

Stakeholders also noted that it is unclear what has become of the information they have submitted, and what it has been used for. They questioned what the return on investment will be for the Member States. Their experience with the NECPR in 2023 is that the European Commission's feedback is mainly limited to listing what has been reported, with little analysis.

Main benefits

One benefit highlighted by most interviewees is that the NECP process pushes to produce a report that covers and gathers all fields relevant to energy and climate. The interviewed national authorities found that it can be useful for internal communication between the services of the ministry and helps to avoid a siloed vision. Nevertheless, there remains a need for synthesis per policy area.

In France, cross-cutting exchanges and coordination between ministries (or among units of the same ministry) were already in place before the Governance Regulation, due to the 2015 French law on energy transition and green growth, which established the planning process for the medium (PPE) and long term (SNBC, that corresponds to France's national LTS). Therefore, the Governance Regulation did not generate major changes for France in this field. France's NECP is mostly a synthesis of the two main French planning documents, SNBC and PPE.

Similarly, most of the data required to meet the reporting obligations of the Governance Regulation are monitored for national purposes anyway. For example, the planning processes initiative of the 2015 French law induced progressive improvements in monitoring and data availability, including the recent development at the national level by the SGPE (General Secretariat for Ecological Planning) of a [dashboard to monitor the progress with ecological planning](#), including more than 160 indicators published in a timely manner.

It is difficult to distinguish between evolutions in monitoring practices stemming from the national framework and those attributed to the Governance Regulation. This is particularly true given that France already had established processes for medium-term and long-term planning for energy and climate before the Governance Regulation.

Third-sector organisations stressed that the Governance Regulation helps, as it acts as a spur to prepare and publish the planning documents. This is especially true of the deadlines introduced by the Governance Regulation. In the absence of European deadlines, national governments may choose to postpone the most difficult decisions or may not publish all the details that are reported to meet European obligations. Most interviewees acknowledged that one added value of the Governance Regulation is that it ensures information is made available in a consistent way and at the same time for all Member States which, in turn, may facilitate benchmarking and comparisons. According to one third-sector organisation, the Governance Regulation contributed to increasing transparency and data availability, thanks to the NECPs.

However, all interviewees mentioned that the NECP and NECPR are unknown by most national stakeholders (and even less by the general public), and that consequently these documents are rarely used as a source of information by national stakeholders. Interviewees (NCA and third-sector organisations) indicated that investors are more likely to know about and use the French planning documents (PPE and SNBC).

According to third-sector organisations, the European obligations (including those stemming from the Governance Regulation) may have been one factor instigating the establishment of national independent bodies publishing evaluations about energy and climate policies, like the High Council on Climate in France. The stakeholders were unsure if this has been the case in other countries as well and whether other international obligations, such as the Paris Agreement, also acted as a prompt.

When asked specifically about the experience gained with the submission of the first NECPR, the interviewed national authorities noted that the learning curve is uncertain, as NECPR cycle is biennial. They were unsure if the memory of the previous round will be retained, particularly because there may be some staff turnover in the services.

A5.3.3. Public consultation and multilevel climate and energy dialogues (MCEDs)

Public consultation

The information collected in the detailed consultations conducted for the SNBC and PPE are summarized in the NECP. The update of the SNBC and PPE is independent from the NECP, and more generally from the Governance Regulation process. The first SNBC was established by the national law on energy transition in 2015, with the objective of reducing France's GHG emissions by a factor of four (i.e. -75%) relative to 1990 levels. The SNBC was revised in 2018-2019 with the new target of carbon neutrality by 2050. A public consultation about this revision was organized early 2020. The new version (SNBC2), published in March 2020, forms France's national LTS reported to the European Commission in 2020.

Similarly, the first PPE was adopted in 2016, covering the period 2016-2023. A first revision process started mid-2017, including a public debate in spring 2018. A draft revision was published in January 2019, and was followed by a public consultation. The final revision (PPE2), for the period 2019-2028, was adopted in April 2020.

The current process for updating the SNBC and PPE follows the adoption of the Energy and Climate Law of November 2019, that introduced the process for a new Energy and Climate Programming Law (LPEC). The LPEC should set the overall framework for the SNBC, PPE and National Adaptation Plan (PNACC), that altogether form [France's strategy for energy and climate \(SFEC\)](#).

The preparation of the LPEC and the updates to the SNBC, PPE, and PNACC involve a steering committee and sectoral working groups that encompass all relevant stakeholders. This is complemented by several steps of public consultation:

- First public consultation (both online, and with public meetings) from November 2021 to February 2022 on the outlines and general objectives.⁷¹⁹
- A second public consultation (both online, and with public meetings) from October 2022 to January 2023 about the future of France' energy mix.⁷²⁰
- Consultations related to the update of the SNBC and PPE have been planned in 2023-2024 (for example, the public consultation on the energy and climate strategy which ran from the 22 November to 22 December 2023⁷²¹).

Working groups about the overall strategy (SFEC) were also established in 2023. These included members of the parliament and elected representatives from local authorities.

⁷¹⁹ Link to the public consultation webpage : <https://www.ecologie.gouv.fr/strategie-francaise-lenergie-et-climat-lancement-consultation-publique>

⁷²⁰ Link to the public concertation webpage : https://concertation-strategie-energie-climat.gouv.fr/sites/default/files/2023-03/230313_Synth%C3%A8se_concertation%20energie.pdf

⁷²¹ Link to the public consultation webpage : <https://www.ecologie.gouv.fr/consultation-publique-sur-strategie-francaise-energie-climat>

Stakeholders and experts are also involved in the consultation process in expert working groups. The process for updating the PPE has, for example, included 37 working groups, with two meetings each on average.

Overall, the process includes many consultation phases, that enable topics to be refined. This helps define the measures that will be included in the SNBC and PPE, and thereby in the NECP.

The consultation on the energy mix aimed to mitigate controversies. It revealed, for example, that there was no consensus on prioritizing a specific type of energy carrier; rather, all decarbonized energies were recognized to have a role to play.

There will also be a public consultation for the NECP update, as required by the Governance Regulation. A think tank specialised in participatory approaches highlighted that organising sufficient iterations is necessary to ensure the consultation process is effective. This interviewee noted that the implementation of the Governance Regulation may have created additional opportunities for third-sector organisations to contribute to the debates on energy and climate, or to make suggestions about how to involve stakeholders in the planning processes. The consultation process and its preparation also provide opportunities to disseminate results from studies and recommendations.

Nevertheless, a consultation process based on iterations may not be satisfactory. Even if there are more iterations now in France in the preparation of the major plans (SNBC and PPE), all third-sector organisations stressed that it remains unclear how the contributions and comments from stakeholders are reflected in the next iteration. Some third-sector organisations shared their 'consultation fatigue' with some having the impression that most of the energy and time they have contributed to these consultations was wasted as they cannot see how their contribution has been used.

Some interviewees representing third-sector organisations had the impression that the main decisions had already been taken prior to the consultation and suggested that it would be better to use a real co-construction approach, especially for the most difficult or sensitive issues.

The interviewees from third-sector organisations acknowledged that it is difficult for a European regulation to trigger changes in national institutional practices that are often rooted in national institutional cultures and habits. They indicated that it is uncertain that European guidelines, like the ones published by the European Commission in December 2022 for the update of the NECP, would be a solution, suggesting that this would need to be further investigated. They identified a risk that guidelines would make Member States report information that is recommended (e.g. more scenarios to compare), without changing their decision-making processes. The interviewees from third-sector organisations thus suggested a more pragmatic solution that would favour experience sharing.

Previous research by think tanks has shown that the practices to prepare NECP and LTS may vary from country to country. In some countries, they are mainly prepared by one ministry, with limited consultation of other ministries and stakeholders. The process has evolved considerably in France, with a stronger consultation process and more opportunities for stakeholders to contribute to the discussions.

Multi-level climate and energy dialogue

- - The French Energy Code requires that the objectives of the multi-energy planning (PPE) be transcribed region per region.

According to the interviewees representing third-sector organisations, the multi-level dialogue process in France is clear but problematic. In practice, local authorities have had limited involvement in national energy planning and were not adequately considered. There

are few representatives from local authorities in the Steering Committee, and thereby in the working groups where the most important discussions happen.

The interviewees of third-sector organisations also indicated that there is no clear link between the process for the national planning (SNBC and PPE) and the regional planning ([SRADDET](#) – Regional plan for sustainable development and territorial equality). This applies to the two ways:

- the process for the national planning does not really consider contributions from regional and local levels;
- and once the national planning is decided, there is not enough territorialization.

A new process has been initiated at the end of 2023 for a regional planning of the transition: the “[regional COPs](#)”, co-chaired by the State representative in the region (Prefect) and the President of the Regional Council. The regional COPs include a consultation process to define how the national objective should be transcribed in the region, in terms of distribution per sector and area. They should also define regional roadmaps. It has been initiated too recently for any feedback to be available yet.

A5.3.4. Regional cooperation

France already participated in regional cooperations before the Governance Regulation, namely the [Pentalateral Energy Forum](#) (PENTA) initiated in 2005, and [North Seas Energy Cooperation](#) (NSEC) established in 2016 after discussing the proposal of a North Sea Offshore Grid from 2008. France is also part of the Interconnections for South-West Europe high-level group set up by the European Commission.

The interviewed national authorities indicated that no further regional cooperation is currently being considered. Interviewees from third-sector organisations confirmed that, in terms of regional cooperation, there have been few developments compared to the situation before the Governance Regulation.

The existing regional cooperations have provided a platform to exchange and elaborate a common vision. For example, the cooperation in the PENTA forum led to preparing joint chapters including in the NECPs of the member countries of the PENTA forum. The alignment of the timeline among policy areas due to the Governance Regulation did not really influence the regional cooperations. The national authorities interviewed indicated that these exchanges happen anyway. Overall, the Governance Regulation has thus had little effect on these regional cooperations.

Table 47. European Commission assessment of the final NECP of France: regional cooperation

Recommendation on regional cooperation	Status	Commission's assessment
Intensify the existing good regional cooperation with Spain, Portugal and the Pentalateral countries. The focus of the regional exchanges should be on internal energy market and energy security areas. Continue the cooperation with Portugal and Spain, in particular on cross-border and cross regional energy interconnections. Consider strengthening measures related to regional cooperation in the area of renewable energy.	Largely addressed	France largely addressed the recommendation to strengthen regional cooperation. In particular, regional cooperation is highlighted with the Energy Pentalateral Forum and the North Seas Energy Cooperation initiatives. France has tried to improve regional cooperation in view of improving energy security.

Recommendation on regional cooperation	Status	Commission's assessment
Consider also intensifying regional cooperation arrangements to new areas such as regional generation capacity assessment and research and innovation on technologies of common interest with other Member States		Nonetheless, compared to the draft NECP, France does not add more relevant information on cooperation with Portugal and Spain. France has no regional cooperation measures on carbon neutrality target. Cooperation with Italy on the finalisation of the NECP has also been very limited

Source: European Commission (2020) Staff Working Document. Assessment of the final national energy and climate plan of France.

The Commission's assessment of **France's draft NECP update** (2023)⁷²² noted that it explains how France cooperates with other Member States within the PENTA and NSEC fora on issues such as security of supply and solidarity (resource adequacy and risk preparedness), market integration and flexibility needs, energy efficiency, decarbonisation, hydrogen and offshore electricity. In the area of renewable energy, it refers to the cooperation on deployment of offshore wind energy and hydrogen within NSEC, including the identification and implementation of hybrid and joint projects.

However, the assessment highlights that the NECP does not provide much information about cooperation on Interconnections for South-West Europe and does not refer to recent initiatives within this high-level group.

Overall, while the plan underlines that interconnections with neighbouring Member States have played a favourable role in mitigating electricity security of supply risks, it also suggests that France intends primarily to rely on further developing domestic electricity production capacity. France has still not signed any solidarity agreements for the security of gas supply out of the three needed (with Germany, Spain and Belgium).

A5.3.5. Compliance mechanisms

The ministry of ecological transition (in charge of energy and climate policies) has capacity to prepare and monitor the planning and reporting obligations set out in the Governance Regulation. However, in 2023, there was too much workload arising at the same time (cf. NECPR and draft NECP update).

Moreover, the draft NECP update had to be prepared while the related EU legislation was under revision. This increased the workload due to the negotiations, but also created uncertainties in what should be taken into account, and how, in the draft NECP update.

For example, the guidance on the draft NECP update published by the European Commission in December 2022 ([2022/C 495/02](#)) asked Member States to consider the new objectives set in the Fit-for-55 Package, though some of these objectives had not yet been adopted. Some still had not been adopted by the deadline for the draft NECP update (e.g. the final EED recast was adopted in July 2023).

The planning documents required by the Governance Regulation, and especially the objectives and trajectories, need to be validated by the cabinet of the Minister of Energy.

⁷²² SWD(2023) 931 final. Assessment of the draft updated National Energy and Climate Plan of France.

Thus, the contents needs to be prepared sufficiently early to allow this process to take place. Late changes in the EU context create uncertainties and cannot be reflected.

There has been some staff turnover in the services of the ministry. For example, none of the staff from the national authorities that were interviewed took part in the preparation and follow up of the NECP in 2019-2020. They were therefore unable to share any experience about how the European Commission's recommendations on the first draft NECP were taken into account. They also indicated that it is still too early to provide any feedback on the draft NECP update submitted in 2023.

Table 48A6.9 provides a summary of the European Commission's assessment of the draft updated NECP of France.

Table 48. European Commission's assessment of the draft updated NECP of France

Topic	Summary of European Commission's assessment (2023)
GHG emissions	<ul style="list-style-type: none"> The draft updated plan partially embeds the new and revised climate targets included in the Fit for 55 legislative package. The plan shows concrete pathways to 2030 and to 2050, in line with the national LTS and with the EU climate-neutrality objective, and including consecutive five-year carbon budgets. However, the draft updated plan does not reflect the required ambition under the ESR, as the policies and measures in the plan narrowly do not collectively suffice to reach the effort sharing sector obligations (gap of 1.1% percentage point).
LULUCF	<p>The plan does not fully reflect the increased ambition of the LULUCF Regulation and in particular the 2030 national target (-34,046 Kt CO₂ eq. in 2030 vs. projections amounting to -18,000 Kt CO₂ eq. by 2030 with additional measures, or -22,804 Kt CO₂ eq. in 2030 in the scenario with existing measures). The Commission highlighted the need for more ambitious climate action.</p> <p>The plan sets out a pathway to increase the contribution of the land sector to the overall EU's enhanced climate target, but it does not quantify the mitigation potential of the planned measures.</p>
Renewable Energy	<p>France's draft updated NECP does not contain a renewable energy contribution and only refers to the projected level of 33%, which was included in 2019 NECP to contribute to the Union's 32% renewable energy target for 2030. This level is significantly below 44%, resulting from formula in Annex II of the Governance Regulation.</p> <p>The draft updated NECP does not take into account the projected shortfall to the 2020 target (baseline) and does not give an indication of the policies and measures envisaged to catch up, nor does France indicate whether it intends to close this gap e.g., through statistical transfers or investments in the renewable energy financing mechanism.</p> <p>The policies and measures to support the achievement of the proposed objectives and contributions for renewable energy include a certain level of details although a number of them are subject to decisions to be taken on approving the new policy.</p>
Energy Efficiency	<p>The umbrella energy efficiency targets are in line with the formula in the Annex I of the EED recast, and therefore reflects the revised ambition of the fit-for-55 package: national contribution of 157.3 Mtoe for primary energy consumption and 104 Mtoe for final energy consumption.</p>

Topic	Summary of European Commission's assessment (2023)
	<p>The draft plan provides clear and satisfactory information on the new energy savings requirement post-2020 under Article 7 EED (Article 8 EED recast) on energy savings obligation.</p> <p>However, the target on reducing total final energy consumption of all public bodies (Article 5 EED) is not described in the draft updated NECP. The draft stipulates that the definition of public bodies to determine the scope of the obligation requires further reflection.</p> <p>The draft plan puts forward a set of comprehensive measures addressing most of the relevant sectors, including building, transport and business sectors. But the draft plan does not include estimates of expected energy savings, apart from the white certificates scheme (single measure reported to the energy savings obligation).</p>
Energy security	<p>France benefits from diversified access to natural gas and sets ambitious targets for renewable gases as well as for gas demand reduction.</p> <p>The plan emphasises the importance of developing energy networks to meet increasing electricity demand and the expected structural changes in gas and oil consumption.</p> <p>However, the draft plan lacks details about the concrete measures to increase the French security of gas supply.</p>
Internal Energy Market	<p>France's draft updated NECP lacks detailed measures to enhance flexibility in the electricity system and enable a non discriminatory participation of new flexibility services.</p> <p>The NECP does not mention any recently completed or ongoing interconnection projects or an interconnectivity objective. This is announced for the final version of the NECP in 2024.</p>
Research, innovation and competitiveness	<p>France has put in place the France 2030 Investment Plan, launched in 2021, however, the draft plan does not provide the detail of budget allocation from France 2030 to the energy-related priorities. The plan does not report on the national target and spending for research & Innovation (R&I) by specific clean energy technologies, nor does it detail the split between public and private funding.</p> <p>The investment plan focuses on five of France's 10 strategic priorities on energy, and has been complemented with France 2030 Acceleration Strategies (SA).</p> <p>The plan does not explain R&I efforts related to climate adaptation, carbon sinks, nature restoration and air quality</p>
Just transition	<p>France is developing sectoral action plans to ensure adequate levels of skilled workforce to support its climate and energy transition efforts and meet skills needs in the new sectors.</p> <p>The draft plan states that social and economic impacts of the transition will only be assessed as part of the macroeconomic evaluation of the updated Low Carbon National Strategy (SNBC 3).</p> <p>The plan does not provide sufficient information for the preparation of the Social Climate Plan</p>
Investment	<p>The draft plan includes succinct information on additional total climate investments needed until 2030. A study using a net approach by estimating the difference between</p>

Topic	Summary of European Commission's assessment (2023)
needs, Policies and Measure s	additional green investments and the avoided investments in fossil fuel energy systems results in annual additional investment needs to achieve France's energy and climate targets of EUR 66 billion. However, this information is insufficient. The draft plan does not include a breakdown of investment needs by dimension of the Energy Union nor by sector. There is also no information of the investment expected at the level of policies and measures. The methodology is not clearly described.

On the **Long-Term Strategy (LTS)**, the assessment conducted for the European Commission by the consultancy Ricardo⁷²³ noted that France's LTS set a goal in line with carbon neutrality by 2050, covering all main GHGs and all sectors (with the exclusion of international maritime and aviation). The 2030 and 2050 targets are both enshrined in national law.

In general, the strategy is developed in detail and projections have been completed up to 2050. The LTS includes one reference scenario up to 2050, including additional measures to meet carbon neutrality by 2050. This scenario is the one from the SNBC, resulting from a stakeholder engagement process (see public consultation above). The LTS includes estimations of the investments needed, amounting to EUR 3 trillion over 2019-2050. The socio-economic assessment is provided through an external link.

The LTS refers to adaptation strategies through the different sections. The LTS mentions the 'Plan national d'adaptation au changement climatique 2018-2022' (PNACC-2). However, no section of the LTS covers adaptation in the 2050 context.

In terms of completeness, the assessment found that the LTS includes most of the mandatory contents. Gaps in mandatory elements are about CO2 intensity of GDP and emission reductions and removals in the LULUCF sector. The LTS includes some of the non-mandatory contents (e.g. energy emissions trajectory, expected emission reductions by transport type and transport decarbonisation options). However, there is no information on the estimated likely share of renewable energy in 2050 and little quantitative information on energy consumption. One of the think tanks interviewed has conducted research on the practices of policy evaluation, and how evaluations are considered in various European countries. They found large differences among countries, which are reflected in the difference in detail and quality of the LTS. There are also more differences in the quality of the LTSs compared to the NECPs because the template for the LTS is not mandatory.

Another issue is transversality. In most of the countries analysed, the ministry in charge of, or leading, the planning and reporting processes under the Governance Regulation does not have in-house all the expertise needed (e.g. about transport and agriculture). Biomass is a good example of an issue that requires a cross-cutting approach, as it is related at least to energy and agriculture, and possibly other fields. According to this think tank, the Governance Regulation has contributed to raising the issue of transversality (cross-cutting approaches) and coordination between ministries, and also for stakeholders. As for example, in France, stakeholder organisations were also structured in silos, according to their main contact ministry.

A5.3.6. Lessons learnt and recommendations

The Governance Regulation is useful, especially because it pushes the Member States to question their policies and planning processes, simultaneously for all policy areas relevant to energy and climate, therefore with more integration and coherence. As previously, for

⁷²³ See summary table on France's LTS: https://ec.europa.eu/clima/sites/lts/lts_fr_summary_en.pdf

example, the policies and planning for RES and energy efficiency were managed separately, both at EU and national levels.

It also raises deeper questions, notably about what the right level of decision is according to the topic, about the need to organise a more active planning of public interventions, with more interactions with stakeholders.

It would be useful to review the timing of the reporting obligations, as well as the templates, using the experience gained about what information are the most useful and should be sought.

According to third-sector organisations, the quality of the LTS has been problematic, improvements on that side would be needed, also with more frequent revisions or updates. They also suggested that the coordination between Member States and joint planning need to be developed. For example, regional cooperation should not be focused on some RES projects only (like offshore wind). The requirements for regional cooperation could be strengthened.

The interviewed policy officers highlighted that the technical support provided by the European Commission ahead of each reporting exercise should be continued. This has been very useful to them. Explaining the process, sending reminders about the timeline and what needs to be submitted and by when, etc. will also be useful in the future. This is especially important because there can be turnover in the teams involved in preparing, reporting and submitting the data. This helps enhance familiarity with the process and understanding of how to navigate in the guidelines and the platforms.

They also suggested that it would be useful for each Member State to receive a report that compiles everything that has been reported in the NECPR (and in the annual reporting), for tracking and monitoring. For example, because the national Court of Auditors may ask about what data has been reported to the EU level. For the moment, the exports from ReportNET and ENER do not provide a complete and clear view.

The main suggestions from the interviewed policy officers were as follows:

- Adapt the timelines to avoid the deadlines for NECPR and NECP happening in the same year.
- Consider adapting the timelines in case of overlaps with legislative process at EU level.
- It would be useful to clarify the European Commission's communication process (for the part about the complementary questions related to the NECPR).⁷²⁴
- There is a need to improve the ergonomics of the platforms (ENER and ReportNET), especially for importing and exporting, and to make it easier to review the data reported.
- Make sure that the platforms are fully operational early enough, so they can be tested at the same time as the preparatory webinars.

⁷²⁴ Interviewees from the National Competent Authority mentioned that the difficulties to understand Commission's questions resulted in many email exchanges. For example, some annexes of the NECPR were closed, then re-opened. The status of the information ('submitted', 'validated', etc.) was not always clear, and the same about what was taken into account by the Commission. Some files could not be uploaded to the online platform, and therefore had to be submitted by email, and were not considered as official communication.

Table 49. List of stakeholders consulted

Stakeholder type	Position/Rôle	Interview date
National Authority	Competent Advisor to the Director of Energy	25 January 2024
National Authority	Competent Project leader for the Energy Efficiency Directive	25 January 2024
National Authority	Competent Policy officer for climate strategy for organizations and climate policy reporting	25 January 2024
Third-sector organisation tank)	(Think Head of European policies, Expert on energy and climate	10 January 2024
Third-sector organisation tank)	(Think Program Director for Steering tools and financing the transition	24 January 2024
Third-sector organisation (NGO)	Head of programmes	26 January 2024
Third-sector organisation (NGO)	European relations and policies manager	26 January 2024

Table 50. Documents reviewed

Document type	Author(s) and title	Year
Draft NECP	Ministry of Ecological Transition: « Projet de Plan National Intégré Energie-Climat de la France »	January 2019
NECP	Ministry of Ecological Transition: « Plan National Intégré Energie-Climat de la France »	March 2020
Draft NECP update	Ministry of Ecological Transition: "National Energy Climate-Plan of France – Draft Update"	October 2023
LTS	Ministry of Ecological Transition: « Stratégie Nationale Bas Carbone »	March 2020
Commission Recommendation on draft NECP	Commission Recommendation of 18 June 2019 on the draft integrated National Energy and Climate Plan of France covering the period 2021-2030 (and related SWD)	June 2019
Commission Assessment on final NECP		October 2020

Document type	Author(s) and title	Year
Commission Recommendation on draft NECP	Commission Recommendation, Assessment (SWD) and Factsheet of the draft updated National Energy and Climate Plan of France	December 2023

A5.4. Case Study – Germany

A5.4.1. Background

In Germany, the energy transition and environment protection are implemented at Federal Government level, individual Land (state) level and municipal level.

At Federal level, the Federal Ministry for Economic Affairs and Climate Action (BMWK) guides energy policy, while the Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMUV) is competent on climate policy.

The Federal Government and the Länder (states) regularly coordinate their activities while implementing the energy transition. In a half-year cycle, meetings are held between the Federal Chancellor and the heads of government of the Länder. The Federal Ministers with relevant subject-area competence also take part. In these meetings, they also discuss the degree to which the energy transition has been implemented. Relevant ministers at Federal and at Land level also consult each other annually, in the conferences of Federal and Land ministers of economic and environmental affairs, respectively, clarifying their priorities and coordinating the next steps in the energy transition process. This institutional coordination is reinforced by topic-specific, management-level discussions and also by an ongoing cooperation and frequent exchange of inputs among experts.⁷²⁵

German NECP, NECPRs and LTS

Germany notified the European Commission of its **draft** integrated National Energy and Climate Plan (**NECP**) on 20 December 2018,⁷²⁶ prior to the deadline set in Article 9 of the Governance Regulation (namely, 31 December 2018).

In June 2019, the European Commission published an assessment and country-specific recommendations to all Member States on their draft NECPs.⁷²⁷ Taking these recommendations into account, Member States were required to submit their **final NECPs** by 31 December 2019. Germany notified its final NECP to the European Commission on 11 June 2020 (hence, with a six-months delay).⁷²⁸ In October 2020, the Commission published its assessment of the German final NECP.⁷²⁹

By 30 June 2023, Member States were due to submit their **draft updated NECPs**, as per Article 14 of the Governance Regulation. Germany submitted its draft updated NECP more than three months after the deadline, in November 2023.⁷³⁰

Additionally, the Governance Regulation required Member States to submit their first national long-term strategies (**LTS**) to the Commission by 1 January 2020. The German LTS, submitted to the Commission in January 2020, was prepared in 2016. However, in 2019, the Federal Climate Change Act entered into force in Germany. This was

⁷²⁵ Federal Ministry for Economic Affairs and Energy (2018) Draft of the Integrated National Energy and Climate Plan.

⁷²⁶ Federal Ministry for Economic Affairs and Energy (2018) Draft of the Integrated National Energy and Climate Plan. Available here: https://energy.ec.europa.eu/system/files/2019-03/ger_draft_necp_eng_0.pdf

⁷²⁷ European Commission (2019) Staff Working Document. Assessment of the draft NECP. Available here: [de_swd_en_0.pdf \(europa.eu\)](de_swd_en_0.pdf (europa.eu))

⁷²⁸ Federal Ministry for Economic Affairs and Energy (nd) Integrated National Energy and Climate Plan. Available here: [de_final_necp_main_en.pdf \(europa.eu\)](de_final_necp_main_en.pdf (europa.eu))

⁷²⁹ European Commission (2020) Staff Working Document. Assessment on the final national energy and climate plan of Germany. Available here: [staff_working_document_assessment_necp_germany_en_0.pdf \(europa.eu\)](staff_working_document_assessment_necp_germany_en_0.pdf (europa.eu))

⁷³⁰ European Commission (2023) Staff Working Document. Assessment on the draft updated national energy and climate plan of Germany. Available here: [SWD_Assessment_draft_updated_NECP_Germany_2023.pdf \(europa.eu\)](SWD_Assessment_draft_updated_NECP_Germany_2023.pdf (europa.eu))

subsequently amended in July 2021. Hence, the assessment of the national LTS⁷³¹ underlines that Germany's LTS is outdated and does not reflect Germany's current legal commitments on climate and energy policies.⁷³²

Germany's key objectives, targets and contributions as per Germany's draft updated NECP

Figure 57A6.3 provides an overview of the key climate and energy objectives, targets and contributions, as outlined in Germany's 2023 draft updated NECP.

Figure 57. Germany's key objectives, targets and contributions

	2030 target submitted in the draft updated NECP	2030 target under EU legislation	Assessment of 2030 ambition level
 GHG emissions in ESR sectors (compared with 2005)	-34.6	-50%*	Germany does not reach its target based on projections.
 GHG net removals in LULUCF (Mt CO ₂ eq. net greenhouse gas removals)	-18	-3.751 (additional net removal target) -30.84 (total net removals)**	Germany is not reaching its target based on projections. However, there is a positive outlook based on revised inventory.
 Energy Efficiency (Final energy consumption)	160.5 Mtoe	156 Mtoe***	Germany's final energy consumption is above the indicated target resulting from EU legislation.
 Renewable Energy (Share of renewable energy in gross final consumption)	40%	41%****	Germany's submitted contribution to the EU target is slightly below the one resulting from EU legislation.

* under the Effort Sharing Regulation (ESR).

** under the Regulation on Land Use, Land Use Change and Forestry (LULUCF).

*** according to the formula set out in Annex I of the Directive (EU) 2023/1791 on energy efficiency and amending Regulation (EU) 2023/955 ('EED recast').

**** according to the formula set out in Annex II of the Regulation (EU) 2018/1999 on the Governance Regulation of the Energy Union and Climate Action.

Source: European Commission (2023) Factsheet: Germany's draft updated National Energy and Climate Plan⁷³³

A5.4.2. Main costs and benefits of the Governance Regulation

This section is primarily informed by data and feedback provided by stakeholders that are mandated to comply with the Governance Regulation's reporting obligations. It aims to provide an overview of the main costs and benefits associated with the compliance with selected obligations stemming from the Governance Regulation.

Main Costs

The interviewed stakeholders are competent to collect information on **GHG policies and measures and on projections** (Article 18 of the Governance Regulation), **national adaptation actions** (Article 19 of the Governance Regulation), renewable energy (Article 20 of the Governance Regulation), to be included in the NECP. They are also competent for the drafting of the NECP and the NECPR.

Numerous human resources are involved in the collection of information for the purpose of drafting the German NECP and NECPRs. Within the federal ministry competent for drafting

⁷³¹ Provided by the consultancy Ricardo (as part of a contract to support DG CLIMA with the assessment of the LTSs). Ricardo Energy & Environment . Assessment of the Long-Term-Strategies of EU Member States. Germany. Available here: https://ec.europa.eu/clima/sites/lts/lts_de_summary_en.pdf

⁷³² Ricardo Energy & Environment . Assessment of the Long-Term-Strategies of EU Member States. Germany. Available here: https://ec.europa.eu/clima/sites/lts/lts_de_summary_en.pdf

⁷³³ Available here: [Factsheet_Commissions_assessment_NECP_Germany_2023.pdf \(europa.eu\)](https://ec.europa.eu/clima/sites/lts/lts_de_summary_en.pdf)

the NECP and NECPR there are approximately three staff, though the drafting of the NECP and NECPRs does not represent their only responsibility.⁷³⁴ The unit is responsible for collecting the information as input to the NECP and NECPR, which is done by different authorities. For this reason, the interviewed stakeholders were not able to quantify the costs associated with the reporting obligations.

In relation to the reporting on Article 18 (on integrated reporting on greenhouse gas policies and measures and projections), one interviewed stakeholder mentioned the following associated **costs**:⁷³⁵

- **Number of stakeholders involved:** the unit responsible for reporting on GHG policies, measures and projections is relatively small (around three people).
- **Main external costs:** the competent unit outsources the screening of GHG policies, measures and the modelling of GHG projections to two research institutes. The competent unit did not disclose the magnitude/financial details of these external contracts, due to confidentiality reasons.
- **Other internal costs:** the competent unit also acts as a bridge between the research institute and the Quality Assurance process, to make sure that the data provided aligns with that requested by EU level obligations. Other costs relate to the internal coordination that the unit needs to ensure with other stakeholders, such as other agencies that are responsible to produce Land Use, Land Use Change and Forestry (LULUCF) and agricultural projections, that are linked to the German Ministry of Agriculture.

As regards reporting on Article 19(1) (on integrated reporting on national adaptation actions), the interviewed stakeholder reported the following associated costs:⁷³⁶

- **Number of stakeholders involved:** a unit of around 10 people is involved in collecting, checking, and inputting information and data in ReportNET3 for the purpose of reporting on Article 19. This is done through collecting already signed off/finalised reports from different authorities (from different German states), and potential additional exchanges when more information is needed.
- **Main internal costs:** The national process already required the same exercise. Hence, the Governance Regulation did not cause any additional burden, except inputting information on ReportNET 3 in a slightly different format. However, the two-year reporting period mandated by Article 19 of the Governance Regulation does not align with the four-year reporting cycle established at national level. Consequently, the German Environment Agency is not always able to provide updated information and data every two years. Additionally, according to the interviewed stakeholder, the need for occasional adjustments due to word limits in the reporting platform sometimes leads to a several iterative exchanges with different authorities that need to check the data to be submitted.

Main benefits

On the **benefits** related to the implementation of the Governance Regulation, interviewed stakeholders mentioned the following aspects:

- **Better established processes:** although interviewed stakeholders were not knowledgeable about the situation prior to the adoption of the Governance Regulation, one stakeholder competent for Article 18 related reporting underlined that the deadline of 15 March mandated by the Governance Regulation enhanced the streamlining of their internal working processes (i.e., enhancing productivity to

⁷³⁴ Interview with national authority conducted on 15/02/2024

⁷³⁵ Interview with national authority conducted on 17/01/2024.

⁷³⁶ Interview with national authority conducted on 19/01/2024.

meet the deadline). Although some challenges persist, the interviewed stakeholder did not view the Governance Regulation as the driver of such challenges, with these being more related to internal processes and division of responsibilities within Germany.⁷³⁷ Additionally, two stakeholders underlined that the benefits of the Governance Regulation may not be completely visible yet given that the first years of implementation involved a learning curve for national competent authorities, which are now more familiar with the different processes.⁷³⁸

- **EU-level support.** Two national authorities mentioned that the guidance provided by the European Commission and the European Environmental Agency, particularly through dedicated workshops and tailored feedback, was particularly useful to ensure effective compliance with the reporting obligations.⁷³⁹ One authority mentioned that the ClimateAdapt website is a useful repository of data on Article 19 related reporting.⁷⁴⁰ However, two stakeholders mentioned that additional (more targeted) guidance would be beneficial,⁷⁴¹ with one of them underlining that the guidance arrived very late when compared to the deadline.⁷⁴²
- **Enhanced transparency and better information on the Energy Union dimensions.** Three interviewed stakeholders (two national authorities and an NGO) mentioned that the Governance Regulation brought increased transparency and increased information on the Energy Union dimensions.⁷⁴³ However, national authority mentioned that transparency could be enhanced: for instance, when it comes to where the information is published.⁷⁴⁴ Another national authority underlined that NECPRS are very technical and difficult to understand for a non-expert audience.⁷⁴⁵

Consulted stakeholders also mentioned some “unexploited potential benefits” related to the implementation of the Governance Regulation. These are detailed below:

- **Enhanced sharing of information and best practices among Member States.** One national authority underlined that the current systems fail to provide user-friendly access to data reported by other Member States on Article 18 related reporting.⁷⁴⁶ Another added that additional, more targeted, guidance (and sharing of best practices, “do’s and don’ts”) would be beneficial, such as through dedicated webinars.⁷⁴⁷
- **Limited importance given to the Governance Regulation (and its outputs) in Germany.** Three consulted stakeholders mentioned that the Governance Regulation has not been given attention in Germany.⁷⁴⁸ For instance, they mentioned that compiling NECPs is seen merely as a box-ticking exercise. The fact

⁷³⁷ Interview with national authority conducted on 17/01/2024.

⁷³⁸ Interview with national authority conducted on 15/02/2024; Interview with national authority conducted on 15/02/2025

⁷³⁹ Interviews with national authorities conducted on 17/01/2024 and on 19/01/2024.

⁷⁴⁰ Interview with national authority conducted on 19/01/2024.

⁷⁴¹ Interview with national authority conducted on 15/02/2024; Interview with national authority conducted on 15/02/2024

⁷⁴² Interview with national authority conducted on 15/02/2024

⁷⁴³ Interview with national authority conducted on 17/01/2024; Interview with NGO (conducted on 22/01/2024); Interview with national authority conducted on 15/02/2024

⁷⁴⁴ Interview with national authority conducted on 15/02/2024.

⁷⁴⁵ Interview with national authority conducted on 15/02/2024

⁷⁴⁶ Interview with national authority conducted on 17/01/2024.

⁷⁴⁷ Interview with national authority conducted on 19/01/2024.

⁷⁴⁸ Interview with academic (conducted on 19/01/2024); interview with NGO (conducted on 22/01/2024); Interview with think tank (conducted on 22/01/2024)

that the LTS dates to 2016 (before important EU and national level developments occurred) also shows the limited attention given to the Governance Regulation related obligations. Nevertheless, two national authorities mentioned that the low importance given to the Governance Regulation in Germany may be explained by the fact similar obligations already existed at national level (for data collection and public consultation purposes),⁷⁴⁹ and at EU level (i.e., reporting to Eurostat).

A5.4.3. Public consultation and multilevel climate and energy dialogues

This section outlines Germany's compliance with the obligations laid down in Article 10 (on public consultation) and Article 11 (on multilevel climate and energy dialogues) of the Governance Regulation.

Public consultation

Article 10 of the Governance Regulation requires the Member States to ensure that the public is given early and effective opportunities to participate in the preparation of the draft NECPs and LTS. It also specifies that each Member State must set reasonable timeframes allowing sufficient time for the public to be informed, to participate and express its views.

Evidence shows that for the German 2050 Climate Action Plan, stakeholder consultation was extensive, taking place over the course of more than one year through different formats and phases.⁷⁵⁰ However, a consultation for the draft NECP did not take place.⁷⁵¹ The European Commission's 2019 assessment of Germany's draft NECP explains that public consultation on the draft plan had recently started, and that further consultations were planned during 2019.⁷⁵²

Germany's final NECP provides a detailed overview of the responses received as part of the public consultation.⁷⁵³ The public consultation was conducted online between 14 June and 2 August 2019, and 200 responses were received as part of this process. Respondents included, among others, private individuals, companies, industrial associations, NGOs/civil society organisations, academics/research institutions, federal authorities, and foundations.

As regards the extent to which the comments provided by stakeholders were addressed, the final NECP provides that "*in the second half of 2019, numerous points of criticism from the responses were addressed, in particular as part of the implementation of the recommendations of the Commission on Growth, Structural Change and Employment and of the Climate Cabinet process. This is illustrated in the NECP*".⁷⁵⁴ The European Commission's assessment explains that, although Germany submitted a detailed summary and analysis of the public's views on the draft plan for each of the energy union dimensions, the plan does not always clarify how these views were taken into account.⁷⁵⁵

The 2023 draft updated NECP did not outline a procedure to ensure early public participation. The plan only explains that consultations will take place during the 2023-2024 period, and that the Federal Ministry of Economic Affairs and Climate Protection

⁷⁴⁹ Interview with national authority conducted on 15/02/2024; Interview with national authority conducted on 15/02/2024

⁷⁵⁰ LIFE PlanUP (2019) Report on Good Practices in Energy and Climate Governance

⁷⁵¹ European Commission (2023) Local and regional authorities in the governance of the energy union

⁷⁵² European Commission (2019) Assessment of the draft NECP of Germany.

⁷⁵³ German final integrated National Energy and Climate Plan. Available here: [de_final_necp_main_en.pdf \(europa.eu\)](http://de_final_necp_main_en.pdf (europa.eu))

⁷⁵⁴ German final integrated National Energy and Climate Plan

⁷⁵⁵ [staff_working_document_assessment_necp_germany_en_0.pdf \(europa.eu\)](http://staff_working_document_assessment_necp_germany_en_0.pdf (europa.eu))

provides information on the NECP process and opportunities for participation in the planned consultations on its website.⁷⁵⁶

Three consulted stakeholders underlined that, in the past, public consultation on the NECPs has been insufficient in Germany.⁷⁵⁷ They also agreed that meaningful stakeholder engagement is beneficial, as it might promote ownership of the plans and strategies.

One consulted national authority explained that, in Germany, the public consultation that is carried out for the purpose of Article 10 of the Governance Regulation is not intended to gather feedback on specific policies or measures.⁷⁵⁸ This is because more ad hoc consultations already took place when the legislative processes started and led to the adoption of such policies or measures. In other words, the public consultation primarily intends to gather feedback on the NECP, which is a collection of policies and measures that are already in place. Hence, the aim of the consultation is to collect insights on whether the NECP shows a good balance, in terms of different dimensions and topics, among different policies and measures, but will not lead to any substantial change of the policies and measures included in the plan. The consulted stakeholder underlined that, in this sense, the Governance Regulation is not particularly fitting the German situation, but that it is intended more as an overarching consultation on the NECP.

On 24 January 2024, the Federal Ministry for Economic Affairs and Climate Action launched a public consultation, in the form of an online survey, which will be open until 16 March 2024.⁷⁵⁹ The online survey covers questions on all five Energy Union dimensions and asks for written feedback (albeit with a 400-digit limit) to respondents. One interviewed stakeholder mentioned that, as of 15 February 2024, the number of replies was relatively low. To address this, the competent authority is trying to advertise the public consultation more broadly (e.g., through regular newsletters).⁷⁶⁰

Multi-level climate and energy dialogues

Article 11 of the Governance Regulation requires the Member States to establish a multilevel climate and energy dialogue (MLCED) pursuant to national rules, in which local authorities, civil society organizations, business community, investors and other relevant stakeholders and the general public are able to engage actively and discuss the achievement of the Union's climate-neutrality objective set out in Article 2(1) of Regulation (EU) 2021/1119 and the different scenarios envisaged for energy and climate policies, including for the long term, and review progress, unless it already has a structure which serves the same purpose. NECPs may be discussed within the framework of such dialogues.

The European Commission's assessment of Germany's final NECP invited Germany to "*unlock the potential of multilevel climate and energy dialogues to actively engage with regional and local authorities, social partners, civil society organisations, business community, investors and other stakeholders and to discuss with them the different scenarios envisaged for its energy and climate policies*".⁷⁶¹

Evidence shows that no ad hoc MLCED has taken place in Germany.⁷⁶² This is because structures that serve the same purpose already existed. Such structures

⁷⁵⁶ European Commission (2023) Assessment of the draft updated integrated national energy and climate plan of Germany. Available here: [SWD_Assessment_draft_updated_NECP_Germany_2023.pdf](#) (europa.eu)

⁷⁵⁷ Interview with academic, Interview with think tank, Interview with NGO

⁷⁵⁸ Interview with national authority conducted on 15/02/2024

⁷⁵⁹ [BMWK – National Energy and Climate Plan \(NECP\)](#)

⁷⁶⁰ Interview with national authority conducted on 15/02/2024

⁷⁶¹ European Commission (2020) Staff Working Document. Assessment of the final national energy and climate plan of Germany. Available here: [adf16801-039d-422b-9f3f-8d8be0dd732e_en](#) (europa.eu)

⁷⁶² CAN Europe; WWF (2023) Public participation in national energy and climate plans. Evidence of weak and uneven compliance in Member States

usually take the form of roundtables or working groups on specific topics with specific stakeholders. Specifically, the German **progress report** (particularly, its Annex XXIII on MLCEDs)⁷⁶³ lists several existing platforms in Germany that serve for stakeholder dialogues. The Annex provides that "*Germany maintains a range of climate and energy dialogues*".⁷⁶⁴ The box below presents such existing platforms/fora listed in the German progress report.

- **Stakeholders' dialogue platforms on climate and energy in Germany**
- **Energy transition platforms** serve as a forum for stakeholders to take stock of the transition process and to identify regulatory needs.
- **Energy Efficiency Platform:** in 2014 the Federal Ministry for Economic Affairs and Energy launched a dialogue platform to discuss the government's energy efficiency measures with all relevant stakeholders. This includes stakeholders from industry, civil society, science, the relevant departments and the federal states who develop new tools and explore how to improve market and policy conditions. The Platform is the central dialogue forum for the German government's Energy Efficiency 2045 Roadmap. The aim is to develop suitable strategies for increasing energy efficiency in a broad discourse with stakeholders with the perspectives 2030 and 2045. Plenary sessions take place once a year, prepared by thematic working groups which include energy efficiency in industry, buildings, mobility, qualification, digitalisation, and cross-cutting issues. The work of the platform will continue in a reduced scope with more ad-hoc-themed gatherings.
- **Platform Climate Neutral Power System:** multiple plenary and working group meetings with stakeholders from industry associations, research, and society to discuss market design options for a largely renewable electricity system.
- **Energy Transition Research and Innovation Platform:** acts as an advisory body for overarching issues concerning funding policy in energy research. Members of the platform include authorities, representatives of the energy sector, research institutes, and social institutions.
- In addition, participatory processes are organised in the course of preparing federal laws and regulations, or government strategies. For instance, Germany is currently developing a system development strategy (*Systementwicklungsstrategie*) in close cooperation with stakeholders from the energy sector, industry, and civil society. The stakeholder forum convenes at least quarterly to deliberate a shared vision of the future energy system.
- **Alliance for Climate Action:** the Alliance was set up in 2015 and was active until 2021. Business associations, representatives of civil society, the social sector, scientific institutions, federal states, municipalities associations and youth organisations met twice a year in a plenary session to review progress on national climate policy and exchange views on climate action. The Alliance for Climate Action was evaluated in 2021. As a main conclusion, participants did not see added value in the Alliance, compared to other existing dialog platforms. Consequently, the Alliance for Climate Action was discontinued.

⁷⁶³ Member States had to submit dedicated reports on the implementation of MLCEDs for the first time in 2023. The implementing regulation ((EU)2022/2299) lays down details for the progress reports, requiring Member States to spell out details on how it is implementing the obligation to carry out the dialogues (as per its Annex XXIII). Commission

Implementing Regulation (EU) 2022/2299 of 15 November 2022 laying down rules for the application of Regulation (EU) 2018/1999 of the European Parliament and of the Council as regards the structure, format, technical details and process for the integrated national energy and climate progress reports

⁷⁶⁴ The German progress report (including its Annex XXIII) is available on the CIRCABC platform.

Although two consulted stakeholders reported that platforms for stakeholder dialogues on climate and energy policy exist in Germany, they could not link such platforms to the Governance Regulation's related obligations and were uncertain about their "multi-level" nature.⁷⁶⁵

A5.4.4. Regional cooperation

Article 12 of the Governance Regulation requires the Member States to cooperate with each other, considering all existing and potential forms of regional cooperation, to meet the objectives, targets, and contributions set out in the integrated NECP effectively.

Overall, Germany cooperated with other Member States (mainly, its neighbouring countries) both bilaterally and within multilateral forums. However, it is not possible to ascertain whether regional cooperation could be associated with the Governance Regulation, given that stakeholders could not link Germany's cooperation with other countries to the obligations imposed by the Regulation, and because Germany's cooperation with neighbouring countries took place even before the Governance Regulation entered into force.

The first draft NECP of Germany describes the regional cooperation activities in which Germany participated.⁷⁶⁶ These took the form of bilateral cooperation (e.g., France and Belgium) or joint initiatives and forums involving multiple Member States (multilateral cooperation). Multilateral cooperation initiatives included cooperation within the European Climate Initiative, the Baltic Energy Market Interconnection Plan, the North Sea Energy Forum, the Pentalateral Energy Forum, the Pentalateral Gas Forum, and the cooperation in regional groups in the context of the trans-European energy networks.

In its assessment of the draft NECP of Germany, the European Commission identified good practice examples of cross-border cooperation.⁷⁶⁷ Specifically, the European Commission's assessment refers to Germany's membership of the Pentalateral Energy Forum, and Germany's contribution to the European Climate Initiatives, which aims at fostering cross-border dialogue and cooperation as well as exchange of knowledge and experience on climate policies within the EU. The European Commission underlined that setting up a dedicated Committee to coordinate regional cooperation on the draft NECPs within the context of the Pentalateral Energy Forum could be regarded as a good practice that can inspire other Member States. In its recommendations, the European Commission encouraged Germany to continue regional cooperation efforts in respective high-level groups and consultation of neighbouring Member States.⁷⁶⁸

Germany's final NECP also refers to several initiatives promoting regional cooperation, particularly the Pentalateral Energy Forum and the North Seas Energy Cooperation (NSEC).⁷⁶⁹ It states that the success achieved over the last 15 years is demonstrated by the outlook of each of the countries involved in the Pentalateral Energy Forum, in terms of their energy policy, developing from one with a purely national focus to one with a truly regional approach.

⁷⁶⁵ Interview with think tank conducted on 22/01/2024; Interview with academic conducted on 19/01/2024

⁷⁶⁶ Federal Ministry for Economic Affairs and Energy. Draft of the Integrated National Energy and Climate Plan. *Wirtschaftsmotor Mittelstand – Zahlen und Fakten zu den deutschen KMU* (europa.eu)

⁷⁶⁷ European Commission (2019) Commission Staff Working Document. Assessment of the draft integrated NECP of Germany. Available here: https://energy.ec.europa.eu/document/download/93ef4da6-e69c-47ed-8f26-c4e84e9102eb_en

⁷⁶⁸ European Commission (2019) Recommendation on the draft integrated National Energy and Climate Plan of Germany covering the period 2021-2030. 229 final

⁷⁶⁹ Federal Ministry for Economic Affairs and Energy. Integrated National Energy and Climate Plan. https://energy.ec.europa.eu/system/files/2022-08/de_final_necp_main_en.pdf

In its assessment of the final NECP of Germany, the European Commission found that the recommendations on regional cooperation based on the draft NECP have been fully addressed by Germany in its final NECP,⁷⁷⁰ as described in A5.4.4.

Table 51. European Commission assessment of the final NECP of Germany: regional cooperation

Recommendation on regional cooperation	Status	Commission's assessment
Continue, both in the finalisation of the integrated national energy and climate plan and during its implementation, regional cooperation in respective high-level groups and consultation of neighbouring Member States.	Fully addressed	Germany received a recommendation to reinforce regional cooperation and it fully addressed this recommendation. Specifically, Germany engaged in a number of regional cooperation settings, which are listed and briefly described in the final plan. This includes multi-faceted bilateral cooperation with France on energy and climate policy, declarations of intent with Belgium and the Netherlands, and aspects of energy and climate policy in the context of the strategic dialogue with Czechia. It also includes multilateral cooperation in the context of the European Climate Initiative (EUKI), the Baltic Energy Market Interconnection Plan, the North Seas Energy Forum, the Pentalateral Energy Forum, and the Pentalateral Gas Forum on issues ranging from market coupling, maritime spatial planning and offshore renewable energy.
In that context, focus on the coal and lignite phase-out, renewables deployment and the internal energy market, addressing issues such as interconnection levels and capacity from 2021 onwards, regional cooperation measures related to assessing system adequacy, just transition and energy system changes required for accommodating higher shares of renewables that are expected to modify cross-border electricity trade while enhancing the need for system flexibility.	Fully addressed	The final plan details the contacts of the German administration with their counterparts on phasing out coal and lignite in a regional setting. The other topics are all addressed in these fora for cooperation.

Source: European Commission (2020) Staff Working Document. Assessment of the final national energy and climate plan of Germany. Annex

⁷⁷⁰ European Commission (2020) Commission Staff Working Document. Assessment of the final national energy and climate plan of Germany. [adf16801-039d-422b-9f3f-8d8be0dd732e_en](https://ec.europa.eu/eurostat/documents/13075/10391630/Adf16801-039d-422b-9f3f-8d8be0dd732e_en) (europa.eu)

The European Commission's assessment of the **German draft updated NECP** (2023) identifies various consultations that have taken place with neighbouring countries.⁷⁷¹ These took place bilaterally with Denmark, Austria, and Czechia, as well as in established fora, including the Pentalateral Forum and the NSEC. The collaboration mainly focused on electricity markets, security of supply, flexibility, energy efficiency and decarbonisation, as reflected in the joint NECP chapter of the Pentalateral Forum, and the accelerated deployment of offshore renewables as reflected in the joint NECP chapter of NSEC covering joint/hybrid projects, permitting/maritime spatial planning, financing and long-term infrastructure planning.

Consulted stakeholders confirmed that Germany cooperated with other Member States, both bilaterally and within regional fora.⁷⁷² Nevertheless, they underlined that Germany could further enhance regional cooperation efforts. For instance, one stakeholder underlined that, in the context of German French cooperation, the so-called Meseberger Klima-AG (which brings together all German and French ministries relevant to climate policy) has not been convened since 2021, representing a missed opportunity.⁷⁷³

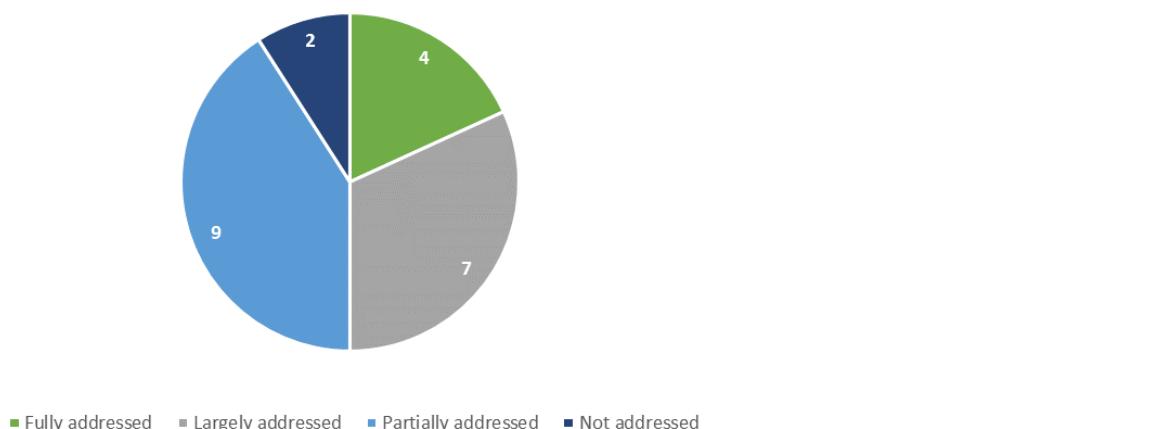
A5.4.5. Compliance mechanisms

This section provides an overview of Germany's progress towards addressing the European Commission's recommendations provided on the first draft NECP, and the overall quality of the German's draft updated NECP and its LTS.

In June 2019, the European Commission issued 11 recommendations to Germany, based on its draft NECP.⁷⁷⁴ The Commission's assessment of the final NECP split these 11 recommendations into 22 more detailed recommendations.

In its final NECP, **Germany addressed the European Commission's recommendations**, with room for improvement, with 11 recommendations either fully (4) or largely (7) addressed and 9 partially addressed.

Figure 58. Status of Commission's recommendations following the submission of German final NECP (n=22)



⁷⁷¹ European Commission (2023) Commission Staff Working Document. Assessment of the draft updated National Energy and Climate Plan of Germany. [8bc322cc-f9b3-466d-99f7-ef201a8a3d1c_en \(europa.eu\)](https://ec.europa.eu/eurostat/documents/8bc322cc-f9b3-466d-99f7-ef201a8a3d1c_en)

⁷⁷² Interview with national authority (German Environment Agency) conducted on 17/01/2024; Interview with academic conducted on 19/01/2024; Interview with national authority (Federal Ministry for Economic Affairs and climate action) conducted on 15/02/2024

⁷⁷³ Interview with NGO conducted on 22/01/2024.

⁷⁷⁴ European Commission (2019) Recommendation on the draft integrated NECP of Germany covering the period 2021-2030. [C\(2019\)4405.pdf](https://ec.europa.eu/commission/sites/beta-political/files/c(2019)4405.pdf)

Source: ICF elaboration, based on European Commission (2020) Staff Working Document. Assessment of the final NECP of Germany, Annex.

According to one national authority, the European Commission's recommendations were not unexpected from a substantial point of view, given they were already aware of the main weaknesses of the NECP.⁷⁷⁵

Germany's 2023 draft updated NECP refers to the revised energy and climate targets recently agreed under the Fit for 55 package and the REPowerEU Plan. However, the European Commission's assessment explains that it does not sufficiently elaborate on how these targets will be achieved.⁷⁷⁶ Although the plan is not complete, it followed the template provided by Annex I of the Governance Regulation, covering all five dimensions, and including the main objectives and targets. Table 48A6.13 provides a summary of the Commission's assessment of the draft updated NECP of Germany.

Table 52. European Commission's assessment of the draft updated NECP of Germany

Topic	Summary of European Commission's assessment (2023)
GHG emissions	<ul style="list-style-type: none"> The plan provides emission projections demonstrating that with existing policies and measures Germany is not on track to meet its national greenhouse gas target of -50% in 2030 compared to 2005 levels. According to Germany's projections, there is a gap of 15.4 percentage points, highlighting the need for more ambitious climate action.
LULUCF	<p>The draft updated plan indicates that Germany will not meet its 2030 target. However, when taking into account the latest revised inventory data, Germany appears to be on track, thus making a full assessment of the EU target complex.</p> <p>The draft does not provide a clear implementation timeframe, nor a quantification of the impacts of specific policies and measures.</p>
Renewable Energy	<p>Germany's draft updated NECP presents a contribution to the overall EU target of 40% of renewables in national gross final energy consumption. This is slightly below the share of 41% resulting from the formula in Annex II of the Governance Regulation</p>
Energy Efficiency	<p>On Energy Efficiency, the German draft updated NECP is comprehensive, ambitious, informative, and detailed.</p> <p>The increased ambition in Directive (EU) 2023/1791 on energy efficiency and amending Regulation (EU) 2023/955 ('EED recast') has been taken into account, in particular for the 2030 energy efficiency targets, as well as for the energy savings obligation. It includes national contributions to the EU's 2030 energy efficiency targets of 160.5 Mtoe for final energy consumption, and of 193.6 Mtoe for primary energy consumption with measures covering a wide range of demand sectors.</p> <p>The Energy Efficiency First principle is mentioned as the basis for planning considerations but it is still needs to be spelled out in terms of policies and measures</p>

⁷⁷⁵ Interview with national authority (Federal Ministry for Economic Affairs and Climate Action) conducted on 15/02/2024

⁷⁷⁶ European Commission (2023) Staff Working Document. Assessment of the draft updated NECP of Germany. [SWD_Assessment_draft_updated_NECP_Germany_2023.pdf \(europa.eu\)](https://ec.europa.eu/eurostat/documents/2023/1791)

Topic	Summary of European Commission's assessment (2023)
	The draft updated NECP puts forward a set of comprehensive planned measures addressing all sectors, including buildings, transport and business sectors. However, a sufficient level of detail on expected savings such as the contribution to the energy saving obligations and the energy efficiency targets is not provided and the information on the public sector obligations is missing as well as information on financial needs and funding sources.
Energy security	In the gas sector, the plan highlights the measures that have allowed Germany to compensate for the declining gas flows from Russia and thereby significantly reduce its dependence on Russia. The draft updated NECP does not envisage any additional objectives to further diversify gas supply. The plan lacks a clear description of the implemented gas demand reduction measures and how these measures are integrated in the medium-term planning towards 2030.
Internal Energy Market	The draft updated NECP sets out on-going and planned reinforcements of the grid infrastructure both internally and with neighbouring countries. While the draft updated plan integrated the crucial need to enhance flexibility and demand response, and mentions the importance of sector coupling, the plan remains general on this issue.
Research, innovation and competitiveness	The NECP presents in a general manner policies, support programmes on energy, as well as the funding sources linked to climate and energy. The plan does not provide operational details on the planned research and innovation (R&I) actions in the energy sector, such as priorities and objectives for R&I coupled with financial allocations or funding targets, and implementation milestones that could demonstrate quantitative pathways to reaching the 2030 and 2050 objectives for energy. The NECP includes some measures to support competitiveness of clean energy technologies and the manufacturing, scaling up and diversification of commercially available clean energy technologies, equipment and components. Nevertheless, the plan lacks information on concrete measures and investments to overcome the identified skills gaps.
Just transition	Just transition is only partially addressed in the draft updated NECP. The plan provides limited information on social, employment and skills impacts, including distributional impacts, of the climate and energy transition. It does not elaborate on the measures addressing access and preservation of employment and education and training in the context of the transition, neither in the coal regions nor more broadly. However, the measures in the plan reflect the 2023 European Semester Country Specific Recommendations.
Investment needs, Policies and Measures	The plan does not provide an estimate of the investment needs and funding sources. The methodologies behind the existing measures ('WEM') scenario are not explained. The with additional measures ('WAM') scenario is not included. The impact assessment of policies and measures is purely qualitative. Furthermore, no macro-economic assessment was provided.

As previously mentioned, evidence shows that the Governance Regulation has not been given particular attention in Germany. In January 2024, in an open letter, eight environmental and development organisations called on Federal Chancellor Scholz and other relevant ministries to achieve the EU's climate targets in a socially just manner and to comply with EU law (including the obligations stemming from the Governance Regulation).⁷⁷⁷ Despite good progress in some areas, the organisations concluded that Germany is lagging behind in several EU climate targets and EU level obligations. Several issues are mentioned in this open letter, including the need for additional efforts on energy efficiency, the lack of information on financing measures, insufficient focus on energy poverty, and absence of adequate public consultation as required by the Aarhus Convention and the Governance Regulation.

The German LTS submitted to the Commission in 2020 was prepared in 2016. However, in 2019, the Federal Climate Change Act entered into force and was subsequently amended in July 2021. Hence, the European Commission's assessment of Germany's national LTS identifies that the strategy is outdated and does not reflect Germany's current legal commitments on climate and energy. Additionally, the national LTS includes few of the mandatory contents. Several mandatory elements were missing, including:

- Projected emission reductions and enhancement of removals by 2050;
- GHG and CO₂ intensity of GDP;
- Emission trajectories by sector;
- Estimated investment needs;
- Strategies for research, development and innovation;
- Socio-economic impact assessment.

Most of the non-mandatory contents were also missing from the national LTS (e.g., the estimated likely share of renewable energy, the estimated likely energy consumption, adaptation policies and measures, main drivers for energy use in the power sector, transport decarbonisation options, emission reduction options in the agriculture sector, links to agriculture and rural development policies).⁷⁷⁸

According to two consulted stakeholders, the absence of a mandatory update of the national LTS and a binding template within the Governance Regulation constitute the main reasons behind the lack of crucial elements in the German - and other Member States' - national LTS, coupled with a lack of regular updates.⁷⁷⁹

Article 18 reporting

A major intention of introducing the Governance Regulation was to provide an integrated approach to planning and reporting on energy and climate policies, which was previously dispersed across several regulations. In particular, it linked the national planning in the NECPs to the reporting of policy impacts in the policies and measures (PaM) reports via the NECP progress reports.

One 2023 study found that the objective of the Governance Regulation to establish an integrated framework for planning and reporting of national energy and climate policies has not yet been achieved to the extent desired.⁷⁸⁰ Specifically, it found that the

⁷⁷⁷ Germanwatch et al. (2024). Press release. Energy and climate plan: Germany threatens to miss EU targets in the transport and building sectors. [Energy and climate plan: Germany threatens to miss EU targets in transport and buildings | Germanwatch e.V.](#)

⁷⁷⁸ Assessment of the Long-Term Strategies of EU Member States ([europa.eu](#))

⁷⁷⁹ Interview with think tank conducted on 22/01/2024; Interview with NGO conducted on 22/01/2024

⁷⁸⁰ Wachsmuth, Jakob et al. 2023: National Energy and Climate Plans: Evidence of Policy Impacts and Options for more Transparency. A Meta Study assessing Evaluations of selected Policies reported in the Danish, French, German, Slovenian, and Swedish Plan. Final report. Dessau-Roßlau: German Environment Agency. [National Energy and Climate Plans: Evidence of Policy Impacts and Options for more Transparency | Ecologic Institute](#)

harmonisation between the different planning and reporting requirements is still insufficient and strongly limits the transparency of interlinkages. The objective of this study was to develop an in-depth understanding of the impact of the policy instruments that selected Member States (including Germany) had included in their NECPs to reach their climate and energy targets.⁷⁸¹

Table 53 summarises the main problems and related recommendations identified in this study, which were confirmed and supported by one interviewed stakeholder from the German Environment Agency. It is interesting to notice that most of the critical elements identified are related to the national administrative structure, and to the national implementation of the Governance Regulation.

Table 53. Summary of issues and recommendations identified in the Wachsmuth, Jakob et al. 2023 study

Summary of problems identified	Summary of recommendations
Substantial knowledge gaps with regard to PaM impacts.	<p>Improve the knowledge basis for transparent NECP updates as follow:</p> <p>Member States to conduct ex-post evaluations of at least the main PaMs on a regular basis tied to the policy cycle</p> <p>GHG impacts should be made an integral part of agricultural evaluations, if this has not happened already</p> <p>A centralised platform would be a key step to increasing transparency and fostering a more informed selection and evaluation of policies.⁷⁸²</p>
Insufficient transparency about the selection of policies and expected impacts in the NECPs (e.g., on interactions with other PaMs)	<p>To improve the transparency of PaM selection and their role in the policy mix, the study suggests the following:</p> <p>The role of NECPs in strategic planning of the policy mix towards 2030 could be strengthened if they contained information on single PaMs as well as the full policy mix, as this could be used to inform decisions about supplementing, replacing, or expanding existing PaMs.</p> <p>The NECPs would particularly benefit from a better description of the role of specific existing and planned PaMs in the mix and their consistency, coherence, credibility and comprehensiveness. This should include an explanation of which PaMs are key, and which are accompanying and why.</p> <p>The NECPs should also include the emission reduction estimates for the key PaMs (whereby this information could also come from the PaM reports if the policies in the PaM reports are in line with those in the NECP). This should</p>

⁷⁸¹ Key policy instruments from five selected NECPs were examined in four focus topics: carbon and energy pricing, renewable heating and cooling, energy-efficient buildings, and agricultural soils. The report shows the assessment of the expected impacts of these policy instruments and compared them with the findings of both ex-post and ex-ante evaluations.

⁷⁸² While the study acknowledges the progress made by the EEA catalogue and the PaM database in this regard, there is still substantial work needed to provide information in such a way that the link between evaluations, policies, NECPs and PaM reports becomes transparent.

Summary of problems identified	Summary of recommendations
Insufficient transparency about uncertainties in the development and use of evaluations (i.e., evaluations were based on different guidelines; available ex-post evaluations were not linked to the preparation of NECPs and/or PaM reports bot to other purposes)	<p>include ex-ante estimates that take into account the findings of ex-post evaluations.</p> <p>Harmonisation of the reporting requirements under the EED and the Governance Regulation is urgently required. To address uncertainties in a more transparent way, the following suggestions are made:</p> <p>Both ex-post and ex-ante evaluations meant to inform national energy and climate policies should follow existing guidelines as much as possible;</p> <p>Integrate the requirement to measure the PaM contributions to the core objectives of energy and climate policy into all relevant policy evaluations and establish a consistent choice of baselines for such evaluations, for instance building on the with-existing-measures scenarios used in the NECPs.</p> <p>Improve planning on the national level by using the same template for all ex-ante evaluations of PaMs.</p>
Important gaps in reporting of PaMs impacts with regard to energy and climate objectives (there are no clear rules for harmonisation, no explicit requirement to include PaM impacts from PaM reports on NECPs or progress reports, no obligation to consider conflicts and synergies on the level of PaMs.)	<p>Potential improvements to the EU governance framework: enforce a higher degree of harmonisation between NECPs, Progress Reports and PaM reports;</p> <p>harmonise the baselines between NECPs, Progress Reports and PaM reports building on the requirements of the NECPs, i.e. allowing for a comparison between current and planned policies;</p> <p>if a Member State keeps the PaM report separate from the NECP progress report, the progress report should clearly reference the PaM report and corresponding evaluations of PaMs;</p> <p>make reporting the contributions of PaMs to RES expansion mandatory if available. The same applies to contributions to energy efficiency</p>

Source: ICF elaboration; Wachsmuth, Jakob et al. 2023: *National Energy and Climate Plans: Evidence of Policy Impacts and Options for more Transparency. A Meta Study assessing Evaluations of selected Policies reported in the Danish, French, German, Slovenian, and Swedish Plan. Final report.*

A5.4.6. Lessons learnt and recommendations

This section describes the main lesson learnt and recommendations stemming from desk research and stakeholders' consultation on the implementation of selected obligations from the Governance Regulation in Germany.

NECPs, NECPRs and public consultation

Evidence collected for the purpose of this case study suggests that, in Germany, the NECP is a collection of existing policies and measures and does not drive national monitoring or planning processes on climate and energy policy.

The same can be said for the obligation to carry out a public consultation: more ad hoc consultations already take place on single policies and measures within national legislative procedures. Hence, the public consultation on the NECP is not intended to gather feedback on draft measures, as these consultations follow different, more ad hoc processes and timelines.

Consultations with national authorities reveal that the learning curve stemming from the entry into force of the Governance Regulation and related reporting obligations is decreasing, with national authorities being more used to reporting templates, procedures, and timelines. Consequently, national authorities did not express the need for a substantial revision of the Governance Regulation, but rather additional support or targeted guidance, to ensure the timely, completeness and comparability of the reported information (e.g., through dedicated workshops, or exchanges among Member States national authorities).

Long-term Strategy

The German LTS is outdated and did not include all the mandatory elements. Hence, the following recommendations could be put forward:

- The update of the national LTS should be mandatory rather than voluntary; and
- The template for the national LTS should also be mandatory.

Table 54. List of stakeholders

A total of 18 stakeholders have been contacted. Among these, seven stakeholders have been interviewed, while the remaining ones either declined the invitation or did not reply.

Table 55. Stakeholders consulted for the case study in Germany

Stakeholder type	Interview date
National Authority (DE)	17 January 2024
National Authority (DE)	19 January 2024
Academic	19 January 2024
Think tank	22 January 2024
NGO	22 January 2024
National Authority (DE)	15 February 2024
National Authority (DE)	15 February 2024

Table 56. Documents reviewed

Document type	Author(s) and title	Year
NLTs assessment	Ricardo Energy & Environment. Assessment of the Long-Term Strategy of Germany. Summary of main findings.	ND
Draft NECP	Federal Ministry for Economic Affairs and Energy. Draft of the Integrated National Energy and Climate Plan.	2018
Staff Document	Working European Commission. Staff Working Document. Assessment of the draft NECP	2019
Recommendation	European Commission. Recommendation on the draft integrated National Energy and Climate Plan of Germany covering the period 2021-2030. 4405 final	2019
Staff Document	Working European Commission. Assessment of the final national energy and climate plan of Germany.	2020
Final NECP	Federal Ministry for Economic Affairs and Energy. Integrated National Energy and Climate Plan.	ND
Implementing regulation	Commission Implementing Regulation (EU) 2022/2299 of 15 November 2022 laying down rules for the application of Regulation (EU) 2018/1999 of the European Parliament and of the Council as regards the structure, format, technical details and process for the integrated national energy and climate progress reports	2022
Report	LIFE PlanUP. Report on Good Practices in Energy and Climate Governance	2019
Staff Document	Working European Commission. Assessment of the draft updated integrated national energy and climate plan of Germany.	2023
NECP	Draft updated integrated national energy and climate plan of Germany.	2023
Study	Wachsmuth, Jakob et al. National Energy and Climate Plans: Evidence of Policy Impacts and Options for more Transparency. A Meta Study assessing Evaluations of selected Policies reported in the Danish, French, German, Slovenian, and Swedish Plan. Final report. Dessau-Roßlau: German Environment Agency.	2023
Report	CAN Europe; WWF. Public participation in national energy and climate plans. Evidence of weak and uneven compliance in Member States	2023
Press release	Germanwatch. Press release. Energy and climate plan: Germany threatens to miss EU targets in the transport and building sectors.	2024

A5.5. Case study – Malta

A5.5.1. Background

The Governance Regulation falls primarily within the remit of Malta's Directorate-General for Energy, and the Ministry for Energy and Water Management is the lead Ministry in the development of the NECP, though other ministries and bodies also provide some inputs. The Ministry for Environment, Climate Change and Planning collaborates in fulfilling the obligations of the Governance Regulation and led the development of the Malta's Long-Term Strategy (LTS), which was released in 2021. The LTS included inputs from the Ministry for Energy and Sustainable Development and the Ministry for Transport, Infrastructure and Capital Projects. The LTS was developed to reach carbon neutrality by 2050 and recovery from the COVID-19 pandemic. Malta Resources Authority, an authority of the Ministry for Environment, Climate Change and Planning , supports climate reporting under the Governance Regulation.⁷⁸³

Malta's LTS⁷⁸⁴ includes policies and measures (PaMs) to achieve the expected GHG emission reduction target by 2050 and includes projections. However, the LTS excludes some mandatory contents of member states' long term strategies, such as the national LULUCF's emission reduction and removals and the CO₂ intensity of GDP.

Matla's final NECP was submitted on time, and mostly contained complete information.⁷⁸⁵ A couple of remaining gaps are information on energy subsidies and actions being taken in this regard (it is known that such subsidies exist), as well as goals related to adaptation. During an interview, a third-sector stakeholder expressed concern about the regressive nature of the current practice of uniformly subsidizing energy prices. This policy, sustained over recent years, utilizes public taxes to subsidize energy consumption for all citizens. However, it disproportionately benefits higher-income individuals who typically consume more energy. The stakeholder explained that better information on energy subsidies is important to begin to address such concerns.

An online public consultation on the NECP was held before the publication of the NECP. Written feedback was submitted by 13 organisations and/or public citizens. A public consultation event was also held to receive direct feedback. The outcomes of these consultations are presented in Malta's final NECP in 2019. A strategic environmental impact assessment was also carried out but was not completed in time for the outcomes to be integrated into the plan.¹⁶⁶

The Commission recommended increased ambition in several areas, including:

- Decarbonisation – GHG emissions and removals
- Decarbonisation – Renewable Energy
- Energy Efficiency

In terms of GHG emissions, Malta plans to meet its 2030 targets by purchasing emissions allocations from other Member States, and in terms of renewable energy and energy efficiency, national targets are not sufficient contributions to the Union's 2030 targets based on projections and trajectory.⁷⁸⁶

Malta is already above the 15% EU target for electricity interconnectivity and estimates that it will maintain a level of 24% for 2030, through power grid interconnector with Sicily.

⁷⁸³ Interview with national authorities

⁷⁸⁴ See: https://unfccc.int/sites/default/files/resource/MLT_LTS_Nov2021.pdf

⁷⁸⁵ Commission NECP Assessment - https://commission.europa.eu/publications/commission-recommendation-assessment-swd-and-factsheet-draft-updated-national-energy-and-climate-0_en

⁷⁸⁶ Malta draft updated NECP - https://commission.europa.eu/document/download/f30c8368-abf8-4272-9a97-93e41e221fcb_en?filename=MALTA_DRAFT%20UPDATED%20NECP%202021%202030.pdf

Malta is also signatory to the Clean Energy for EU Islands initiative, although this is not reflected in the final plan.

Figure 57 provides an overview of the key climate and energy objectives, targets and contributions, as outlined in the 2023 draft updated NECP of Malta. Third sector stakeholders spoken to in this study commented that the projected Renewable Energy share remains very low compared to the 2030 target.

Figure 59. Malta's key objectives, targets and contributions

	2030 value submitted in the draft updated NECP	2030 target under EU legislation	Assessment of 2030 ambition level
 Greenhouse gas (GHG) emissions in ESR sectors (compared with 2005)	N/A	-19%*	No projections included in Malta's plan
 GHG removals in LULUCF (Mt CO₂ eq. net GHG removals)	N/A	-0.002 (additional removal target) +0.002 (total net removals) **	No projections included in Malta's plan
 Energy Efficiency (final energy consumption)	0.8 Mtoe	0.7 Mtoe***	Malta's final energy consumption is above the indicated target resulting from EU legislation
 Renewable Energy (share of renewable energy in gross final consumption)	11.5%	28%****	Malta's submitted contribution to the EU target is significantly below the one resulting from EU legislation

* under the Effort Sharing Regulation.

** under the Regulation on Land Use, Land Use Change and Forestry.

*** according to the formula set out in Annex I of the Directive (EU) 2023/1791 on energy efficiency and amending Regulation (EU) 2023/955 ('EED recast').

**** according to the formula set out in Annex II of the Regulation (EU) 2018/1999 on the Governance Regulation of the Energy Union and Climate Action.

Source: European Commission (2023) Factsheet: Malta's draft updated National Energy and Climate Plan⁷⁸⁷

A5.5.2. Main costs and benefits of the Governance Regulation

Main costs

Administrative burden and estimate of time spent:

For Malta, the reporting burden of the Governance Regulation is particularly poignant as the country has a relatively small administration team, and it is not easy to scale-up the team to cope with additional burden. The Governance Regulation contains 23 reporting streams and two different reporting systems, and there is a need to collate all the data from the relevant organisations which input, bring it all into one place, before separating it again to input the data into the 23 reporting streams in a different system. The Reportnet platform is deemed useful for the most part, but the issue remains with having to have the data in two different formats for two different purposes.⁷⁸⁸

There is a perception among national authorities that an increased amount of reporting is necessary, given the recent proliferation of relevant legislation and agreements, and therefore administrative burden is increasing in general. There is acknowledgement that this burden has not increased proportionately in line with the number of additional requirements, due to efforts on the part of the European Commission, however there is still room for improvement to minimise administrative burden. According to a national

⁷⁸⁷ Available here: [Factsheet_Commissions_assessment_NECP_Malta_2023.pdf](#) (europa.eu)

⁷⁸⁸ Interview with national authorities.

authority from Malta that participated in the targeted survey, costs associated with preparing and submitting reports have increased, including as a result of:

- preparation and cross-service coordination for national plans and reports,
- running costs for coordination and data compilation,
- adopting a template for planning and reporting obligations,
- introducing protocols and processes to comply with planning and reporting obligations,
- entering data on EU electronic reporting platforms,
- organising multilevel dialogue and stakeholder consultation on draft NECP,
- human resources to fulfil obligations.

Costs for external consulting and support remain the same as before the Governance Regulation.

Estimating costs is complicated by the fact some activities performed to support Governance Regulation reporting are not necessarily entirely or even primarily performed for that purpose. Information is not kept on amounts of time spent on these duties. Nevertheless, it is known that the Energy and Water Agency, which compiles energy data, employs nine people, the Climate Change Unit at the Malta Resources Authority, which compiles climate data, also employs nine people, and the Ministry for Environment, Energy and Enterprise has two people who coordinate the work.¹⁷¹ Assuming each of these people spends half their time on tasks associated with reporting under the Governance Regulation, this equates to 10 FTE personnel. Others will contribute from line ministries in the provision of data, but this data will in general be collected anyway and the research team was not made aware during the consultation of any data being collected specifically for this purpose. Stakeholders did not mention any additional costs or seeking of external support in the interviews with national authorities or during the targeted survey of national authorities.

Consideration of improvements:

One point stressed by national authorities during interview is that streamlining should not mean simply aligning dates but also having them in a logical order. Currently, GHG inventory data, projections, and NECP update reporting all have a deadline in March. Logically speaking, projections need to follow from the energy data, and the policy planning inherent in NECP update reporting needs to follow from both of those. National authorities therefore called for the timelines to allow sufficient time (e.g. some months) for the latest reports to feed into the NECP update reporting, for example.

The second point to consider is the crossover between reporting under the Governance Regulation and reporting to the UNFCCC. In addition to ensuring that reporting dates are aligned, as explained above, there is also a need to reduce the duplication of reporting. One approach could involve using submissions for multiple reporting purposes, where feasible. Alternatively, where this is not possible, ensuring that formatting aligns and is as similar as possible can facilitate the transposition of reporting data, thus reducing duplicative efforts. This would also be the case between the Governance Regulation reporting and reporting to EUROSTAT, for example, where there can often be complications with differences in figures reported for the same metrics due to having to report them twice in quick succession using slightly different templates. National authorities explained that the international community has been adding layers of reporting for a while and called for the process to be rationalised to minimise duplicated effort.⁷⁸⁹

⁷⁸⁹ Interview with national authorities.

The focus should come back to policy planning, but the focus on the five dimensions of the Energy Union does not create the best structure for a public policy planning document, according to national authorities. This format leads to significant repetition, undermining readability and logistical efficiency. The emphasis on consolidating various information sources on financial flows and tangible impacts to fulfil reporting obligations can overshadow the document's primary purpose, namely public consultation. There is a feeling that all this information is not strictly necessary for policy planning, which is the stated purpose, and can distract from this use in a context where the same people have to split their time between reporting and policy planning.

Main benefits

Feedback from a national authority in Malta received during the survey points to benefits in the following areas:

- Improved quality and timeliness of information produced
- Better coherence of planning and reporting timelines and procedures
- Better coordination of different competent authorities/Ministries
- Better established processes, policies and procedures
- Improved quality and accuracy of Malta's planning and reporting
- Streamlined and simplified reporting process in Malta
- Better integration of different but related planning and reporting obligations
- Different cooperation of services to comply with Malta's integrated planning obligations.

However, the respondent was unable to identify any savings in time and/or resources for planning and reporting (for example, because of rationalisation, use of common templates and IT tools). No quantitative information was available on amounts of time or resources saved.

One third sector stakeholder that was interviewed noticed that there has been a definite increase in the level of consultation required in policy planning, and that consequently there is more information and visibility of public policy processes. The stakeholder did however say that while more opportunities for meaningful consultation are ingrained in the process, these opportunities are often not adequately taken, due to decisions taken at the national/ministerial level. . It has been useful in any case to be able to see that Malta's Renewable Energy and Energy Efficiency plans are not aligned to EU targets and that further ambition is needed, as noted by the European Commission in its assessment on the NECP.

Another third sector stakeholder commented during an interview that the data provided was useful in compiling a report on their recommendations and overview of energy system, and reasonably well accessible. However, they questioned the perceived need for them to publish such a report in the first place, given that they felt the information was not published in a transparent enough way to engage the public in the first place.

A5.5.3. Public consultation and multilevel climate and energy dialogues

Public consultation on the NECP

Six different consultations were held on the NECP⁷⁹⁰ – with academia and NGOs, industry and others in addition to the public consultation. Consultation also took place on individual policies and measures as well, so that most had been consulted on even before that point. There are fairly standardised processes for consultations at the government level and these were followed⁷⁹¹. During the online public consultation process, 13 organisations and/or

⁷⁹⁰ Interview with national authority

⁷⁹¹ <https://www.gov.mt/en/publicconsultation/Pages/Policy-Making-Process.aspx>

citizens provided feedback. The public consultation process began at the beginning of 2019 after the finalisation of the draft NECP, the feedback is therefore included in the final NECP published in 2019⁷⁹², complying with Article 10 of the Governance Regulation.

A separate public and stakeholder consultation was also conducted for the Strategic Environmental Assessment (SEA) and the Research & Innovation Strategy for Energy and Water. In the 2019 NECP, it states that a declaration of adoption and a summary of monitoring measures will be released to the public to comply with the SEA regulation (S.L. 549.61). However, as the timeframe for completion of SEA does not align with the NECP, the SEA is still in the scoping stage.

The public expressed several opinions and concerns during the consultation on Malta's NECP. There were perceived inadequacies in integrating the plan with previous strategies and insufficient NGO involvement. Questions arose regarding Malta's progress toward 2030 emission reduction targets and intentions regarding the purchase of allowances. The public urged addressing climate change effects and applying the 'polluter-pays principle' to the services sector. Multiple inquiries focused on renewable energy, advocating for progressive targets and exploring alternative sources like wind and solar photovoltaics. Energy efficiency feedback emphasised the lack of incentives, particularly in the commercial sector. Building-related concerns included the need for stronger consideration of energy performance and incentives for renewables. Issues raised in the areas of internal energy market and security included perceived risks associated with the gas pipeline project and queries about future gas distribution plans. Numerous comments were provided on the topic of transportation, emphasising alternative options, mass transit, and incentives for electric vehicles, while highlighting the need to promote modal shift and reduce reliance on cars.

There was a feeling among the multiple third sector stakeholders interviewed that despite these consultations, stakeholders were not brought into the process early enough, and that they were used primarily to rubber stamp things that had already been decided at ministerial level. Only a select few external stakeholders were included at the decision-making stage, and these were chosen by the administration. One interviewed third sector stakeholder mentioned that they have been asking to be involved in the consultation on the updated NECP since April 2023, but they have been told that consultation on this will occur at a later date. A suggestion that followed was to mandate consultations at an earlier stage of the NECP development and review how feedback and suggestions are handled. An interviewee from an NGO gave the example of the recently prepared Sustainable Development Framework and National Environment Strategy, where the stakeholder felt that consultation was better conducted in that a short high-level document was made available first, and then consultation could happen on the details while it was still in development.

Consultation on the national LTS

As for the national LTS, the consultation process comprised four stages conducted between August 2018 to August 2021. The first stage involved 'key' stakeholders who were involved in the phase of identification and quantification of the measures, and included Ministries, government entities, agencies and authorities. Meetings were set up to discuss a long list of mitigation measures relevant to each entity. In the second stage, a fresh consultation process was carried out to collect further insights from other stakeholders, which was followed by a number of consultation sessions on adaptation measures. The long list of measures was reduced, and during January and February 2020, the Ministry undertook a third stage of consultations with stakeholders, allowing for further feedback and discussions to be included in the draft. The preliminary mitigation and adaptation measures were presented to the Climate Action Board, and separate meetings were held with

⁷⁹² Malta NECP (2019) - https://energy.ec.europa.eu/system/files/2020-01/mt_final_necp_main_en_0.pdf

representatives of the regional committees and local councils, a selection of academics, business representatives from the Chamber of Commerce and from the Chamber of SMEs (transport section), as well as various members of civil society. Finally a draft document was shared with the public.

A public consultation document 'Towards a Smart Specialisation Strategy 2021-2027 for Malta', highlighting the potential research, development and innovation areas, was sent to various entities and individuals as part of the public consultation process in June 2021. The consultation closed in August 2021 and the feedback was analysed. Following this, the national LTS was updated in the same year.

Malta's national LTS highlights the preliminary mitigation and adaptation measures already presented in May 2020, a year before the Climate Action Board and the shortlisted measures by stakeholder groups. Thus, stakeholders were provided sufficient time to have perspectives before the public consultation. The full contents of the feedback and how the LTS responded to the recommendations made during consultation stage is however missing from the final LTS published in October 2021.

Multi-level climate and energy dialogue

Multi-level Energy and Climate Dialogues (MLCEDs) must be implemented by Member States under Article 11 of the Governance Regulation. Based on the preliminary assessment of the progress of implementation of MLCED⁷⁹³, 12 Member States submitted their MLCED reports before the cut-off date of 21 August 2023, among which was Malta.

Although Malta's MLCED was delayed, it met most of the requirements. Malta has established a new dialogue structure. In the case of MLCED formats, Malta reported five elements including a working group, awareness campaign, online platform, national conference and targeted workshops.⁷⁹⁴

Malta especially highlighted the "ClimateOn" awareness campaign that stimulates dialogues between stakeholders, supported by an online platform. When assessing the nature of dialogues, the multilevel dimension is unclear based on Malta's reporting. Malta's MLCED engaged stakeholders including civil society organisations and businesses. It is concluded in the cited report that Malta's stakeholder engagement is active in discussion of thematic areas and civil society fora. The third sector stakeholders interviewed however, were not aware of the MLCED having happened at all, signifying that maybe civil society consultation didn't go far enough.

In terms of thematic scope, for which the Governance Regulation requires Member States to include specific topics in the MLCED reports, Malta failed to include either the mandatory or non-mandatory scopes, including EU climate neutrality objectives, scenarios for energy and climate policies, progress review, and references to NECPs and LTS. The assessment analysed the reports from Member States and suggest that the upcoming revision of the Governance Regulation clarify Article 11 to make it more precise.

A5.5.4. Regional cooperation

Recognising the need for regional cooperation on energy and climate since 2014, Malta has actively engaged in mechanisms such as the Declaration on Environment and Climate Change under the Union for the Mediterranean (UfM)⁷⁹⁵. Flexible compliance options, like

⁷⁹³ MECD Assessment (2023) *Ecologic Institute* -
<https://www.ecologic.eu/sites/default/files/publication/2023/33007-Multilevel-Climate-Energy-Dialogue-Reporting-Preliminary-Assessment.pdf>

⁷⁹⁴ MECD Assessment (2023) *Ecologic Institute* -
<https://www.ecologic.eu/sites/default/files/publication/2023/33007-Multilevel-Climate-Energy-Dialogue-Reporting-Preliminary-Assessment.pdf>

⁷⁹⁵ The UfM is an intergovernmental organization of 43 member states from Europe and the Mediterranean Basin that aims to promote stability and integration throughout the Mediterranean region

bilateral agreements with other Member States, are pursued with the intention of contributing to emissions reductions beyond assigned national targets. Active participation in the Concerted Action of the Energy Efficiency Directive (CA-EED) targets knowledge-sharing in energy efficiency.⁷⁹⁶

The Med9 initiative was included in the NECP, which was a first for Malta in terms of having regional cooperation specifically around climate and energy. As a part of the Med9 group (Italy, Croatia, Cyprus, France, Greece, Malta, Portugal, Slovenia, and Spain), Malta aims to create a regional green energy hub based on the draftNECP of 2023. In the future, Malta is seeking more regional cooperation focusing on RES (Renewable Energy Sources) projects considering the potential amount of tangible benefits.

There are also specific projects, including the power grid interconnector with Sicily, also known as the MTGP (Melita TransGas Pipeline⁷⁹⁷), as a very important example in terms of impact on climate and energy. A second natural gas interconnector is also planned.⁷⁹⁸ During an interview, a stakeholder from the third sector highlighted the significance of regional collaboration concerning interconnectors for renewable energy. They emphasized the need to prioritize renewable energy interconnectors over natural gas alternatives, noting that while the latter might offer short-term emission reductions, they would ultimately require phasing out to align with long-term sustainability goals. In the assessment of Malta's draft updated NECP, the European Commission recommended that Malta "pursue regional cooperation for the development of renewable energy projects; in particular by describing how Malta plans to establish a framework for cooperation with other Member States by 2025, in line with Article 9 of Directive (UE) 2018/2001 as amended".⁷⁹⁹

Throughout the regional cooperation process, Malta has been identified as having limited technical capacity in cutting-edge renewable technology and facing challenges in sustaining a demand for them. The mitigation potential of Malta, a country with a service-based economy, is also limited, which leads to high GHG emission mitigation cost compared to other countries, thus posing a financial obstacle. Malta, therefore, must consider socio-economic factors while planning and implementing the transition. Balancing environmental goals with economic and social considerations can be challenging. Under these circumstances, the engagement of bilateral agreements between Malta and other Member States based on the Effort Sharing Regulation has allowed Malta to achieve emission reductions exceeding the assigned national target by buying allocations from other Member States.

During the development of the NECP, and in line with Article 12(2) of the Governance Regulation, Malta has sought consultation with relevant neighbouring Member States. The main country Malta focused on for regional cooperation is Italy. In September 2019, a bilateral meeting was held between key representatives from Malta and Italy. Both Member States reached agreement to cooperate in technical skill-sharing to meet 2030 EU targets. Malta's unique geographical position, connecting to the European electricity grid through Italy, underscores the importance of regional cooperation, especially in developing the electricity market and advancing the gas pipeline project with Sicily. The implementation of MTGP is expected to produce a positive outcome both financially and environmentally based on environmental impact assessment, although the long-term sustainability of

⁷⁹⁶ Malta NECP (2019) - https://energy.ec.europa.eu/system/files/2020-01/mt_final_necp_main_en_0.pdf

⁷⁹⁷ See: <https://melitatransgas.com.mt/>

⁷⁹⁸ See: <https://timesofmalta.com/articles/view/second-electricity-interconnector-gets-green-light-environmental.1051541>

⁷⁹⁹ Malta Draft NECP Update Assessment (2023) - https://commission.europa.eu/document/download/cf47a01d-e1db-4868-918d-edc0639b295e_en?filename=Recommendation_draft_updated_NECP_Malta_2023.pdf

Malta's use of national gas was questioned during the LTS consultation.⁸⁰⁰ The MTGP project stimulates continuous cooperation with the Italian authorities.⁸⁰¹

The National Research and Innovation Strategic Plan highlights the growing significance of strategic cooperation at both bilateral and regional levels, emphasising the need to establish meaningful partnerships in Research and Innovation (R&I) that align with key European initiatives. Malta, in collaboration with Cyprus and the Netherlands, has also launched the Mediterranean Island Cleantech Innovation Ecosystem (MICIE) project. This initiative aims to formulate action plans to strengthen R&I endeavours in Malta and Cyprus. Furthermore, Malta plays an active role in the Clean Energy Transition Partnership, demonstrating its commitment through a designated national contribution of EUR 3.5 million.¹⁸¹

Malta recognises the need for regional cooperation and has pursued it more widely than merely complying with the NECP, but their focus is on the Energy Security and Renewable Energy dimensions which have joint drafting with other Member States for the development of the NECP. Malta seeks to enhance energy security through diplomacy within and outside of the EU, in line with foreign policy guidance. This has been the policy of the government since before the introduction of the Governance Regulation and is pursued across all areas of policy irrespective of such legislation. Therefore, the Governance Regulation cannot be said to be a driving force of such policy in general.⁸⁰²

A5.5.5. Compliance mechanisms

The general process for preparing and delivering NECPs runs as follows:¹⁸³

- The Malta Resources Authority collates GHG data through contact with relevant line ministries.
- The Energy and Water Agency does the same for energy data. The Ministry for Environment, Energy and Enterprise handles energy security, adaptation and regional cooperation, and also has a role in data provision coordination, and reporting around the NECP.
- The Prime Minister's office coordinates more widely with ministries.

Measures are essentially taken nationally, although impacts can be felt in a locality.¹⁸³

Feedback received during the public review of the draft NECP in 2018, based on a public consultation, highlighted concerns about the quality of the draft including that it lacked sufficient measures, was not sufficiently ambitious for some targets, and lacked sufficient technical approaches. Malta has provided comments to address the feedback included in Annex I of the final 2019 NECP⁸⁰³ and added explanations as well as revised measures. Nevertheless, as previously stated, during the consultation multiple third sector stakeholders felt that they were only consulted too late in the process and only at a stage when it was possible to make minor modifications.

In 2018, the European Commission provided a detailed assessment of the draft NECP, in line with the Governance Regulation. Malta received ten recommendations and included the recommendations within the final NECP in December 2019. The European Commission highlighted that the draft NECP focused largely on decarbonisation (GHG and renewable energy) and energy efficiency dimensions and lacked clear objectives for the other dimensions. The European Commission also highlighted that neither the targeted scenario of renewable energy, nor energy consumption goals, are sufficiently ambitious.

⁸⁰⁰ Malta LTS consultation - <https://birdlifemalta.org/wp-content/uploads/2021/09/Low-Carbon-Strategy-Consultation-Feedback.pdf>

⁸⁰¹ Malta NECP (2019) - https://energy.ec.europa.eu/system/files/2020-01/mt_final_necp_main_en_0.pdf

⁸⁰² Interview with national authorities

⁸⁰³ Malta NECP (2019) - https://energy.ec.europa.eu/system/files/2020-01/mt_final_necp_main_en_0.pdf

The final NECP report is still mainly focused on the previously highlighted dimensions but has improved on other dimensions such as internal energy market. Malta pointed out that there were difficulties due to national circumstances to address and follow-up the comments. The main obstacles include the electricity system structure of Malta, which makes it difficult to develop a renewable energy community, the sharp increase in GDP and population (which poses a challenge to reducing energy consumption), and the lack of local energy resources due to Malta's geographic isolation, which makes it difficult to enhance energy security. In general, the feedback from the European Commission was addressed in the final 2019 NECP, or a justification was provided.

For the national LTS for Malta, the LTS is led by the Ministry for the Environment, Climate Change, and Planning (MECP), with input from the Ministry for Energy and Sustainable Development, and the Ministry for Transport, Infrastructure and Capital Projects. The national LTS is developed through collaboration between Malta's government and individuals, households, civil society, and the private sectors. The LTS was initiated in 2018 and finalised in 2021. The process included researching and selecting mitigation measures, quantifying abatement levels through Marginal Abatement Cost Curve (MACC) modelling and engaging with stakeholders. The results from MACC modelling are expected to help the government to anticipate the economic and societal costs and benefits associated with GHG emissions reductions. During the process of developing the LTS, the COVID-19 pandemic posed challenges and unavoidably impacted the assumptions and output. The LTS follows a four-year policy cycle that allows for periodic updates with the inclusion of new data, particularly in rapidly evolving areas, and adaptation to emerging situations, even in a post-pandemic scenario.⁸⁰⁴

After the submission of the LTS in 2021, the strategy was reviewed by the consultancy Ricardo in the support of DG CLIMA⁸⁰⁵. The review suggests that the overall completeness of the LTS is good and that it contains most of the mandatory contents and some of the non-mandatory contents, such as adaptation PaMs. Gaps in Malta's LTS compared to the mandatory requirements are the CO₂ intensity of GDP and emission reductions and removals in LULUCF. Information on GHG emissions by sources from Malta's agriculture sectors was also very limited in the LTS.

Feedback to the public consultation on the draft LTS (version dated June 2016) from Friends of the Earth Malta, Moviment Graffitti and BirdLife Malta⁸⁰⁶ also highlighted a need for more holistic effort on the Agriculture and LULUCF sectors. In response to the above points, the LTS emphasised that low land availability limits Malta's ability to reduce GHG emissions in LULUCF and woodlands that act as natural carbon sinks. The LTS also lacks clear objectives for 2050 and details for energy sectors including energy consumption estimations, energy emission trajectory, and renewable energy share after 2030. This is similar to the assessment for Malta's NECP – the goals for the energy sector are not sufficiently ambitious. The assessments and consultations for the NECP and LTS all pointed out that offshoring and/or exporting GHG emissions to other Member States is not a sustainable method nor a solution, and a high percentage of renewable energy use is crucial for Malta. One of the biggest barriers for renewable energy industry development within the country is the limited space for onshore renewable energy.

One other comment made by a third sector stakeholder who was interviewed was that it was difficult to tell from the reporting how much of the compliance with a given target was, or will be, achieved through the purchase of allowances. This makes it harder to challenge the sustainability of this method. In addition, targets for which progress is only reported

⁸⁰⁴ Malta LTS (2021) - https://unfccc.int/sites/default/files/resource/MLT_LTS_Nov2021.pdf

⁸⁰⁵ Malta LTS Summary tables (2021) - https://ec.europa.eu/clima/sites/lts/lts_mt_summary_en.pdf

⁸⁰⁶ Malta LTS consultation - <https://birdlifemalta.org/wp-content/uploads/2021/09/Low-Carbon-Strategy-Consultation-Feedback.pdf>

every five years are more difficult to track in the absence of a repository of up-to-date information.

A5.5.6. Lessons learnt and recommendations

The first recommendation, from an administrative side, is that streamlining should not mean simply aligning dates but rather having them in a logical order. Currently, the deadlines for GHG inventory data, projections, and NECP update reporting all fall in March. However, logically, projections need to follow from the energy data, and the policy planning inherent in NECP update reporting needs to follow from both of those. Therefore, timelines should allow some months for the most up-to-date reporting to feed in to the NECP update reporting for example.

The second point to consider is the crossover between reporting under the Governance Regulation, and reporting to the UNFCCC. Apart from trying to align reporting dates, as mentioned above, there is also a need to minimise duplication in reporting efforts. This could involve consolidating submissions for multiple reporting purposes, or where this is unfeasible, ensuring that formatting is similar/aligned to enable the transposition of information and reporting. This also applies to reporting under the Governance Regulation reporting and to EUROSTAT, for example, where complications often arise with differences in figures reported for the same metrics due to having to report them twice in quick succession in slightly differing templates.

Another point to consider is the need to mandate consultations at an earlier stage, possibly just after an initial high-level planning document is published. There is also a need to review how suggestions received during consultation are handled.

Several additional suggestions have been made and cited in this report, in terms of how Malta should act to meet its energy and climate targets. These include the recommendation that reliance on the purchasing of allowances to meet emissions targets is reduced, and progress on this more closely reported and tracked. Additionally, there is a suggestion to further limit dependence on natural gas interconnectors for meeting targets, recognising the need for a transition towards renewable energy solutions enabling Malta to meet its 2030 targets.

Table 57. List of stakeholders consulted

Stakeholder type	Position/Role	Interview date
National authority	Director General at the Ministry of Environment, Energy and Enterprise	14/12/2023
National authority	Coordinator of NECP at the Prime Minister's Office	14/12/2023
National authority	Head of Climate Change Unit at the Malta Resources Authority	14/12/2023
National authority	Head of Energy Unit at the Energy and Water Agency	14/12/2023
Third sector	Director at Malta Energy Efficiency and Renewable Energies Association	19/12/2023
Third sector	Coordinator at Friends of the Earth Malta	07/02/2024

Stakeholder type	Position/Role	Interview date
Industry	Funding Secretary at Chamber of Engineers	16/02/2024

Table 58. Documents reviewed

Document type	Author(s) and title	Year
NECP Assessment	Commission Recommendation, Assessment (SWD) 2023 and Factsheet of the draft updated National Energy and Climate Plan of Malta	
NECP	MALTA Draft National Energy and Climate Plan 2021- 2030	
MLCED Assessment	Progress on the implementation of national Multilevel Climate and Energy Dialogues: Assessing Member States' own reporting	2023
LTS	Ministry for Environment, Climate Change and Planning - Malta's Low Carbon Development Strategy	2021
LTS Assessment	Malta Low Carbon Development Strategy Friends of the Earth Malta, Moviment Graffitti and BirdLife Malta Recommendations	2021
NECP Assessment	Commission Recommendation, Assessment (SWD) 2020 and Factsheet of the draft updated National Energy and Climate Plan of Malta	2020
NECP	Ministry for Energy and Water Management - Malta's 2019 2030 National Energy and Climate Plan	2019
NECP	Ministry for Energy and Water Management - Malta's 2018 2030 National Energy and Climate Plan Draft 2018	2018

A5.6. Case Study – Poland

A5.6.1. Background

Various institutional authorities and other stakeholders are responsible for drafting and implementing the NECP in Poland.

The development of the Polish NECP involved an inter-ministerial approach and collaboration between various government agencies. More specifically, the NECP was developed by an inter-ministerial working team coordinated by the Ministry of State Assets.⁸⁰⁷ The working team included representatives from various ministries, including the Ministry of Climate, Ministry of Finance, Ministry of Development, Ministry of Development Funds and Regional Policy, Ministry of Foreign Affairs, Ministry of Agriculture and Rural Development, Ministry of Science and Higher Education, Ministry of Infrastructure, Ministry of the Maritime Economy and Inland Waterways, Ministry of Family, Labour and Social Policy, and the Government Plenipotentiary for Strategic Energy Infrastructure. Key agencies and offices, such as the Energy Regulatory Office (URE), Central Statistical Office (GUS), and the National Centre for Emissions Management (KOBiZE), were also part of the working team developing the Polish NECP.

Responsibility for implementing measures outlined in Polish NECP rests on a range of public bodies and private entities. Entities involved in implementation include central and local government bodies, government institutions, fuel and energy sector entities, economic operators, and research institutes. Various ministries also play a role in implementation, including the Ministers competent for energy, environment, transport, regional development, agriculture and rural development, development, land use planning, spatial development and housing, maritime economy and inland navigation, economy, foreign affairs, public finance, family, labour, and social security, science and higher education, and education and upbringing. Government Plenipotentiaries for Strategic Energy Infrastructure and the "Clean Air" Programme are also involved. Regulatory bodies, such as the Polish Energy Regulatory Office (URE) and the National Atomic Energy Agency, also have roles in implementation, as does the National Fund for Environmental Protection and Water Management. Other organisations involved in implementation include transmission system operators, distribution system operators, and the storage system operator.

The draft NECP for Poland integrates the dimensions of the Energy Union and considers recommendations from the European Commission, domestic development strategies, and public consultations. The administrative structure involves a collaboration of ministries, government agencies, and private entities, reflecting a coordinated and multi-sectoral approach to energy and climate policies in Poland.

Polish NECP including key objectives, targets and contributions

Poland submitted its **draft integrated NECP** to the European Commission on 9 January 2019⁸⁰⁸, shortly after the deadline set in Article 9 of the Governance Regulation (31 December 2018). In June 2019, the European Commission published an assessment and country-specific recommendations to all Member States on their draft NECPs.⁸⁰⁹

⁸⁰⁷ The Ministry of Energy changed its name to the Ministry of State Assets with effect from 15 November 2019. It oversees the energy and mineral deposits management departments of government administration as of December 2019.

⁸⁰⁸ Ministry of Energy (January 2019) Draft of the Integrated National Energy and Climate Plan for the years 2021-2030. Available here: https://energy.ec.europa.eu/system/files/2019-03/ec_courtesy_translation_pl_necp_part_1_0.pdf

⁸⁰⁹ European Commission (June 2019) Staff Working Document. Assessment of the draft NECP. Available here: https://energy.ec.europa.eu/system/files/2019-06/pl_swd_en_0.pdf

Taking these recommendations into account, Member States were required to submit their **final NECPs** by 31 December 2019. Poland notified the European Commission of its final NECP⁸¹⁰ on 30 December 2019, thus meeting the deadline. In October 2020, the European Commission published the assessment and country-specific recommendation to Poland on its final NECP.⁸¹¹

Focusing on the five dimensions of the Energy Union, the table below summarises Poland's key climate and energy targets until 2030, as set out in its final NECP⁸¹² including the European Commission's assessment across the various dimensions.

Figure 60. Targets/objectives and measures in the final NECP

National targets and contributions	Latest available data	2020	2030	Assessment of 2030 ambition level
 Binding target for greenhouse gas emissions compared to 2005 under the Effort Sharing Regulation (ESR)	21%	14%	-7%	As in ESR
 National target/contribution for renewable energy: Share of energy from renewable sources in gross final consumption of energy	11.3%	15%	21%-23%	Unambitious (25% is the result of the RES formula)
National contribution for energy efficiency:				
 Primary energy consumption (Mtoe)	100.9 Mtoe	96.4 Mtoe	91.3 Mtoe	Modest
Final energy consumption (Mtoe)	71.8 Mtoe	71.6 Mtoe	67.1 Mtoe	Modest
 Level of electricity interconnectivity (%)	4%	4%	8.7%	N.A.

Source: European Commission (October 2020) Staff Working Document. Assessment of the final national energy and climate plan of Poland

By 30 June 2023, Member States were due to submit their **draft updated NECPs** in line with article 14 of the Governance Regulation⁸¹³. On 5 March 2024, the European

⁸¹⁰ Ministry of National Assets (December 2019 Integrated National Energy and Climate Plan for 2021-2030. Available here: https://energy.ec.europa.eu/system/files/2020-08/pl_final_necp_part_1_3_en_0.pdf

⁸¹¹ European Commission (October 2020) Staff Working Document. Assessment of the final national energy and climate plan of Poland. Available here: https://energy.ec.europa.eu/system/files/2021-01/staff_working_document_assessment_necp_poland_en_0.pdf

⁸¹² European Commission (October 2020) Staff Working Document. Assessment of the final national energy and climate plan of Poland. Available here: https://energy.ec.europa.eu/system/files/2021-01/staff_working_document_assessment_necp_poland_en_0.pdf

⁸¹³ European Commission (October 2023) State of the Energy Union 2023 Poland. Available here: https://energy.ec.europa.eu/system/files/2023-10/PL_SoEUR%20Fiche%202023.pdf

Commission published the draft updated NECP⁸¹⁴, which Poland submitted after the specified deadline. This document serves as a revision of the 2019 NECP for 2021-2030. The preparation of this document is in direct accordance with Article 14 of Regulation (EU) 2018/1999, and Article 15ab of the Energy Law Act specifies that the minister overseeing energy, in collaboration with the minister overseeing climate matters, is tasked with developing the NECPs, updates, and reports. Currently, these responsibilities are fulfilled by the Minister for Climate and Environment.

The Governance Regulation also required Member States to submit their first national LTS to the Commission by 1 January 2020. Poland has not yet submitted its national LTS⁸¹⁵.

A5.6.2. Main costs and benefits of the Governance Regulation

Main Costs

During an interview, one national authority involved in reporting on climate change adaptation explained that it had assigned four to five team members to this task in order to implement the reporting on this aspect and comply with the Governance Regulation⁸¹⁶.

Interviewed stakeholders provided insights into the time commitment required to comply with the Governance Regulation requirements and indicated that the process may have taken varying durations for different team members before the reporting deadline. An interesting revelation was the absence of a dedicated information system for data import. Instead, staff employed a manual process, hinting at the resource-intensive nature of the reporting task.

External costs may have arisen due to cooperation with the Institute of Environmental Protection. In 2021, four to five people may have been engaged in such collaborative efforts (the effort required in subsequent years remains unclear).

Internal and external costs: organisational setup for preparing the NECP

The collaborative efforts needed to prepare Poland's NECP entailed both internal and external costs for the various national authorities involved. Such collaborative efforts included collectively identifying and gathering assumptions, and strategic analysis. A national authority assessed⁸¹⁷ that this collaboration spanned 24 units, with each of them engaging one to five individuals in the process, depending on the need. Thus, around 100 staff members from the Ministry of Climate and Environment departments and other institutions are estimated to have been involved. External costs have also arisen through collaboration with an external contractor, though no further information was made available on the extent of these costs.

Overview of current processes for Governance Regulation compliance

This section delves into a multifaceted discussion that emerged during two case study interviews⁸¹⁸ with representatives from a national authority, unveiling the challenges and

⁸¹⁴ Ministry of Climate and Environment. National Plan in the field of Energy and Climate by 2030 (2019 update of NECPs). Preliminary version. Available here: https://commission.europa.eu/document/download/5118b15e-d380-49ae-b8bb-41cc81a28e15_en?filename=PL_NECP_update_Projekt_EN.pdf

⁸¹⁵ European Commission (October 2020) Staff Working Document. Assessment of the final national energy and climate plan of Poland. Available here: https://energy.ec.europa.eu/system/files/2021-01/staff_working_document_assessment_necp_poland_en_0.pdf

⁸¹⁶ This case study presents the feedback received from a department of a national authority in Poland during the interview on 18 January 2024. As part of the Governance Regulation implementation, the authority's responsibility involved reporting on adaptation to climate change, as outlined in Article 19, paragraph 1, which came into effect in 2021. The department has already reported for the second time on Poland's national plans and strategies.

⁸¹⁷ Case study interview with a national authority in Poland on 4 March 2024.

⁸¹⁸ Case study interviews with a national authority in Poland on 18 January and 4 March 2024.

intricacies associated with the reporting process. It highlights thoughtful considerations, queries, and reflections, initially focusing on the dynamic landscape of climate adaptation within the context of regulatory frameworks and national planning processes, and subsequently on the NECP preparation process.

When outlining the process for the **annual reporting cycle on adaptation to climate change**, representatives from a national authority⁸¹⁹ clarified that the emphasis is mainly on descriptive data, distinguishing it from the preparation of numerical and tabular data associated with national energy and climate plans, potentially falling under Article 17. The information is sourced from existing data, primarily obtained from the Institute of Environmental Protection, operating under the supervision of the Ministry of Climate and Environment. Noteworthy is the Institute's supportive role for those engaged in reporting during 2021.

The absence of an updated strategy on climate change adaptation, and in particular a lack of recent risk analysis, posed a challenge requiring some information from the 2013 strategy to be reused.⁸²⁰ Given the challenge of conducting new research every two years, the process was somewhat streamlined by reusing previously provided information. The process starts in January, with a specific focus on gathering new information, particularly related to effective financing practices. Recognising the necessity for process improvement in reporting on adaptation to climate change, there is an emphasis on relying on information from regions and local governments. Anticipating a new strategy, a coordination mechanism is set to be integrated to ensure the participation of all entities engaged in climate change adaptation reporting on an annual basis. This coordinated effort is intended to facilitate comprehensive reporting to the European Commission.

The climate change adaptation reporting process is centralised and predominantly occurs at the national level, involving collaboration between the Ministry of Climate and Environment ministry and the Institute of Environmental Protection. The Institute's role extends beyond mere oversight, encompassing detailed monitoring and assistance in collecting and assembling the available information. The Institute takes a proactive approach by disseminating relevant data and insights making it convenient for users to access such information in its reports and website without requiring special requests.

The Institute of Environmental Protection runs a website or [portal](#), where climate scenarios, risk assessments, and analyses of legal acts related to adaptation are accessible. The platform also hosts a database showcasing good practices, along with educational materials like lessons for teachers and videos. Notably, ongoing efforts are mentioned for the continued development of this portal to enhance its functionalities in the future.

These developments are the outcomes of a second project financed by the EU funds rather than any integral parts of a specific strategy, such as the national strategy and programmes. A representative from a national authority⁸²¹ believes that the Governance Regulation **is posited to serve as a catalyst or impetus for instilling regularity and structure into this evolving process.**

During the interviews, it was highlighted that there is a need to simplify the reporting process and introduce more structured information in subsequent reporting cycles. The importance of incorporating climate change adaptation reporting into the strategy was also emphasised to mitigate the challenges posed by the lack of such information.⁸²²

⁸¹⁹ Case study interview with a national authority in Poland on 18 January 2024.

⁸²⁰ Case study interview with a national authority in Poland on 18 January 2024.

⁸²¹ Case study interview with a national authority in Poland on 18 January 2024.

⁸²² Case study interview with a national authority in Poland on 18 January 2024.

Moreover, the necessity of involving regional and local authorities was underscored, as was the need to urge other sectors to be accountable for reporting on their actions, good practices, and associated challenges. As a representative from a national authority⁸²³ explained, there is an absence of established mechanisms and processes for structured exchanges at local and regional levels. As a result, reporting tends to be voluntary rather than mandatory, with reporting being sought through friendly reminders and not formal requests. The coordination mechanism is characterised as relatively soft in the initial 2000 strategy, lacking a mandate for authorities to report. Reports from cities implementing urban adaptation plans were received in 2019, but the reporting primarily pertained to urban sectors. An interviewee did not specify the mentioned strategy.

Further insights specifically related to the NECP development process were gleaned from representatives of a national authority during a case study interview.⁸²⁴ It was noted that the primary challenges encountered in NECP preparation are related to workload. The delayed provision of documents from the European Commission, coupled with a tight timeframe for interpretation, posed a significant hurdle. Despite optimism for improved collaboration in subsequent reports, past experiences underscore the necessity for earlier preparation and ample time for interpretation. Tight submission deadlines and extensive documentation seemed to exacerbate the situation.

A similar perspective was voiced during the stakeholder event⁸²⁵, where the Ministry of Climate and Environment highlighted the late publication of regulations and a time-consuming process as being significant barriers to timely submission of NECPs and integrated progress reports and their completeness and quality. This perspective underscores that, despite the potential benefits, there are hurdles to be addressed for seamless implementation.

Moreover, the need for request revisions to align with rapidly changing EU goals posed a strategic challenge, as Member States faced pressure to agree on targets amid evolving circumstances, according to a national authority. The limited time for reading, applying, seeking cooperation, and posing questions to the European Commission further complicated the process, despite the European Commission's willingness to assist. This suggests the need for better alignment between regulatory requirements and practical implementation timelines to ensure effective preparation and collaboration in the future.

EU assistance and guidance in report preparation

A national authority interviewed acknowledged the valuable support from the European Environment Agency (EEA) in preparing information used for the NECP the report, both at the EU and national levels. It was noted that this help proved beneficial, particularly in addressing specific questions and concerns during the preparation process.⁸²⁶

Usefulness of templates and platforms including issues in using them

This section draws on insights gathered from the case study interviews with representatives from a national authority.⁸²⁷ It examines **challenges within the existing framework and Reportnet** and delves into proposed improvements to the Reportnet system, advocating for a reporting experience that is more cohesive and intuitive. Throughout, there is a clear emphasis on the significance of providing clear guidance and incorporating lessons learned, particularly within the specific context of climate adaptation

⁸²³ Case study interview with a national authority in Poland on 18 January 2024.

⁸²⁴ Case study interview with a national authority in Poland on 4 March 2024.

⁸²⁵ Stakeholder event on the Governance Regulation review on 11 January 2024 in Brussels

⁸²⁶ Case study interview with a national authority in Poland on 18 January 2024.

⁸²⁷ Case study interviews with a national authority in Poland on 18 January and 4 March 2024.

reporting in Poland. Then the focus switches to the user experience with both Reportnet and ReportENER systems, offering additional insights on areas for improvement.

As noted during the case study interview⁸²⁸, the existing framework comprises Reportnet and the implementing regulation, both designed to offer a structured format for reporting. To clarify, requirements for national reporting on adaptation actions are defined in Article 19 of the Governance Regulation⁸²⁹. The 2023 Adaptation Reporting Guidelines by the European Environment Agency (EEA)⁸³⁰ provides guidance for this reporting, as detailed in Art. 4 and Annex I of the Implementing Regulation (EU) 2020/1208. Member States were required to submit NECPRs by 15 March 2023 and every two years thereafter, as outlined in Annex III of Implementing Regulation (EU) 2022/2299, detailing the implementation status of their NECPs, in accordance with Article 17(1) of the Governance Regulation. This reporting, including decarbonisation and adaptation progress is conducted through Reportnet 3 dataflow 897.

Continuing with the feedback received from a national authority, the challenge lies in the ambiguity surrounding the specifics of information provision, exacerbated by the adaptation reporting guidelines. The guidelines, though attempting to delineate the character limits for each field, and an accompanying toolkit, proved less than illuminating.

For example, a consultancy assessment that a national authority referred to but did not specify, shed light on the presence of unanswered questions within the reporting process on climate adaptation. These queries pointed towards specific recommendations rooted in Article 19, annex 1, section one. This revelation prompted the need to locate where alterations were required within the Reportnet.

Navigating this task involved a dual process, as explained by a representative from a national authority.⁸³¹ First it was necessary to identify the corresponding section within the implementing regulation and then the exact field within Reportnet had to be identified. The challenge lies in the fragmented nature of this information search, spread across three distinct documents and locations. This concern was communicated to the EEA, particularly in the context of adaptation working group discussions.

The difficulties experienced **highlight a need for changes and adaptations to the platform**. According to an interviewed representative of a national authority⁸³², these might include renaming fields or incorporating additional information on the relevant sections of the implementing regulation. Alternatively, consideration could be given to dividing the reporting process. This stems from the observation that certain elements, such as pits and pads, do not align with the corresponding sections in the implementing regulation. The disparity between sections in the IT systems and those in the implementing regulation adds a layer of complexity, as they do not seamlessly align.

In essence, there is a **call for a more cohesive and intuitive system** within Reportnet, either through improved labelling, segregation of sections, or enhanced guidance on the correlation between the reporting fields and the implementing regulation. This proposal

⁸²⁸ Case study interview with a national authority in Poland on 18 January 2024.

⁸²⁹ Regulation (EU) 2018/1999 on the Governance of the Energy Union and Climate Action

⁸³⁰ European Environmental Agency (February 2023). 2023 Adaptation Reporting Guidelines. Documentation and help for the 2023 reporting on Article 19 from the Governance Regulation on the Energy Union and Climate action. Reporting on National climate change adaptation planning and strategies in Reportnet 3. Available here: <file:///C:/Users/61501/Downloads/Adaptation%20Reporting%20-%20Documentation%20and%20help.pdf>

⁸³¹ Case study interview with a national authority in Poland on 18 January 2024.

⁸³² Case study interview with a national authority in Poland on 18 January 2024.

aims to streamline the process, reduce ambiguity, and facilitate a more efficient reporting experience for all stakeholders involved.

On national authority highlighted during a case study interview⁸³³, the **importance of guidelines** that include examples or detailed explanations, particularly regarding monitoring. It was noted that this would help prevent inconsistencies and varying interpretations, ensuring a coherent approach to the information provided by different countries.

Combining additional feedback⁸³⁴ received on ReportENER, it is evident that users of both Reportnet and ReportENER also encountered difficulties arising from inadequate time for familiarisation, absence of editable tables provided by the European Commission for data collection, and restrictions on comments in fields, allowing only numerical input. This lack of flexibility posed challenges as national data had to adhere to specific formats not accommodated by the input fields. The technical complexity of the systems, coupled with a lack of hyperlinks for navigation are potential areas for improvement.

Insights from the case study interviews in Poland point to the need for a **comprehensive approach to improving reporting systems**. This includes enhancing the user interface for better usability, and offering clear guidance with examples to ensure consistency across reporting. These improvements aim to create a more efficient, intuitive, and user-friendly reporting experience for all stakeholders involved.

Main benefits

This section explores the potential benefits of the regulatory shifts led by the Governance Regulation in Poland. It explains the benefits of the Governance Regulation's impact on reporting practices in Poland, particularly on adaptation to climate change.

The case study interviews in Poland have revealed the role the Governance Regulation has played in enhancing coordination mechanisms for climate change adaptation reporting. For instance, one national authority explained that before the Governance Regulation, reporting to the European Commission primarily focused on CO2 emissions, rather than on adaptation to climate change. The stakeholder explained that the Governance Regulation has helped to address this notable gap.

Prior to the Governance Regulation, the lack of comprehensive national plans and the isolated functioning of sectors such as agriculture, health, and transport highlighted the necessity for a more integrated approach. While a list of adaptation actions existed, there was no recurring requirement to report every year or two. According to a national authority from Poland, the prospective role of Governance Regulation is poised to guide the establishment of a coordinated strategy, making reporting on adaptation a recurring requirement. This, in turn, emphasises the necessity for external support and input to ensure accurate and effective reporting.

Data from the targeted survey of national authorities indicates a nuanced perspective from respondents in Poland. On the one hand, there was agreement that an equivalent level of planning could have been reached even in the absence of the Governance Regulation. While national authorities held divided opinions on whether the Governance Regulation has facilitated access to information in Poland that would otherwise have been inaccessible to the public, they also harboured differing views on whether the Regulation has provided access to information from other Member States that would otherwise not have been available to their relevant national authorities. No other stakeholder groups shared their

⁸³³ Case study interview with a national authority in Poland on 18 January 2024.

⁸³⁴ Case study interview with a national authority in Poland on 4 March 2024.

views on these aspects. Building on these insights, the case study interviews offer a glimpse into the **potential advantages of the Governance Regulation**. Some interviewees from a national authority highlighted time savings in reporting on climate change adaptation. Anticipating a streamlined process, the availability of readily accessible information from stakeholders is expected to improve efficiency in compilation and access, thereby fostering increased coherence in planning, reporting timelines, and procedures. Moreover, it is expected that the Governance Regulation will catalyse internal improvements within ministries, fostering the development of more established processes, policies, and procedures over time. Although there was recognition from stakeholders of initial progress in this direction, they also mentioned that the full benefits will take time to fully materialise. This view was echoed by representatives from a national authority in the case study interviews.

Representatives from an interviewed national authority mentioned that collaboration among and between ministries and stakeholders has been enhanced, partly during NECP preparation, but also due to other factors external to the Governance Regulation, such as digital integration post COVID-19. External events, like the Russian invasion of Ukraine, have further spurred collaboration.

A national authority also explained that the NECP for Poland aims to embrace a comprehensive approach, treating the entire economy as a unified entity to ensure policy alignment in addressing energy and climate complexities. It was identified that although immediate time savings may not be obvious, the NECP promises long-term benefits. The heightened public interest in energy and climate also underscores the importance of clear communication on these topics. Despite challenges, engagement with the NECP is seen by a national authority as rewarding, highlighting the value of transparent and more efficient communication in garnering public support for climate initiatives.

A5.6.3. Public consultation and multilevel climate and energy dialogues

This section provides an overview of the following areas⁸³⁵:

- Public consultation on National Energy and Climate Plan (NECP): timing, description of the design and implementation of the process
- Outcomes of the public consultation on NECP
- Multi-level Energy and Climate Dialogues (MECDs)

Public consultation

A consultation on the draft NECP for Poland was conducted between 14 January and 18 February 2019 following its publication with a deadline set after the public consultation on the draft Energy Policy for Poland until 2040.⁸³⁶ Responses to a consultation on the draft NECP were accepted though until the end of March 2019.⁸³⁷

The draft was made public on the Ministry of Energy's website. The Ministry of State Assets (formerly the Ministry of Energy) invited the public to submit opinions, and the Ministry received approximately 1100 comments from around 80 parties, including seven ministries

⁸³⁵ The National Energy and Climate Plan for 2021-2030 Objectives and targets, and policies and measures. Available at: https://commission.europa.eu/energy-climate-change-environment/implementation-eu-countries/energy-and-climate-governance-and-reporting/national-energy-and-climate-plans_en

⁸³⁶ European Commission (June 2019) Staff Working Document. Assessment of the draft NECP. Available here: https://energy.ec.europa.eu/system/files/2019-06/pl_swd_en_0.pdf

⁸³⁷ European Commission (October 2020) Staff Working Document. Assessment of the final national energy and climate plan of Poland. Available here: https://energy.ec.europa.eu/system/files/2021-01/staff_working_document_assessment_necp_poland_en_0.pdf

and four offices, all major energy sector State Treasury companies, transmission system operators, industry associations, NGOs, local governments, and individuals interested in the subject. The comments were detailed, expert, or technical in nature, with a focus on decarbonisation, renewable energy sources, energy efficiency, the heating sector, cogeneration, energy security, network infrastructure, alternative fuels in transport, and more, according to the report.⁸³⁸ These outcomes reflect a broad and detailed engagement from various stakeholders in shaping the NECP.

According to the European Commission assessment⁸³⁹ of the final NECP submitted in 2019, Poland has not provided an in-depth overview of the public's perspectives and the extent to which they have been incorporated into the NECP, despite asserting that the plan integrates feedback from the public consultation process. Most comments focused on topics such as emissions reductions, renewables, energy efficiency, and security of supply. Additionally, there is an emphasis on the significance of investments in networks, particularly at the distribution level, and the importance of energy storage. Notably, there is no indication that a strategic environmental assessment (SEA) has been conducted on the NECP, as required by Directive 2001/42/EC.

During the desk research and stakeholder consultation, no specific information was found or made available on the extent of costs involved in the consultation process. Limited feedback from targeted interviews with a third sector stakeholders suggests potential obstacles to this process. It was indicated that consultations are often undertaken as a mere obligation, with little practical value if conducted hastily, such as within a 10-day timeframe. Furthermore, it poses a challenge for Polish local and regional authorities to have the necessary capacity.

The recently released draft updated NECP⁸⁴⁰ is expected to undergo thorough public consultation and sectoral arrangements before reaching finalisation in the transition between Q2 and Q3 of 2024.

As mentioned in section 1.1, Poland has not submitted its national LTS.

Multi-level Energy and Climate Dialogues (MECDs)

The European Commission in its assessment⁸⁴¹ of the final NECP submitted in 2019 urged Poland to better exploit the potential of the MECDs, actively involving regional and local authorities, social partners, civil society organisations, the business community, investors, and other pertinent stakeholders. The aim is to engage in discussions with these groups regarding the various scenarios envisioned for the country's energy and climate policies.

⁸³⁸ The National Energy and Climate Plan for 2021-2030 Objectives and targets, and policies and measures. Available at: https://commission.europa.eu/energy-climate-change-environment/implementation-eu-countries/energy-and-climate-governance-and-reporting/national-energy-and-climate-plans_en

⁸³⁹ European Commission Staff Working Document (October 2020). Assessment of the final national energy and climate plan of Poland. Available at : https://energy.ec.europa.eu/system/files/2021-01/staff_working_document_assessment_necp_poland_en_0.pdf

⁸⁴⁰ Ministry of Climate and Environment. National Plan in the field of Energy and Climate by 2030 (2019 update of NECPs). Preliminary version. Available here: https://commission.europa.eu/document/download/5118b15e-d380-49ae-b8bb-41cc81a28e15_en?filename=PL_NECPupdate_Projekt_EN.pdf

⁸⁴¹ European Commission Staff Working Document (October 2020). Assessment of the final national energy and climate plan of Poland. Available at : https://energy.ec.europa.eu/system/files/2021-01/staff_working_document_assessment_necp_poland_en_0.pdf

A5.6.4. Regional cooperation

This section provides information on the collaborative efforts between Poland and other countries leading up to the submission of the Polish NECP. It delves into the scope of this cooperation, outlining its key objectives and highlighting the outcomes attained⁸⁴².

Experience with engaging in regional cooperation before submitting the NECP, including the underlying reasons

Between 8 and 30 August in 2019, regional consultations were conducted on the draft NECP as required by Article 12 of the Governance Regulation. Written comments were sought from eight countries, including the Visegrad Group (V4, i.e. Czechia, Slovakia, Hungary), countries with transboundary connections (Germany, Sweden, Lithuania), Denmark (related to the Baltic Pipe investment), and Romania.

The engagement aimed at gathering insights from neighbouring and other countries on the draft NECP, understanding regional perspectives, and fostering bilateral cooperation, particularly within the energy working group, as well as addressing shared regional challenges. As noted in the final NECP submitted by Poland in 2019⁸⁴³, Hungary expressed support for Poland's goals and interests, particularly in the creation of a gas transmission and trading hub and the construction of the North-South corridor. The remaining countries either communicated that they had no comments or did not submit any comments. The draft plan was also subject to consultations with the Baltic energy market interconnection plan (BEMIP) High Level Group in 2019, of which Poland is a member. According to the European Commission's assessment⁸⁴⁴ of the final NECP, submitted in 2019, Poland has been rather pro-active in this group. Poland was invited to continue these ongoing efforts to intensify exchanges and initiatives that will facilitate the implementation of its NECP, particularly as regards relevant cross-border issues. Poland is also invited to better exploit the potential of the multilevel climate and energy dialogues to actively engage with regional and local authorities, social partners, civil society organisations, business community, investors and other relevant stakeholders, and to discuss with them the different scenarios envisaged for its energy and climate policies.

In its assessment of the final NECP of Poland, the European Commission underlined that the recommendations on regional cooperation based on the draft NECP have been fully or largely addressed by Poland in its final NECP, as described in Table A6.20.

Table 59. European Commission assessment of the final NECP of Poland: regional cooperation

Recommendation on regional cooperation	Status	European assessment	Commission's
Continue and broaden the consultation of neighbouring Member States and regional cooperation in the context of the	Fully addressed	Poland received a recommendation to reinforce regional cooperation and it fully addressed this recommendation. Specifically, Poland added information about consulting	

⁸⁴² The National Energy and Climate Plan for 2021-2030 Objectives and targets, and policies and measures. Available at: https://commission.europa.eu/energy-climate-change-environment/implementation-eu-countries/energy-and-climate-governance-and-reporting/national-energy-and-climate-plans_en

⁸⁴³ The National Energy and Climate Plan for 2021-2030 Objectives and targets, and policies and measures. Available at: https://commission.europa.eu/energy-climate-change-environment/implementation-eu-countries/energy-and-climate-governance-and-reporting/national-energy-and-climate-plans_en

⁸⁴⁴ European Commission Staff Working Document (October 2020). Assessment of the final national energy and climate plan of Poland. Available at : https://energy.ec.europa.eu/system/files/2021-01/staff_working_document_assessment_necp_poland_en_0.pdf

Recommendation on regional cooperation	Status	European assessment	Commission's
Visegrad Group (Czechia, Hungary, Poland and Slovakia) and in the respective high-level groups.		neighbouring Member States in its final NECP compared to the draft. Consultations were carried out on the NECP with the Visegrad countries, countries with a common border (Germany, Sweden, and Lithuania) and Denmark and Romania, as well as the BEMIP High Level Group, of which Poland is a member. Poland also describes cooperation within the Visegrad group, highlighting that countries aim to create a regional gas market, cooperating on energy and nuclear energy, with the goal of ensuring energy security.	
The focus of the regional exchanges could be on further integration in the internal energy market, assessing system adequacy in light of the planned continuation of a capacity market, just transition issues, decarbonisation and renewables deployment and the impact on the energy system and cross border electricity trade.	Largely addressed	<p>The assessment acknowledges that the necessity for regional cooperation to further integrate the internal energy market is well understood. Poland describes existing and planned cooperation on electricity infrastructure (increasing the transmission capacities of cross border interconnections) and energy transmission networks (integrating the networks of the Baltic states and the North-South Corridor projects).</p> <p>Statistical transfers to/from other EU Member States and joint energy projects are also mentioned, but these are still ideas without concrete details.</p> <p>Poland describes in detail the planned impact of its policies and measures on neighbouring Member States (chapter 5.4).</p> <p>The plan lacks detail on cooperation in decarbonisation and just transition policies.</p>	

Source: European Commission (October 2020) Staff Working Document. Assessment of the final national energy and climate plan of Poland

Feedback given during the targeted survey of national authorities indicates that Poland took advantage of, or has increased its cooperation with other Member States, at least to some extent. Such a consensus was reached by 11 national authorities across 17 Member States in response to the relevant question. This inquiry specifically addressed development of national plans, such as NECPs, and the design of national energy and climate policy.

A5.6.5. Compliance mechanisms

This section focuses on Poland's progress in addressing the recommendations put forth by the European Commission on the draft integrated NECP. Due to Poland's late submission of the draft updated NECP beyond the stipulated deadline, the European Commission's subsequent assessment is not available at the time of writing.

In June 2019, the European Commission issued ten recommendations⁸⁴⁵ for Poland's final plan. The evaluation of how each of them has been tackled in Poland's final NECP is conducted in the European Commission's assessment.⁸⁴⁶ According to this assessment, overall, the NECP partially addresses most of the European Commission's recommendations. The list of these initial 10 recommendations expands into 26 individual more detailed recommendations, of which three have been fully, five largely addressed, 15 partially addressed, and three not addressed. An overview across various topics, except for regional cooperation which was previously discussed, is provided in the table below.

Table 60. European Commission's assessment of the final NECP of Poland

Topic	Number and status of recommendations	Summary of European Commission's assessment (2020)
Decarbonisation – GHG	3 recommendations: 1 largely addressed 1 partially addressed 1 not addressed	Poland has partially addressed recommendations by providing more information on planned policies and measures in sectors such as transport to meet its greenhouse target. Other sectors like buildings, district heating, agriculture, and LULUCF will have separate strategies outlined, although the plan offers only a general perspective.
Decarbonisation – renewables	7 recommendations: 2 fully addressed 5 partially addressed	While Poland has included an indicative trajectory and detailed policies and measures, its ambition level to reach the EU target for 2030 remains below the recommended 25%. The plan outlines an indicative trajectory with expected shares of renewables but lacks detailed policies and measures for achieving these targets.
Energy efficiency target	4 recommendations: 1 largely addressed 2 partially addressed 1 not addressed	New policies on energy efficiency in transport have been introduced, but overall ambition remains unchanged. Although there is improvement in information regarding buildings, long-

⁸⁴⁵ European Commission. Staff Working Document (June 2019). Assessment of the draft National Energy and Climate Plan of Poland. Available at: https://energy.ec.europa.eu/document/download/cdb5e342-e932-423d-90a0-abd05bacf333_en

⁸⁴⁶ European Commission Staff Working Document (October 2020). Assessment of the final national energy and climate plan of Poland. Available at: https://energy.ec.europa.eu/system/files/2021-01/staff_working_document_assessment_necp_poland_en_0.pdf

		term renovation strategies are pending submission.
Energy security	1 recommendation: 1 largely addressed	The plan describes measures supporting objectives on diversification and reduction of energy dependency but lacks adequate links with emergency plans for gas, electricity, and oil. Certain obligations on gas import companies are seen as conflicting with sectoral rules.
Internal energy market	1 recommendation: 1 partially addressed	While objectives and targets for market integration are defined, clarity is lacking regarding impacts on market functioning and concrete steps to mitigate negative effects.
Research, innovation, and competitiveness	1 recommendation: 1 partially addressed	Objectives to increase R&D expenditure to 2.5% of GDP by 2030 are outlined, but concrete measures are needed. Specific 2050 national objectives for clean energy technologies are missing.
Energy subsidies	3 recommendations: 1 largely addressed 2 partially addressed	Plans to phase out certain fossil fuel subsidies, including state aid for closing coal mines, are included, along with mention of a new capacity mechanism.
Air quality	1 recommendation: 1 partially addressed	Analysis of air quality is partially addressed, but interaction between proposed policies and measures and their impact on air pollutant emissions are not thoroughly described.
Just transition and energy poverty	3 recommendations: 2 partially addressed 1 not addressed	While recognition is given to the need for thorough analysis of just transition aspects, particularly in mining regions, and ongoing initiatives are reported for addressing energy poverty, depth in analysis and quantification of challenges are lacking, with ongoing work on indicators.

Source: European Commission (October 2020) Staff Working Document. Assessment of the final national energy and climate plan of Poland

According to a national authority that was interviewed⁸⁴⁷, anticipated challenges in implementing the European Commission's recommendations include areas where there is a lack of specific information or decisions in certain instances at national level coupled with the difficulty in addressing every issue at a high-level due to complexity. The feedback

⁸⁴⁷ Case study interview with a national authority in Poland on 4 March 2024.

underscores that addressing all issues at a high level seems unfeasible, whereas achieving perfection demands time. While striving for perfection might lead to unrealistic targets, such as larger renewables goals suggested by the European Commission, a national authority prioritises adequacy which is aimed for in the approach, grounded in practical analysis rather than arbitrary figures and commitment to regular updates reflecting reality. Drawing on lessons learned, preparation for the anticipated challenges posed by the European Commission's recommendations is acknowledged.

As noted earlier, at the time of writing, Poland has not yet submitted its national LTS to the European Commission.

A5.6.6. Lessons learned and recommendations

Comprehensive insights into the intricacies of the reporting process on climate adaptation were provided during an interview with a national authority from Poland.⁸⁴⁸ The stakeholder mentioned, for example, the **importance of enhanced coordination and collaboration with local and regional authorities**, as well as other ministries overseeing diverse facets of climate adaptation. The reporting schedule, which does not seamlessly align with existing obligations in Poland, is seen as challenging. This misalignment prompts considerations about adjusting reporting timelines to synchronise with regional and sectoral reporting cycles.

National authorities also explained that adaptation to climate change is not sufficiently emphasised in the Governance Regulation.⁸⁴⁹ Attention was drawn to the NECPs, and the somewhat peripheral and fragmented nature of climate adaptation within these plans.

National authorities questioned the sequencing of actions within the adaptation strategy and the NECP. This complexity arises from uncertainties about whether actions outlined in the NECP need to be revisited when updating the adaptation strategy. The dilemma extends to discerning the European Commission's expectations regarding the inclusion of adaptation information in the national energy and climate plan. Amidst these complexities, was given to the international and national dimensions, raising queries about the precedence of actions and potential conflicts arising from disparities in timelines for updating the NECP and the national adaptation strategy.⁸⁵⁰

On another occasion⁸⁵¹, representatives from a national authority made a proposal on regional cooperation. It was suggested that coordinating regional meetings through the European Commission could provide a more effective approach. This would allow for a deeper understanding of specific regional issues and a more level playing field, ensuring equal participation across countries, and facilitating a more collaborative exchange of ideas.

⁸⁴⁸ Case study interview with a national authority in Poland on 18 January 2024.

⁸⁴⁹ Case study interview with a national authority in Poland on 18 January 2024.

⁸⁵⁰ Case study interview with a national authority in Poland on 18 January 2024.

⁸⁵¹ Case study interview with a national authority in Poland on 4 March 2024.

Table 61. List of stakeholders consulted for the case study in Poland

Stakeholder type	Authority	Interview date
National authority	Department of Air Protection and Urban Policy, Ministry of Climate and Environment	18 January 2024
National authority	Energy Policy Unit, Department of Strategy and Analyses, Ministry of Climate and Environment	4 March 2024

Table 62. Documents reviewed

Document type	Author(s) and title	Year
NECP	Ministry of Energy. Draft of the Integrated National Energy and Climate Plan for the years 2021-2030	January 2019
Staff Document	European Commission. Staff Working Document. Assessment of the draft NECP	June 2019
NECP	The National Energy and Climate Plan for 2021-2030. Objectives and targets, and policies and measures.	December 2019
Staff Document	European Commission Staff Working Document. Assessment of the final national energy and climate plan of Poland	October 2020
Guidelines	European Environmental Agency. Adaptation Reporting Guidelines. Documentation and help for the 2023 reporting on Article 19 from the Governance Regulation on the Energy Union and Climate action. Reporting on National climate change adaptation planning and strategies in Reportnet 3.	February 2023
Factsheet	European Commission. State of the Energy Union 2023 Poland	October 2023
NECP	Ministry of Climate and Environment. National Plan in the field of Energy and Climate by 2030 (2019 update of NECPs). Preliminary version.	March 2024

A5.7. Case Study – Romania

A5.7.1. Background

In Romania, the responsibility for addressing climate change is shared between the Romanian Government and 42 local government authorities (including Bucharest). Until 2022, the Ministry of Environment, with the Ministry of Energy, was the lead authority in the Romanian Government's responses to climate change⁸⁵². Thanks to the technical assistance service offered by DG REFORM (TSI instrument), a dedicated governance structure/department responding directly to the Prime Minister was set up, with the main role to develop, implement and monitor all strategies to respond to and limit climate change. Normally, the update of the NECP and the development of the LTS should have been followed by the afore-mentioned department. Unfortunately, however, some issues arose which prevented the updating and reporting of the NECP in that dedicated governance structure/department. Responsibility to update the NECP was therefore assigned to the Ministry of Energy (appointed by an emergency ordinance), while the development of the Long-Term Strategy (LTS) was assigned to the Ministry of Environment. This resulted in delays in both processes⁸⁵³.

The Romanian LTS was only released on 5 May 2023, three and a half years late. It was prepared by a contractor, PwC, and published for public consultation by the National Competent Authority (i.e. the Ministry of Energy and Ministry of Environment, Waters and Forests).

Like the first NECP, which was due by 31 December 2019 and only submitted in April 2020, the draft NECP update, due by 30 June 2023, was also submitted with a delay. This was because, following the emergency ordinance, the Ministry of Energy had the necessity to hire an external consultant. Only the University of North Macedonia (UoNM) participated in the bid, with no previous expertise in working with NECPs at EU level. The UoNM commenced work in May/June 2023. At that point, the Ministry of Energy together with the consultant set up an interinstitutional working group for the NECPR (submitted with delays in the summer 2023) and subsequently focused on the updating of the NECP, which was finally submitted in October 2023.⁸⁵⁴ Due to the late submission of Romania's draft NECP update, the European Commission has had limited time to draft its assessment and prepared the related recommendations six months before the deadline for the final NECP update, as required by Article 9(2) of the Governance Regulation.⁸⁵⁵

According to the European Commission's assessment, while it references revised energy and climate targets, the draft updated NECP lacks clarity on how these will be achieved, particularly regarding GHG emissions reductions. The plan falls short in addressing the Land Use and Forestry sector targets, lacks quantification of policy impacts, and lacks ambition in some areas such as energy efficiency and renewable energy. Adaptation to climate change is inadequately analysed, and there is a lack of specificity in research, innovation, and just transition measures. Funding sources and investment needs are poorly specified, and detailed strategies for R&I actions are absent. Overall, the plan requires more detailed quantitative analysis and strategic alignment with other planning tools.⁸⁵⁶

⁸⁵² Romania's Eight National Communication under the UNFCCC

⁸⁵³ Interview with Romanian Ministry of Energy

⁸⁵⁴ Interview with Romanian Ministry of Energy

⁸⁵⁵ COMMISSION RECOMMENDATION of 18.12.2023 on the draft updated integrated national energy and climate plan of Romania covering the period 2021-2030 and on the consistency of Romania's measures with the Union's climate-neutrality objective and with ensuring progress on adaptation, European Commission

⁸⁵⁶ COMMISSION STAFF WORKING DOCUMENT: Assessment of the draft updated National Energy and Climate Plan of Romania

The figure below summarises the general goals of the first NECP (published in 2020), and then of the draft NECP update (October 2023), and their assessment by the European Commission.

Figure 61. Overview of the goals of the first NECP (April 2020) and their assessment by the European Commission⁸⁵⁷

National targets and contributions	Latest available data	2020	2030	Assessment of 2030 ambition level
 Binding target for greenhouse gas emissions compared to 2005 under the Effort Sharing Regulation (ESR) (%)	14% (2018 preliminary – based on EEA estimates)	19%	-2%	As in ESR
 National target/contribution for renewable energy: Share of energy from renewable sources in gross final consumption of energy (%)	23.9% (2018)	24%	30.7%	Unambitious (34% – result of RES formula)
 National contribution for energy efficiency:				
Primary energy consumption (Mtoe)	32.6Mtoe	43 Mtoe	32.3% Mtoe	Low
Final energy consumption (Mtoe)	23.6 Mtoe	30.3 Mtoe	25.7 Mtoe	Very low
 Level of electricity interconnectivity (%)	9.3%	10%	15.4%	N/A

Sources: European Commission, Energy statistics, Energy datasheets: EU countries; European Semester by country; Romania's final national energy and climate plan.

⁸⁵⁷ COMMISSION STAFF WORKING DOCUMENT Assessment of the final national energy and climate plan of Romania, European Commission, 2020

Table 63. Overview of the goals of the draft NECP update (October 2023) and their assessment by the European Commission

		2020	Progress based on latest available data	2030 national targets and contributions	Assessment of 2030 ambition level
	Binding target for greenhouse gas (GHG) emissions compared to 2005 under the Effort Sharing Regulation (ESR) (%)		2021: +6% 2022: +1% ¹	-12.7%	NECP: No ESR projections included. NECPR: +4.4%
	Binding target for net GHG removals under the Regulation on Land Use, Land Use Change and Forestry (LULUCF)		Reported net removals of -49.26 Mt CO ₂ eq. in 2021 and reported approximated net removals of -50.51 Mt CO ₂ eq. in 2022	- 2 380 kt CO ₂ eq. (additional removal target) - 25 665 kt CO ₂ eq. (total net removals)	Romania is not on track to reach the target taking into account updated GHG inventories; Insufficient ambition
	National target/contribution for renewable energy: Share of energy from renewable sources in gross final consumption of energy (%)	24.5% (SHARES)	2021: 23.6%		Romania's contribution of 34% is below the 41% required according to the formula set out in Annex II of the Governance Regulation
	National contribution for energy efficiency:				
	Primary energy consumption	43 Mtoe	2021: 33.1 Mtoe	31.4 Mtoe	Romania's primary energy consumption contribution is 31.4 Mtoe. EED recast Annex I formula results: 30.16 Mtoe
	Final energy consumption	30.3 Mtoe	2021: 25.37 Mtoe	23.2 Mtoe	Romania's final energy consumption contribution is 23.2 Mtoe EED recast Annex I formula results: 22.76 Mtoe
	Level of electricity interconnectivity (%)	9.3%	18.3%	15% ²	

The European Commission's assessment of the draft NECP update highlights that "the Romanian contribution to the EU 2030 renewables target is unambitious when compared to the share resulting from the formula in Annex II to the Governance Regulation. Similarly, the Romanian contribution to the 2030 energy efficiency target is assessed to be of low

ambition (in primary energy consumption) and of very low ambition (in final energy consumption). Romanian's plan therefore leaves plenty of space to further develop and strengthen policies and measures on both renewables and energy efficiency so as to contribute more to the EU climate and energy targets and strengthen the green transition. [...] Without specific adaptation policies and measures, planned and implemented, the achievement of objectives in Energy Union dimensions is at risk"⁸⁵⁸.

As of the latest assessment, fossil fuels still play a considerable role in the Romanian energy mix, with a slight decrease in gas and larger decrease in coal use, but an increase in oil consumption. While renewable energy is envisioned to support in Romania's decarbonising process, more efforts are expected to reach common EU goals.⁸⁵⁹

A5.7.2. Main costs and benefits of the Governance Regulation

Main costs

According to the Romanian Government, the entire working group includes more than 70 representatives from all institutions with responsibilities in implementing and monitoring the policies and measures included in the NECP, according to the emergency ordinance. Out of these, not all have the same level of dedication and commitment. Some ministries (e.g. Ministry of Transport) even organised internal working groups, while others were less responsive. Some members of the working group also act as reporters. In the Ministry of Energy, the dedicated team consists of around 10 people, of which 2-3 are working full-time on the NECP. As the Ministry of Energy does not have a dedicated department, coordinating the working group is a resource-intensive task. It could be argued that, in terms of time and resource needs, the Romanian Government found it difficult to adapt to the new process. However, after some time needed for adapting, now it is clear that it is more effective to have a common reporting process.

However, notwithstanding the effort, the national authorities in Romania are very satisfied with the support offered by the European Commission. The European Commission was responsive and ready to help also with technical issues (e.g. the reporting platform already closed when Romania had the updated NECP ready). The short tutorial videos with guidance on how to use the platform were particularly helpful. National authorities were equally satisfied with the guidance offered by the EEA, who organised some guiding workshop on how to complete information on the platforms. However, the EEA platform proved more difficult to use (e.g. difficult to upload files, frequent crashes, data had to be re-entered many times).

The consulted national authorities were unable to provide a view on the adequacy of the costs stemming from the production of Romania's national LTS.

Main benefits

During the consultation, national authorities in Romania highlighted the clear benefits brought about by the Governance Regulation. They explained that the process was extremely useful because it allowed different services to work more closely together and integrate some streams of work. When the Ministry of Energy started working closely with the Ministry of Transport, some inconsistencies in reporting were spotted and this allowed the streamlining of processes and aligning of trajectories.

However, according to non-governmental stakeholders, the energy and climate policy making process at the national level does not seem to have improved in recent years in

⁸⁵⁸ Commission Recommendation of 18.12.2023 on the draft updated integrated national energy and climate plan of Romania covering the period 2021-2030 and on the consistency of Romania's measures with the Union's climate-neutrality objective and with ensuring progress on adaptation, European Commission

⁸⁵⁹ State of the Energy Union Romania 2023

terms of transparency or inclusiveness.⁸⁶⁰ The cause may lay in the difficulties the Romanian government experienced, as explained at the beginning of this case study. The general feeling is that key actors, local authorities, civil society and other stakeholders have not been involved throughout the process of NECP updating. This feeling may have been exacerbated by the fact the main consultant developing the NECP together with the Romanian government is not Romanian and therefore communication and understanding of national specificities have been at times difficult.⁸⁶¹

A5.7.3. Public consultation and multilevel climate and energy dialogues

Public consultation

Long Term Strategy

Regarding Romania's LTS, in the summer of 2022, Romania initiated its development for energy and climate evolution until 2050. After crafting eight preliminary scenarios using the LEAP_RO model, consultations with the Ministry of Energy (ME) and the Ministry of the Environment, Water and Forests (MMAP) led to a first draft in November 2022. The Interministerial Committee on Climate Change (CISC) played a pivotal role, with meetings in December 2022 and February 2023 presenting targets and hypotheses of three scenarios. Following interministerial consultations, the first full preliminary LTS version emerged on 31 March 2023, integrating feedback from CISC institutions. Further consultations ensued between 31 March and 12 April 2023, resulting in a new version by 18 April 2023. Bilateral meetings with expert teams from various ministries refined the LTS, culminating in the current version on 23 April 2023, which was approved the next day at the CISC meeting (24 April 2023). Public engagement commenced on 18 April 2023 and included a roundtable at MMAP premises on 27 April 2023. Concurrently, training sessions on the LEAP_RO model were held from February to March 2023, involving representatives from key governmental bodies. In summary, this means that the consultation process was mainly an internal one amongst Romanian ministries, lacking the involvement of a wider public, with varied stakeholders and open, inclusive and transparent consultation mechanisms.

NECP 2019

The process to draft the 2019 NECP followed three steps:

1. *The involvement of the National Parliament*: During the public consultation from 29 November to 10 December 2018, the Ministry of Economy submitted an information letter to the Presidents of the Senate Chamber and Chamber of Deputies on 5 December 2018. However, no official response from these institutions was received by the time of the latest version of the draft NECP.

2. *Involvement of Local and Regional Authorities*: The Ministry of Energy initiated the public consultation by submitting the draft NECP to collect suggestions and opinions that could be considered recommendations. Launched on 29 November 2018, the national public consultation allowed stakeholders to submit feedback until 10 December 2018. The conditions of the public consultation do not seem to be satisfactory to meet the requirement of Article 10 of the Governance Regulation, especially in terms of '*reasonable timeframes allowing sufficient time for the public to be informed, to participate and express its view*', as recognised by the European Commission in its assessment that while Romania was among the countries which managed to submit its draft NECP before the deadline at the

⁸⁶⁰ Interview with market actor

⁸⁶¹ Interview with representative of local authorities

end of 2018, this came at a cost – a very limited period for consultations (only ten days), a fact which was signalled by most interested stakeholders.⁸⁶²

3. Consultations with Stakeholders, Social Partners, Civil Society, and the General Public: The public consultation involved various stakeholders, as evidenced by the list of respondents: Greenpeace Romania (07.12.2018), Deloitte Consultanta (10.12.2018), World Wildlife Fund (WWF) (10.12.2018), Association of Large Industrial Energy Consumers (ABIEC) (10.12.2018), Romanian Wind Energy Association (RWEA) (10.12.2018), Association of Romanian Electricity Suppliers (AFEER) (10.12.2018), ENGIE Romania (10.12.2018), SNTGN Transgaz (11.12.2018).

According to the European Commission's assessment (2020), three rounds of public consultation were held, from 29 November to 10 December 2018, from 13 February to 15 March 2019 and from 31 January to 28 February 2020. Romania submitted, in a separate document annexed to the plan, the public's views gathered during the consultation. A summary of the numerous consultations is also included in the plan, but details of how those views have been taken into account remain vague, since the plan states that the comments and the recommendations gathered have been 'partially implemented'.⁸⁶³ Apart from being mentioned in the agenda of a meeting with the European Commission during the consultation phase, there is no indication of the NECP having undergone a strategic environmental impact assessment under Directive 2001/42/EC.

NECP 2023

National authorities explained that because of the delays caused by the emergency orders adopted by the Government, assigning the lead on the document to the Ministry of Energy, the draft updated NECP was submitted to the European Commission without undergoing public consultation. Therefore, the 2023 draft updated NECP does not address in the same detail how/when the consultations were carried out, as more information will become available only for the final version. The document already includes the views of the interinstitutional working group (other Ministries, the Association of Municipalities, the Association of Cities and the Association of Communes) who were constantly consulted during the reporting and updating process. From January 2024 and until 15 March 2024, the Ministry of Energy will hold three rounds of public consultation (. Moreover, they already received some comments and observations from stakeholders (other Ministries and stakeholders).⁸⁶⁴

This explains why, according to the European Commission's assessment (2023)⁸⁶⁵, the draft updated NECP lacks details on public participation and consultation processes, with stakeholders potentially involved post-draft. The Romanian Government considers the interinstitutional working group as its Climate and Energy Dialogues, although it only comprises public entities (national and sub-national authorities), and not entities from the private sector (which are heard through the public consultations)⁸⁶⁶. However, according to interviews carried out with other market actors "*The biggest challenge is that the consultations are done only to check the box and only because they are mandatory by law. The real dialogue is not happening, relevant stakeholders are not involved so the strategy is not adapted to the realities in the field/ local context*".⁸⁶⁷

⁸⁶² COMMISSION STAFF WORKING DOCUMENT Assessment of the final national energy and climate plan of Romania, European Commission, 2020

⁸⁶³ COMMISSION STAFF WORKING DOCUMENT Assessment of the final national energy and climate plan of Romania, European Commission, 2020

⁸⁶⁴ Interview with the Ministry of Energy

⁸⁶⁵ COMMISSION RECOMMENDATION of 18.12.2023 on the draft updated integrated national energy and climate plan of Romania covering the period 2021-2030 and on the consistency of Romania's measures with the Union's climate-neutrality objective and with ensuring progress on adaptation, European Commission

⁸⁶⁶ Interview with representative of a national authority.

⁸⁶⁷ Interview with a representative of a local authority.

Multilevel climate and energy dialogues

Romania is one of the six countries participating in the NECPlatform project⁸⁶⁸, which offers support to the Government in setting up a Climate and Energy Dialogue as mandated by Article 11 of the Governance Regulation. The responsible partner for Romania is OER, the Romanian branch of Energy Cities. The OER has attempted on several occasions to make contact with the Romanian Ministry of Energy. However, the only two results so far have been the participation of the Ministry in the first round of the dialogue, held in Bucharest on the 20 April 2023 (and reported in the Romanian NECPR), and the invitation of OER in participating to the interministerial working group.

The European Commission had invited Romania, in its assessment of the NECP in 2020⁸⁶⁹, to “better exploit the potential of the multilevel climate and energy dialogues to actively engage with regional and local authorities, social partners, civil society organisations, business community, investors and other relevant stakeholders and to discuss with them the different scenarios envisaged for its energy and climate policies.”

From the information available in the final NECP published in April 2020⁸⁷⁰, it does not seem that there were opportunities for stakeholders and local authorities to contribute, other than in the general public consultation, whose timeframe was very short. This may explain why there was no contribution from local authorities.

A5.7.4. Regional cooperation

Regional consultations with other Member States are mentioned in the NECP, but details on collaboration are lacking.

The European Commission's recommendations on the NECP cite the need for robust regional consultation processes. Romania is encouraged to intensify cooperation with neighbouring Member States and within the Central and Southeastern Europe energy connectivity High-Level Group, particularly focusing on interconnectivity, renewables, energy efficiency, and internal market alignment to address common challenges and shared objectives. It is expected that Romania will outline a framework for cooperation with other Member States by 2025, as mandated by Article 9 of the revised Renewable Energy Directive (Directive (EU) 2023/2413). Additionally, Romania is urged to continue efforts to finalize bilateral solidarity arrangements for gas supply security with Hungary and Bulgaria.⁸⁷¹

The 2023 draft NECP update, highlighted the context of urgency due to the ongoing War in Ukraine, potential market volatility in natural gas and electricity, and the rapid transition to Net-Zero. This called for a unified approach through regional cooperation to setting the targets and policy proposals included in the draft NECP update. During the preparatory phase, the draft NECP update took into account regional and international projects aligning with its goals. Policies and legislation with EU-wide impact were integral to drafting National Climate and Energy targets. Romania's active participation in various projects strengthened EU security of supply, RES deployment, and regional market integration. Specific policies and measures within the draft NECP update reflect Romania's commitment to contributing to regional and EU-wide development. Additionally, Romania declared that it has also taken part in the high – level dialogue established within the Central and South-Eastern Europe Connection Initiative (CESEC) which are aimed at increasing furthermore the regional cooperation between the member states and fulfilling European strategic objectives. Moreover, Romania partakes in planning future natural gas infrastructure projects within the framework of the “Vertical Corridor” initiative, alongside Bulgaria,

⁸⁶⁸ See: <https://energy-cities.eu/project/life-necplatform>

⁸⁶⁹ COMMISSION STAFF WORKING DOCUMENT Assessment of the final national energy and climate plan of Romania, European Commission, 2020

⁸⁷⁰ The 2021-2030 Integrated National Energy and Climate Plan, Ministry of Energy (RO)

⁸⁷¹ COMMISSION RECOMMENDATION of 18.12.2023

Hungary and Greece. It is expected that more cooperation will take place between the submission of the draft updated NECP and the final updated NECP, for instance, further regional consultation is foreseen during the Strategic Environmental Assessment under the ESPOO convention.⁸⁷²

In the Energy Efficiency dimension, the draft NECP update highlighted the active participation of the Ministry of Energy in the European project ENSMOV Plus (LIFE programme), dealing with the implementation of Article 7 (now Article 8) of the Energy Efficiency Directive. In Energy Security, the draft NECP update references contributions to projects like BRUA (Bulgaria-Romania-Hungary-Austria corridor), Eastring, and involvement in the Central and South-Eastern Europe Connection Initiative (CESEC). The Energy Infrastructure dimension encompasses projects listed in ENTSO-E's Ten-Year Network Development Plan 2022 and relevant Projects of Common Interest impacting Romania's grid infrastructure development. Project-specific measures from these investment clusters are included in NECP policies.

A5.7.5. Compliance mechanisms

According to an NGO, the targets included in the updated Romanian NECP are unlikely be met: *"The 2025 targets project a rapid trajectory of renewable capacity installation. However, given the deployment in the last few years and the slow licencing of projects, reaching the 2025 target is rather unlikely, as it would mean that 2.5 GW of solar capacity and 2 GW of wind need to be installed in 2 years. Given the current legislative environment, slow, untransparent licencing, and limited potential profit of RES projects because of taxes, merchant RES projects are not attractive."*⁸⁷³

It was noted during an interview with a national authority that the government envisages creating a digital platform for all reporting obligations concerning the fight against climate change (therefore not only NECP but also EED reporting and other obligations). This is one of the priorities of the Interinstitutional Climate Change Committee responding to the Prime Minister.

The below figure provides a summary of the Commission's assessment of the draft updated NECP of Romania.

⁸⁷² Interview with a representative of a national authority.

⁸⁷³ Energynamics, Aurora Energy Research on Romania's 2023 revised NECP

Table 64. Summary of the Commission's assessment of the draft updated NECP of Romania.

- ✓ On **energy security**, Romania's draft updated NECP sets out targets and policies to improve Romania's security of energy supply, for instance by strengthening the gas network and interconnections.
- ✓ On **energy efficiency**, Romania's plan is comprehensive and informative and includes new measures addressing different sectors. However, the lack of quantification of energy savings measures makes it difficult to estimate the contribution to the energy efficiency targets.
- ✓ On **energy poverty**, Romania's draft updated NECP identifies this as its most relevant policy and mentions a national objective to reduce energy poverty. However, it lacks information on the quantification of this objective and specific policies and measures.
- ✓ On **the strategic alignment with other planning tools**, Romania's draft updated NECP covers the implementation of the measures included in the recovery and resilience plan and notably those in the new REPowerEU chapter.

- ✗ On **renewable energy**, the Romania's draft updated NECP lacks information on measures that Romania plans to adopt.
- ✗ On **internal market**, the plan lacks ambitious objectives and policies to enable market integration and further measures on the deployment of storage, demand response and flexibility.
- ✗ On **research, innovation and competitiveness**, policies in Romania's draft updated NECP focus on energy, but lacks concrete targets, measures and funding to support research, innovation and competitiveness of clean energy technologies and skills gaps.
- ✗ On the **just transition** dimension, the plan lacks a comprehensive analysis of social, employment and skills impact, including distributional ones, of the climate and energy transition and does not elaborate on concrete policies and measures to address these beyond coal regions. The plan is only partially consistent with the adopted territorial just transition plans concerning the intermediate trajectory for the coal phase out and the timeline for the phase out of coal and lignite-based power plants.

A5.7.6. Lessons learnt and recommendations

According to Government sources, the process was highly beneficial as it facilitated the breakdown of internal silos and enhanced collaboration between services. This shows that communication and coordination between different services of the government and different administrative levels form the basis of a good NECP, as the plan does not only relate to energy and climate but has effects and implications on most policies.

The process was also very useful in terms of learning. The staff of the ministries involved in the reporting process (physically adding the figures in the platforms) are convinced that in future rounds everything will be smoother because of the time invested in learning the

process, both in terms of using the provided platforms and methodologies, and because of the new relationships built with other services.

However, sub-national authorities and non-governmental stakeholders did not reflect so positively on the process.

Sub-national authorities do not feel sufficiently acknowledged and believe the Government is overstating the ongoing consultation work, which they consider to be a mere box-ticking exercise. In particular, they perceive that national authorities often lack trust in the capacity and value of the local level, while local authorities struggle to make their voices heard at the national level. Representatives from sub-national authorities therefore suggest imposing consequences on the Member States that fail to adhere to the Governance Regulation to enhance its overall effectiveness.⁸⁷⁴

Other stakeholders feel that the Government lacks knowledge or experience on certain topics, such as the Energy Efficiency First Principle which – they say – is not sufficiently considered in Romanian Energy Planning.⁸⁷⁵

Table 65. List of stakeholders consulted for the case study in Romania

Stakeholder type	Position/Role	Interview date
<i>National Authority - DG Impact Assessment, Pollution Control and Climate Change, Ministry of Environment, Waters and Forests</i>	Counsellor, Climate Strategies and Reporting Department	18/12/2023
<i>National Authority - Ministry of Energy</i>	Policy Officer	8/02/2024
<i>National Authority - Ministry of Energy</i>	Policy Officer	8/02/2024
<i>Third Organisation Romanian Cities</i>	Sector Energy Policy Officer	23/01/2024
<i>Third Organisation Romanian Cities</i>	Sector Energy Policy Officer	23/01/2024
<i>Industry Organisation - ESCO</i>	General Manager	25/01/2024

⁸⁷⁴ Interview with representative of Local Authorities

⁸⁷⁵ Interview with market actor

Table 66. Documents reviewed

Document type	Author(s) and title	Year
Commission Recommendation	COMMISSION RECOMMENDATION of 18.12.2023 on the draft updated integrated national energy and climate plan of Romania covering the period 2021-2030 and on the consistency of Romania's measures with the Union's climate-neutrality objective and with ensuring progress on adaptation, European Commission	2023
Factsheet	Highlights of the Commission's assessment, European Commision	2023
NECP	The 2021-2030 Integrated National Energy and 2020 Climate Plan, Ministry of Energy (RO)	2020
Corrigendum	COMMISSION STAFF WORKING DOCUMENT 2020 Assessment of the final national energy and climate plan of Romania, European Commission	2020
NECP	Draft Update Integrated National Energy and Climate Plan, Ministry of Energy (RO)	2023
Communicate	Romania's 8th National Communication on Climate Change under the UNFCCC, Beia Consult International et al	2022
LTS	National Long Term Strategy of Romania	2023
Online Article	Aurora Energy Research on Romania's 2023 revised NECP, Energynamics	2023
Document	Romania's Eight National Communication under the UNFCCC	2022
Factsheet	State of the Energy Union Romania 2023	2023

ANNEX 6. SYNOPSIS REPORT

A6.1. Introduction

This **Synopsis Report** summarises the consultation conducted, and stakeholder feedback received, during ICF's study supporting the evaluation of the Governance Regulation (Regulation 2018/1999). Section A6.2 presents the approach to the consultation, while Section A6.3 summarises stakeholders' feedback.

A6.2. Approach to the consultation

The stakeholder consultation comprised a call for evidence, scoping interviews, a main interview programme, and three online surveys that were tailored to different stakeholder groups. A hybrid (in-person and online) validation workshop was also organised by DG ENER and DG CLIMA after submission of the evaluation's second intermediate report providing an opportunity for participants to discuss the preliminary study findings.

A6.2.1. Overview of the consultation strategy

Before launching the stakeholder consultation, a comprehensive consultation strategy was developed detailing the stakeholder groups to be approached, the consultation methods to be used for each group, and the lines of enquiry and specific questions to be covered. Table 67 below shows the number of stakeholders contacted and consulted.

Table 67. Overview of consultation strategy and results

Stakeholder group	Consultation method	Stakeholders contacted	Feedback received
EU entities			
European Commission (including DG ENER, DG CLIMA, as well as other DGs)	Semi-structured interviews	online 5	5 interviews
European Environmental Agency (EEA)	Semi-structured interviews	online 2	2 interviews
European Committee of the Regions	Semi-structured interviews	online 1	1 interview
Joint Research Centre (JRC)	Semi-structured interviews	online 4	2 interviews
Member State national authorities			
Authorities responsible for planning / reporting obligations	Semi-structured interviews Online survey of national authorities	online 87 31 survey responses	7 interviews (13 national authorities) ⁸⁷⁶ 31 survey responses
Other national authorities and agencies	Semi-structured interviews Online survey of national authorities	online 140	2 interviews (3 national authorities) 2 survey responses
Industry stakeholders			

⁸⁷⁶ Some interviews had more than one authority from the same Member State taking part at the same time.

EU-level and national industry associations and organisations	Semi-structured online interviews	295	4 interviews 17 survey responses
	Online survey of industry stakeholders		
Third-sector stakeholders			
Civil society organisations and non-governmental organisations (NGOs)	Semi-structured online interviews	79	16 interviews (15 organisations) 12 survey responses
	Online survey of third-sector stakeholders		
Consumer organisations	Semi-structured online interviews	6	X
	Online survey of third-sector stakeholders		
Individual experts	Semi-structured online interviews	17	1 interview
	Online survey of third-sector stakeholders		
Academic institutions and research organisations	Semi-structured online interviews	55	3 interviews 6 survey responses
	Online survey of third-sector stakeholders		
Trade unions	Semi-structured online interviews	3	1 survey response
	Online survey of third-sector stakeholders		
Other stakeholder groups			
International organisations	Semi-structured online interviews	13	X

A6.2.2. Results per consultation method

The following sub-sections summarise the number of stakeholders reached by each consultation method.

Online interviews

Forty-four semi-structured online interviews were conducted during the evaluation, including 10 scoping interviews completed during the inception stage (between July and August 2023), and 32 key informant interviews conducted with stakeholders between September and December 2023.

In total, invitations were sent to 699 individual contacts, including 219 contacts within national authorities (representing 85 national authorities), 299 industry contacts (representing 210 industry organisations) and 160 third-sector stakeholders (representing 115 organisations and 17 individual experts).

An additional 36 interviews were conducted for the case studies between January and March 2024. These included 22 interviews with national authorities, 13 interviews with third-sector stakeholders and one interview with an industry organisation.

Table 68. Overview of interviews conducted for the case studies

Case study	Interviews conducted
BELGIUM	National authorities: 5 interviews

	Third-sector stakeholders: 1 interview
DENMARK	National authorities: 1 interview
FRANCE	National authorities: 3 interviews
	Third-sector stakeholders: 4 interviews
GERMANY	National authorities: 4 interviews
	Third-sector stakeholders: 3 interviews
MALTA	National authorities: 4 interviews
	Third-sector stakeholders: 3 interviews
POLAND	National authorities: 2 interviews
	National authorities: 3 interviews
ROMANIA	Third-sector stakeholders: 2 interviews
	Industry organisations: 1 interview
TOTAL INTERVIEWS CONDUCTED	36

The number of scoping interviews conducted matched the evaluation's target. However, only around half the planned key informant interviews could be conducted. This was despite the strategies implemented by the team to try and increase the participation rate, which included contacting additional stakeholders, asking stakeholders for references and for resharing our invitation to their own contacts, sending reminders and using alternative contact methods (e.g., phoning) or channels where relevant. Nearly all stakeholders that declined to be interviewed did not specify a reason for not participating, although a small minority indicated either not being available or not feeling capable to comment on the Regulation.

Online surveys

Three targeted online surveys were deployed during the evaluation:

One survey for national authorities. The survey was disseminated to 219 contacts (representing 85 national authorities) and received 20 responses.

One survey for industry stakeholders. The survey was disseminated to 289 contacts (representing 210 different industry organisations) and received 17 responses.

One survey for third-sector stakeholders. The survey was disseminated to 146 stakeholders (representing 115 different organisations and 17 individual experts) and received 19 responses.

The surveys were launched, in English, on 4 October 2023 and remained open for seven weeks, until 27 November 2023. The surveys were kept open two weeks longer than initially planned in an attempt to boost the response rates. Although the surveys generated considerable interest, the final number of usable responses was around half the level initially anticipated. No responses to the online surveys appeared to have been submitted as part of a coordinated campaign. Several largely incomplete responses were discarded during the data cleaning and analysis process to ensure the integrity of the final dataset.

Call for Evidence

The Call for Evidence hosted on the European Commission's 'Have Your Say' website ran between July and August 2023 and gathered a total of 53 responses from the general public. The majority of respondents answered on behalf of an NGO (34%), an environmental organisation (9%) or an academic / research institution (6%). Public authorities accounted for 15% of responses, while around one in five respondents represented either a business association (13%) or a company (9%). Nine percent (9%)

of responses were submitted by EU citizens in their personal capacity. Responses came from 16 EU Member States and two third countries (Australia and the United Kingdom), with the most represented countries being Belgium (18 responses) and Germany (9 responses). Around half the responses from stakeholders in Belgium were from EU interest organisations.

Stakeholder event

The European Commission also organised a hybrid stakeholder event on 11 January 2024. The event included around 120 representatives from Member States' national authorities, industry organisations, as well as civil society stakeholders. A total of 460 online connections⁸⁷⁷ were registered during the event, with a peak viewership⁸⁷⁸ of 174.

After introductory remarks by the European Commission, ICF presented the emerging findings of the evaluation. Participants were then invited to discuss, question, validate or refute the data and emerging findings. The event was organised in three thematic sessions covering (1) Target achievement, (2) Integrated planning and streamlining, and (3) Cooperation and consultation. The discussion included an online interactive polling session where participants were invited to score and express their views on a series of questions and statements about the Governance Regulation.

A6.3. Summarised stakeholder feedback

A6.3.1. Relevance of the Regulation

Most consulted stakeholders agreed that the Governance Regulation remains a relevant piece of legislation to govern EU climate action and energy policy goals. Interviewed stakeholders generally indicated that the Governance Regulation remains a relevant instrument,⁸⁷⁹ although several asked for it to be updated in light of recent EU and international legislative and policy initiatives.⁸⁸⁰

Relevance vis-à-vis the EU legislative framework

The national authorities and third-sector stakeholders that responded to the online surveys had noticeably different views about the continued and future relevance of the Governance Regulation. Around half (13/25) of responding national authorities agreed that the Governance Regulation's provisions and obligations remain relevant and up-to-date in light of EU legislative developments. This was only true for about a third (4/14) of responding third-sector stakeholders. Half the third-sector stakeholders that participated in the survey disagreed (2/14) or strongly disagreed (5/14) that the provisions and obligations of the Governance Regulation remain relevant and up-to-date. This was also true for the seven national authorities that indicated that the Governance Regulation is no longer relevant or aligned with EU developments.

Respondents to the Call for Evidence highlighted that legislative changes introduced after 2018 had significantly reduced the relevance of the Governance Regulation.⁸⁸¹ These changes include the adoption of the European Green Deal, the Fit for 55 package, the REPowerEU package, the European Climate Law, and the collective commitment to

⁸⁷⁷ A viewer can generate more than one connection during the live; e.g. close and reopen the streaming page later, this counts as double connection.

⁸⁷⁸ Maximum simultaneous unique viewers at a specific moment in time.

⁸⁷⁹ Key informant interviews with two EU bodies, one national authority, one individual expert, five civil society organisations.

⁸⁸⁰ Key informant interviews with one EU body, two national authorities, one individual expert, two research organisations, seven civil society organisations.

⁸⁸¹ NGOs (8); Business associations (2); Environmental organisations (3); EU citizen (1); Public authority (2) Other (1); Academic (1)

a long-term climate neutrality objective. For instance, seven stakeholders highlighted elements introduced by the new Renewable Energy Directive and the Energy Efficiency Directive that are not aligned with the Governance Regulation.

Three stakeholders also explained that the EU has not updated its 2018 Long-Term Strategy ('Clean Planet for all Europeans'), which made it outdated and not in line with the new EU legislative and policy landscape on energy and climate.⁸⁸² Four respondents underlined that the Governance Regulation does not capture nor define the important concept of energy sufficiency.⁸⁸³

Participants in the stakeholder event generally found that the Governance Regulation, and its planning and reporting tools, has helped achieve national or EU energy and climate objectives.⁸⁸⁴

Relevance vis-à-vis the international framework

The survey results were similar in relation to developments in the international framework: most national authorities (14/21) thought the Governance Regulation remains relevant, while half of responding third-sector stakeholders disagreed (3/14) or strongly disagreed (4/14).

In terms of gaps, although National Energy and Climate Plans (NECPs) and national Long-Term Strategies (LTSs) are subject to the access to information and access to justice obligations of the Aarhus Convention, six respondents to the Call for Evidence underlined that the Governance Regulation lacks any reference or specific provisions on access to justice.⁸⁸⁵

Fit for the future

The Governance Regulation's fitness for the future came under scrutiny, especially among third-sector respondents. A majority of them expressed disagreement (7/14) or strong disagreement (5/14) regarding the Regulation's fitness for the future beyond 2030 in its present form. National authorities presented a more varied perspective: ten out of 25 agreed that the Governance Regulation is fit for the future, while seven disagreed. A notable portion (8/25) remained neutral in their response.

Readiness to respond to changes and crises

Most surveyed third-sector respondents (10/13) indicated that the Governance Regulation has not provided an adequate framework to respond to socio-economic, environmental and geopolitical changes and crises.

In the Call for Evidence, stakeholders underlined that recent geopolitical events, including the COVID-19 pandemic and Russia's war of aggression against Ukraine, make an update of the Governance Regulation imperative to ensure it remains relevant and fit for purpose.⁸⁸⁶

Three national authorities that responded to the survey considered that biennial reporting on adaptation measures was too short a timeframe and could prove challenging for authorities to accurately complete, as these measures were updated less frequently due to longer planning cycles. An additional national authority discussed the challenges they experienced in reporting on how their Member State could reach adaptation targets: they found it difficult to identify new measures that could realistically be designed and adopted at a national level. Two interviewed civil society organisations indicated that climate adaptation needs to be better covered by the Regulation, with

⁸⁸² NGOs (1); Environmental organisations (1); Academic (1)

⁸⁸³ NGOs (2); Environmental organisations (1); Academic (1)

⁸⁸⁴ A majority responded that this was the case to some (38/94) or to a large extent (37/94).

⁸⁸⁵ NGOs (3); Environmental organisations (2); Academic (1);

⁸⁸⁶ NGOs (4); Business associations (2); Environmental organisations (2); EU citizen (1); Public authority (1)

one arguing that climate adaptation needs to be mainstreamed into NECPs. This resonated with one national authority that explained during an interview that it was unclear whether adaptation measures should have been integrated in their NECP. The stakeholder emphasised the diverging practices across Member States in this respect.

A6.3.2. Effectiveness of the Regulation

This section summarises how effective stakeholders believe the Governance Regulation has been in achieving its objectives.

Effect of the Regulation on Member States adopting national measures

Surveyed stakeholders reported that the Governance Regulation has at least somewhat contributed to their Member State adopting or implementing measures to meet national energy and climate contributions and the EU's 2030 targets for energy and climate.⁸⁸⁷ A majority of surveyed stakeholders also indicated that the implementation of the Governance Regulation has at least somewhat contributed to their Member State adopting or implementing policies or measures to meet greenhouse gas emissions commitments in line with the Paris Agreement.⁸⁸⁸

Some respondents to the Call for Evidence raised concerns about the absence of obligations to ensure coherence between NECPs and national LTSs, and whether the NECPs thus put the Member States (and the EU) on the pathway to decarbonisation, in line with the countries' LTSs and the EU's climate neutrality goal.⁸⁸⁹ This point was also emphasised by two civil society organisations that participated in the stakeholder event.

Information contained in national plans and reports

When asked about the impact of the Regulation on the completeness, reliability and accessibility of data contained in national plans and reports, surveyed stakeholders tended to indicate that the Governance Regulation has contributed to some extent.⁸⁹⁰ National authorities represented the large majority of respondents who considered the Regulation to have contributed to better information at least 'to a large extent'. Surveyed stakeholders generally found the indicators included in national reports, in accordance with the Regulation, to be at least somewhat helpful in tracking Member States' progress across the five dimensions of the Energy Union.⁸⁹¹

⁸⁸⁷ Respondents who answered 'To some extent' and upwards, including 24 out of 28 national authorities and 12 out of 17 third-sector stakeholders.

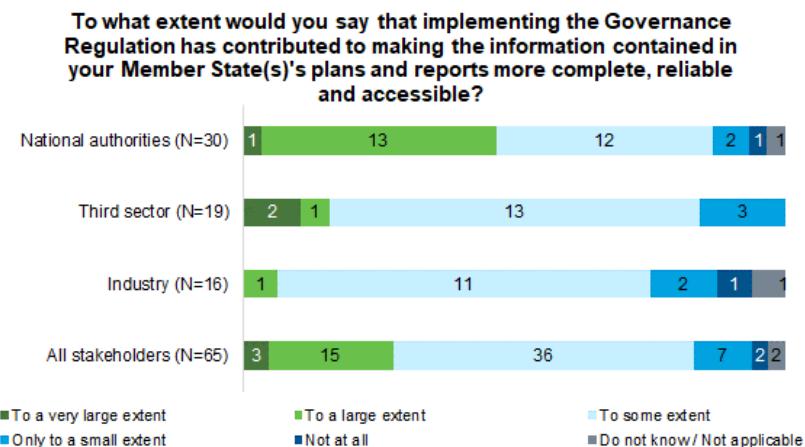
⁸⁸⁸ Over half the third-sector stakeholders (10 out of 17) and most national authorities (23 out of 27) indicated that implementing the Governance Regulation has at least somewhat contributed to their Member State adopting or implementing policies and measures to meet greenhouse gas emissions commitments in line with the Paris Agreement. One national authority and five third-sector organisations indicated that the Governance Regulation has not contributed at all to this objective.

⁸⁸⁹ NGOs (4); Environmental organisations (2); Academic (1)

⁸⁹⁰ More than half (55%) of all respondent groups replied with 'To some extent'.

⁸⁹¹ Three quarters of respondents (49/64) answered with 'To some extent' or upwards, with responses not varying significantly between stakeholder groups.

Figure 62. Completeness, reliability and accessibility of reported information



Source: ICF online surveys, *Evaluation of the Governance Regulation*

Survey respondents provided slightly positive views regarding the public accessibility of data contained in national plans and reports.⁸⁹² Most national authorities believed the Regulation has had a positive impact in this regard.⁸⁹³ About a third of respondents (19/65) across stakeholder groups believed that the Regulation has contributed to greater public accessibility 'only to a small extent' or 'not at all'.

All stakeholder groups were critical of the extent to which the Regulation had contributed to Member States meeting their obligations on time and making information accessible in a timely manner. National authorities were evenly divided, with one third (10 out of 30) believing the Regulation had a rather positive impact, while another third (9 out of 30) felt it had not significantly improved timeliness or had only marginally done so. Two from the latter group elaborated that elements beyond the Regulation's reach played a greater role (namely political priorities and pre-existing national frameworks), but two also thought that the additional reporting obligations had put strain on (notably smaller) public administrations. Just under half of industry and third-sector stakeholders indicated that the Regulation had helped with timeliness 'only to a small extent' or 'not at all'.⁸⁹⁴

Three national authorities that participated in the stakeholder event also emphasised obstacles impeding the timely submission of reports and data, such as the large amount of data to be collected, analysed and reported, and the need to regularly update submitted data for progress reports.

Some interviewed stakeholders remarked that the introduction of the Governance Regulation and accompanying plans and reports had noticeably improved the availability of information in their Member State.⁸⁹⁵ Several pointed out the differing levels of information and completeness of reports between Member States, however, highlighting that certain reports do not contain the expected data.⁸⁹⁶ Several interviewed national authorities emphasised issues with timeliness and timeframes of reporting and

⁸⁹² More than a third of respondents (24/65) thought the Regulation had contributed to greater accessibility for the public 'to some extent', an additional 16 "to a large extent" and 4 "to a very large extent".

⁸⁹³ Three quarters (23/30) believed the Regulation had contributed to greater accessibility at least 'to some extent'.

⁸⁹⁴ Six out of 15 industry stakeholders and eight out of 19 third-sector respondents chose one of these answers.

⁸⁹⁵ Interviews with two national authorities, one research organisation, seven civil society organisations.

⁸⁹⁶ Interviews with three EU bodies, one industry association, three research organisations, three civil society organisations.

updates.⁸⁹⁷ Some also remarked that certain data required by the European Commission were unavailable in their Member State.⁸⁹⁸ In contrast, several interviewed stakeholders recognised improvements since the first NECPs were published.⁸⁹⁹

Usefulness of national plans and reports

The surveyed national authorities indicated that information contained in NECPs, national LTSs and Member States' progress reports had been used for decision-making at a national level.⁹⁰⁰ The opinions among respondents from the third sector and industry were more varied, with close to half of industry representatives (8/17) considering that such data was only marginally used for decision-making, if at all.

Some respondents to the Call for Evidence indicated that the preparation of NECPs was sometimes viewed as a bureaucratic tool/check-boxing exercise, rather than a political priority.⁹⁰¹ One stakeholder added that NECPs often comprised "a compilation of existing plans", rather than a standalone plan with new information. Moreover, this had consequences for the obligations provided in Article 10 of the Governance Regulation on public participation: when the NECP is based on existing plans, "there is no new content to consult the public on".⁹⁰²

According to eight respondents to the Call for Evidence, LTSs were not given enough prominence in the Governance Regulation, nor by Member States, with some Member States submitting their LTS with substantial delay.⁹⁰³ The absence of a binding template for the LTSs was also mentioned as contributing to this issue. One stakeholder also explained that the five-year timeframe might be insufficient to include updated information.⁹⁰⁴

Interviews with national authorities revealed that while some Member States viewed the NECPs and LTSs as strategic and policy-setting documents, others tended to perceive them as a compendium or existing data and current or planned measures, with varying levels of usefulness depending on whether similar documents were already established nationally.⁹⁰⁵ Several third-sector stakeholders highlighted shortcomings in internal coherence and usefulness resulting from the fact that the first NECPs were submitted before LTSs, meaning that they lack the long-term political vision and impetus which would govern policy and goal attainment.⁹⁰⁶

Streamlining

Six respondents to the Call for Evidence highlighted that the Governance Regulation is a key pillar of the EU's energy and climate legislative framework, as it streamlined the different climate and energy planning and reporting requirements, particularly through the introduction of NECPs.⁹⁰⁷

Some respondents to the Call for Evidence found the design of NECPs to be ineffective or insufficient to address the gap between measures and objectives.⁹⁰⁸ Specifically, according to eight respondents, the NECP template provided in Annex I of the

⁸⁹⁷ Interviews with three national authorities.

⁸⁹⁸ Interviews with two national authorities.

⁸⁹⁹ Interviews with one research organisation, two civil society organisations.

⁹⁰⁰ More than two thirds (19/27) answered with 'To some extent' and upwards.

⁹⁰¹ NGOs (1); Environmental organisation (1); Academic (1)

⁹⁰² Public authority (1)

⁹⁰³ NGOs (6); Environmental organisations (1); Academic (1)

⁹⁰⁴ Public authority (1)

⁹⁰⁵ Interviews with five national authorities, two civil society organisations.

⁹⁰⁶ Interviews with one individual expert, two research organisations, three civil society organisations.

⁹⁰⁷ NGOs (2); Business Associations (2); Academic (1); Other (1);

⁹⁰⁸ NGOs (1); Business associations (1); Environmental organisations (2)

Governance Regulation no longer reflects the latest scientific progress or developments in EU climate and energy policies.⁹⁰⁹

Some interviewed stakeholders agreed that the Governance Regulation has helped integrate and streamline previously scattered obligations.⁹¹⁰ On the other hand, several interviewees argued that the Governance Regulation had also made their Member State's planning and reporting processes more complex.⁹¹¹ Some stakeholders highlighted turnover challenges encountered by national authorities, leading to a loss of institutional memory and in-house expertise, thereby affecting their ability to fulfil obligations effectively, efficiently (as they often have to rely on consultancies to complete tasks) and on time.⁹¹² Changing political priorities was also highlighted as a barrier for medium and long-term consistency.⁹¹³

Several interviewed national authorities mentioned that the guidance shared by the European Commission had proved relevant and useful.⁹¹⁴

Effective enforcement

Surveyed stakeholders held differing views on whether the Regulation's enforcement mechanisms (for addressing insufficient national contributions or implementation of EU energy and climate objectives) are sufficient and fit for purpose. Just over half the responding national authorities (14/26) thought the enforcement mechanisms are sufficient and fit for purpose, whilst a clear majority of third-sector respondents (14/16) disagreed or strongly disagreed. Most national authorities (15/26) also reported that the Regulation's enforcement mechanisms were effectively deployed when needed, whereas third-sector respondents were evenly divided between those that agreed and those that disagreed (5/16 for each answer).

Respondents to the Call for Evidence indicated that Articles 29 to 34 of the Governance Regulation had not been effective in ensuing a strong enforcement framework for climate and energy targets.⁹¹⁵ They highlighted that the current rules are insufficient to ensure that Member States comply with their targets. Specifically, stakeholders considered that the current delivery gap mechanism (Article 32) is not functioning effectively, and that there is a need for quicker intervention and greater transparency in discussions between the European Commission and Member States on measures being taken.

Several interviewed stakeholders underlined that Member States' compliance with the Regulation's obligations was sometimes limited. However, limited compliance was not always found to pertain to the Regulation itself, but rather to be linked to political considerations and the need to acquire buy-in from Member States in light of growing obligations and administrative burden.⁹¹⁶ Nonetheless, several third-sector stakeholders considered that the Regulation's enforcement procedure could be made more transparent and that the enforcement mechanism should be strengthened to more effectively tackle non-compliance.⁹¹⁷

⁹⁰⁹ NGOs (3); Business associations (4); Environmental organisation (1)

⁹¹⁰ Interview with one EU body, three national authorities, two research organisations, two civil society organisations.

⁹¹¹ Interview with two national authorities.

⁹¹² Interview with one national authority, one individual expert, two research organisations, one civil society organisation.

⁹¹³ Interview with one national authority, two research organisations.

⁹¹⁴ Interviews with three national authorities.

⁹¹⁵ NGOs (10); Business associations (1); Environmental organisations (3); Academic (2)

⁹¹⁶ Interviews with two EU bodies, one national authority, one research organisation, two civil society organisations.

⁹¹⁷ Interview with one individual expert, one research organisation, seven civil society organisations.

Effective contribution to greater predictability and certainty

Survey participants were asked whether the Governance Regulation has created more predictability and certainty for public and private investors. While national authorities had mixed views, industry and third-sector stakeholders tended to indicate that the Governance Regulation has only marginally contributed to enhancing the predictability and certainty for investors, if at all.⁹¹⁸

During the stakeholder event, one industry participant highlighted the importance of the Governance Regulation as a common reference point for Member States to set ambitions and investment levels. They mentioned that, in this respect, the Governance Regulation helps provide regulatory certainty, which stakeholders should make greater use of. They also highlighted how uncertainty can be detrimental to investment levels and markets, especially in sectors vulnerable to external crises (e.g., political and geopolitical). Thus, by providing regulatory certainty, the Governance Regulation may have helped stimulate investment and ensure market stability.

Although several interviewed stakeholders thought that the Regulation's plans and reports should contribute to greater predictability and certainty for public and private investors,⁹¹⁹ they found it generally unclear whether this had materialised into enhanced levels of investment. One interviewed national authority highlighted that the timeline of NECPs and of their update was not set up to inform the EU budget, with no way of reprogramming funds before 2027 (e.g., structural funds, Just Transition funds or Common Agricultural Policy) to support the implementation of the NECPs. Four interviewed industry representatives thought that national plans and reports had not played a major role in private investors' decision-making. Several third-sector interviewees thought that national plans and reports had not offered sufficient clarity or tangible projections to guide public or private investment.⁹²⁰

Regional cooperation

A majority of surveyed national authorities thought that the Governance Regulation has led Member States to increase or take more advantage of their cooperation with each other.⁹²¹ Nevertheless, most participants responding to the live poll during the stakeholder event thought that the Governance Regulation has only promoted regional cooperation to a limited extent (19/49) or to some extent (15/49).

Several interviewed national authorities reported fruitful examples of regional cooperation for the purpose of implementing the Governance Regulation,⁹²² although one indicated that such cooperation would probably have taken place even without the Governance Regulation. One interviewed EU official considered that regional cooperation remains underutilised at an EU level.

Multi-level dialogues and public consultation

Most national authorities that responded to the online survey indicated that their Member State had conducted multi-level climate and energy dialogues involving local authorities, civil society organisations and other relevant stakeholders.⁹²³ They also tended to think that their country had involved the public and taken due account of

⁹¹⁸ Half of third-sector respondents (9/18) and just under half of industry respondents (7/16) answered with 'Only to a small extent' or 'Not at all'.

⁹¹⁹ Interviews with two EU bodies, three national authorities, two civil society organisations.

⁹²⁰ Interview with three research organisations, seven civil society organisations.

⁹²¹ According to 15 out of 24 respondents, most of whom (11) believed this had been done by their Member State 'to some extent'. A third of respondents (8/24) answered that this has been the case 'only to a small extent'.

⁹²² Interview with four national authorities.

⁹²³ A majority (16/24) considered this was done 'to a large extent' or 'to a very large extent'.

public feedback when drafting and updating national plans, at least to some extent.⁹²⁴ Third-sector stakeholders were more critical: more than half believed that Member States had not set up sufficient multi-level dialogue enabling stakeholders to discuss policy scenarios and review progress,⁹²⁵ and half also thought that Member States had not provided the public with effective and timely opportunities to comment and engage in the developments of NECPs and LTSs.⁹²⁶

For several respondents to the Call for Evidence, Article 10 (public consultation) of the Regulation was not effective in ensuring public consultation in the preparation of NECPs.⁹²⁷ They indicated that public participation had varied significantly across Member States and had frequently not been very meaningful. Some respondents also mentioned that Article 11 (multilevel climate and energy dialogue) of the Regulation had not been effective in ensuring that Member States implement multi-level governance processes when designing, implementing and monitoring national energy and climate policy.⁹²⁸ They found that the establishment and regular meetings of multilevel climate and energy dialogues had not happened in a structured or systematic way, and that the feedback periods were too short to assess proposals and suggest potential amendments.

Several interviewed stakeholders underlined that multilevel dialogues and public consultations had been insufficiently conducted by Member States.⁹²⁹ Several interviewees welcomed the addition of Articles 10 and 11 in the Governance Regulation, noting that the language left large leeway for Member States to take action.⁹³⁰ Nevertheless, some third-sector interviewees found that, when conducted, multilevel dialogues and public consultations had not always been substantial or influential enough to inform planning and reporting.⁹³¹ One interviewed civil society organisations indicated that they had conducted their own research on the application of Article 11 and found that the language in the Regulation lacked clarity and that implementation was not sufficiently transparent. Significant variations between Member States in the implementation of Articles 10 and 11 were highlighted by interviewees. Some national authorities argued that such consultations were complex and often suffered from a lack of time to prepare and conduct them meaningfully.⁹³² Three interviewed national authorities remarked on the positive results that multilevel dialogue and / or public consultations had reaped in their Member States. However, two national authorities noted that similar dialogues and consultations were already in place before the adoption of the Governance Regulation.

Participants responding to the live poll during the stakeholder event generally agreed (35/58) that a combination of both insufficient provisions within, and implementation of, the Governance Regulation had led to varying levels of public participation across Member States. Seven third-sector organisations highlighted the need for public consultations to be better implemented and stakeholder feedback more valued.

⁹²⁴ A majority (13/25) selected either 'To a large extent' or 'To a very large extent' while the rest (11/25) answered with 'To some extent'.

⁹²⁵ Most (9/17) said this had been done 'only to a small extent', if 'not at all'.

⁹²⁶ Half (7/14) said Member States did so 'only to a small extent' or 'not at all'.

⁹²⁷ NGOs (8); Business associations (1); Environmental organisations (3); Academic (1)

⁹²⁸ NGOs (8); Business associations (1); Environmental organisations (1); Other (1)

⁹²⁹ Interview with one EU body, two industry organisations, six civil society organisations.

⁹³⁰ Interview with one individual expert, two research organisations, two civil society organisations.

⁹³¹ Interview with one research organisation, five civil society organisations.

⁹³² Interviews with three national authorities.

A6.3.3. Cost-effectiveness

Overall impacts on costs, time and administrative burden

Compared to the situation before the Governance Regulation was adopted, a number of surveyed national authorities thought that:

The Regulation had had a negative impact on costs linked to energy and climate planning and reporting (11/29).

The Regulation had had a negative impact on time allocated to energy and climate planning and reporting (15/29).

The Regulation had had a negative impact on the administrative burden linked to energy and climate planning and reporting (14/29).

Some respondents to the Call for Evidence noted the administrative burden created by the Governance Regulation, with its multiple planning and reporting processes and requirements.⁹³³ One public authority added that the Governance Regulation had not replaced reporting obligations in other areas, but had instead added a new layer of reporting, which had increased the administrative burden.

Just over half the participants in the stakeholder event (42/80) considered that the Governance Regulation generally strikes the right balance between addressing the need for granular information in national plans and reports on the one hand and keeping administrative burden proportional on the other.

Most interviewed national authorities indicated that the time and administrative burden linked to their planning and reporting had increased since the Governance Regulation entered into force, although one indicated that it had led to cost savings in their Member State.⁹³⁴

Cost items

National authorities generally observed that costs had risen for most of the items presented to them, with only a few exceptions where respondents noted that costs remained unchanged since the Governance Regulation was implemented. In most cases, respondents indicated that the Regulation had not led to any cost savings for their authority and only a small minority of survey respondents identified any cost saving at all. The following elements had the highest number of respondents indicating an increase in costs associated with implementing the Regulation:

Human resources necessary to fulfil obligations (according to 16 out of 18 national authorities providing an answer on this item, with 16 considering that this item had led to cost increases and 2 considering that associated costs had remained the same). Overall costs of preparing and submitting reports (14 out of 17 considering that this item had led to cost increases, with a further two respondents considering that associated costs had remained the same and one believing it had led to a decrease in costs).

Preparation and cross-service coordination for national plans and reports (according to 13 out of 16 respondents, with another three considering that associated costs had remained the same).

Running costs for coordination and data compilation (13 out of 16 considering that this item had led to cost increases, with a further two respondents considering that associated costs had remained the same and one believing it had led to a decrease in costs).

⁹³³ NGOs (1); Public authority (2)

⁹³⁴ Interviews with four national authorities.

External costs such as consulting and support (according to 13 out of 16 respondents, with a further three considering that associated costs had remained the same).

One difficulty was the limited human resources available in national administrations to meet reporting and planning obligations, linked to a considerable level of turnover – meaning that national authorities lost expertise and institutional memory. Some therefore had to rely on external contractors to support them.⁹³⁵

Efficiencies and cost savings

At the same time, surveyed national authorities generally found that the Regulation had led to some cost savings and more efficient planning and reporting in certain aspects, such as:

Through higher coherence of planning and reporting timelines and procedures (according to 15 out of 21 national authorities providing an answer on this item, with 15 considering that this item led to cost savings and more efficient planning, while three respondents disagreed with that statement).

Through higher coordination of different competent authorities (according to 14 out of 21 respondents, although a further three respondents disagreed with that statement).

Through having better established processes, policies and procedures (according to 13 out of 21 respondents, with another three disagreeing with that statement).

Through improved quality and timeliness of information produced (according to 12 out of 21 respondents, while a further five national authorities disagreed with that statement).

Reporting via the EU electronic platform(s)

Overall, surveyed national authorities had mixed views on the impacts that electronic reporting to Reportnet and ReportENER had on their services' costs, time and administrative burden. Although more respondents agreed than not (12/28) that the EU electronic reporting platform had made their reporting to the Commission easier, most disagreed or strongly disagreed (15/28) that having a common reporting platform had saved their Member State the cost of having to introduce or maintain a similar reporting platform at a national level. More often than not (12/28), surveyed national authorities found that submitting information via Reportnet had led to more costly, complex and time-consuming reporting in their Member State than what would otherwise have been the case.

Timing of planning and reporting obligations

Surveyed national authorities had mixed views on whether the timing of obligations under the Governance Regulation are internally consistent and reasonable⁹³⁶, and whether they are consistent with the timing of national obligations⁹³⁷ and other EU obligations.⁹³⁸ A majority of respondents (13/24) thought that the timing of planning and reporting obligations under the Governance Regulation align well with international obligations, although a third (8/24) disagreed.

⁹³⁵ Interviews with two national authorities, one individual expert.

⁹³⁶ Eleven out of 25 respondents disagreed (6/25) or strongly disagreed (5/25) with that statement, against nine who agreed.

⁹³⁷ Twelve out of 26 respondents disagreed (8/26) or strongly disagreed (4) with that statement, against ten who agreed.

⁹³⁸ Ten out of 26 respondents agreed with that statement, against nine who disagreed.

Two public authorities that responded to the Call for Evidence argued that the reporting platforms used for Member States' submissions were not efficient.⁹³⁹ One stakeholder explained that having to use two different platforms was suboptimal and hindered the efficient transfer of the necessary information. Another stakeholder indicated that EU and international reporting tools should be interoperable in order to support Member States and reduce the reporting burden.

Several interviewed national authorities considered that the two reporting platforms are quite burdensome to use. Some national authorities highlighted issues with uploading data and some remarked that data was not transparent, or easily accessible or readable once uploaded.⁹⁴⁰ Several stakeholders were confused about the existence of two different e-reporting platforms.⁹⁴¹ Third-sector interviewees tended to have more positive views and experiences of these platforms and their usefulness, as well as of the data they include.⁹⁴² Some still highlighted issues with user-friendliness and readability.⁹⁴³

A6.3.4. Coherence

Internal coherence

Surveyed national authorities generally thought that the obligations contained within the Governance Regulation are coherent (16/29). Although answers were not always clear-cut, the most common view was that the obligations of the Regulation do not overlap or duplicate each other (13/28) and are not internally contradictory (12/28). Of the surveyed national authorities who believed the obligations are not internally coherent (6/29), overlap (9/28) or are contradictory (6/28), respondents pointed to possible inconsistencies between:

reporting on greenhouse gas policies and measures (Article 18a) and provisions related to National Energy and Climate Progress Reports (NECPRs), notably its Article 17(3) on greenhouse policies and measures (three surveyed national authorities);

overlaps in the elements included in Sections 2, 3, 4 and 5 under each dimension of the NECP template, as included in Annex I of the Regulation (one surveyed national authority);

Eight respondents to the Call for Evidence reported a lack of consistency between the different planning instruments set out in the Governance Regulation.⁹⁴⁴ Some argued that the sequencing of NECPs and LTSs was not coherent, with the first LTSs being submitted after NECPs, while the former should inform the latter.⁹⁴⁵ Since there is no mandatory revision of LTSs in the Governance Regulation, one respondent found this resulted in a situation in which the LTSs, although manifestly outdated, were not being reviewed, resulting in the long-term direction remaining unclear and misaligned with the short-term action expressed in the updated NECPs.⁹⁴⁶

Some third-sector interviewees similarly highlighted that not having a direct alignment between the NECPs and longer-term objectives and policy strategies of the LTSs contravened the internal coherence of the Governance Regulation.⁹⁴⁷ This was similarly

⁹³⁹ Public authority (2)

⁹⁴⁰ Interviews with four national authorities.

⁹⁴¹ Interviews with three national authorities, one research organisation.

⁹⁴² Interviews with one individual expert, one research organisation, three civil society organisations.

⁹⁴³ Interviews with two research organisations, three civil society organisations.

⁹⁴⁴ NGOs (5); Environmental organisations (2); Academic (1)

⁹⁴⁵ NGOs (1); Academic (1)

⁹⁴⁶ NGOs (1)

⁹⁴⁷ Interviews with two research organisations, four civil society organisations.

raised by two third-sector respondents to the online surveys, who believed the Governance Regulation lacks a provision requiring Member States to guarantee coherence between their NECPs and LTSs, with alignment between the two documents perceived as too weak to ensure the Member States adopt national measures to reach climate neutrality by 2050.

Coherence with other EU and international instruments

Depending on their stated expertise, national authorities and third-sector stakeholders were asked targeted questions about the coherence of the Governance Regulation with external EU and international instruments in the climate and energy domains. The most common view was that the Regulation is coherent with the legislation underlying the Fit for 55 Package⁹⁴⁸ and the European Climate Law.⁹⁴⁹ Views were slightly more divided on EU initiatives with climate and energy implications, such as REPower EU, the Recovery and Resilience Facility, and the European Semester.⁹⁵⁰ Most national authorities thought the Regulation is coherent with the United Nations Framework Agreement on Climate Change (UNFCCC) and the Paris Agreement⁹⁵¹, with only one respondent disagreeing. Half the responding national authorities (12/23) thought the Governance Regulation is at least somewhat coherent with the Aarhus Convention⁹⁵², although a large minority said they did not know or found the statement not applicable (11/23). In contrast, most third-sector stakeholders thought the Regulation is not coherent with the Aarhus Convention (5/7). For example, one third-sector stakeholder argued that the Governance Regulation does not guarantee access to information and to justice under the Aarhus Convention.

Some respondents to the Call for Evidence identified inconsistencies between timings in the Governance Regulation and other relevant EU pieces of legislation, such as between the planning process of the NECPs on the one hand, and REPowerEU chapters and the Social Climate Plans on the other.⁹⁵³ It was also argued that the sequencing and timing of the main governance processes under the Governance Regulation and the EU Climate Law are not coherent because information (e.g., from assessments under Articles 6 and 7 of the EU Climate Law) was not available in time to inform the planning processes under the Governance Regulation – and vice versa.⁹⁵⁴

Respondents to the Call for Evidence argued that the Governance Regulation lacks coherence with newer pieces of EU legislation. They mentioned in particular the newly-adopted EU targets for renewable energy and energy efficiency.⁹⁵⁵

Several interviewed stakeholders believed the Governance Regulation needs to be updated to be coherent with newly adopted EU legislation.⁹⁵⁶ On the other hand, some interviewees believed the Regulation remains coherent with the overarching EU framework and should not seek to be too prescriptive, lest it falls behind future

⁹⁴⁸ Twenty out of 24 national authorities and nine out of ten third-sector respondents answered 'To some extent' or upwards.

⁹⁴⁹ Twenty out of 23 national authorities and seven out of ten third-sector respondents answered 'To some extent' or upwards.

⁹⁵⁰ A majority of national authorities found them coherent at least to some extent (14/24) but a third also answered with 'Do not know / Not applicable' (8/24).

⁹⁵¹ Thirteen out of 24 responded 'To a large extent' and upwards, as well as seven responding with 'To some extent'.

⁹⁵² UNECE Convention on Access to information, Public Participation in Decision-making and Access to Justice in Environmental Matters (Aarhus Convention), available at: <https://unece.org/environment-policy/public-participation/aarhus-convention/text>

⁹⁵³ NGOs (1)

⁹⁵⁴ Academic (1)

⁹⁵⁵ NGOs (2); Business associations (2); Public authority (1); Company/Business (1); Other (1).

⁹⁵⁶ Interviews with one EU body, two research organisations, five civil society organisations.

initiatives.⁹⁵⁷ Some timing inconsistencies between other EU or international obligations were identified as limiting coherence and creating added burden.⁹⁵⁸

As regards coherence with international processes, six respondents to the Call for Evidence indicated that the alignment between the 5-year common timeframe of the EU climate policy cycle and the UNFCCC should be strengthened, as foreseen by Article 4(7) of the European Climate Law.⁹⁵⁹

Three national authorities responding to the survey reported issues linked to the separate reporting timelines for NECPRs (due during odd years) and Biennial Transparency Reports (due during even years) carried out under the UNFCCC, highlighting that this cycle forced Member States to collect and report data annually, rather than every two years. One interviewed national authority pointed to the same issue in the context of greenhouse gas projections and adaptation reporting. Another national authority pointed to different timelines on greenhouse gas inventories, which are reported under the Governance Regulation up to 15 March, and up to 15 April under the UNFCCC.

One national authority commented that interoperability between EU and UNFCCC reporting tools would help ease administrative burden.

A6.3.5. EU added value

Scenario without the Regulation

A slight majority of surveyed national authorities (14/27) thought their Member State would not have achieved the same level of planning and reporting without the Governance Regulation (although a large minority (10/27) argued otherwise). Similarly, most third-sector respondents (10/14) concurred that the same level of planning and reporting would not have occurred in the absence of the Governance Regulation. Half responding national authorities (14/28) and most third-sector respondents (8/14) agreed that the Governance Regulation had made available information that would not otherwise have been accessible to the public in their Member State.

Several interviewees commented that the Governance Regulation had enabled a degree of information availability, accessibility and comparability at EU level that would not have been achieved by Member States on their own.⁹⁶⁰ Several interviewed stakeholders thought that the Governance Regulation had improved consistency of national energy and climate strategies across EU Member States,⁹⁶¹ and enhanced streamlining and coordination of national planning and reporting processes.⁹⁶² On the other hand, some interviewees noted that there remains scope to improve the consistency of adopted policies, and the comparability of reports and data.⁹⁶³ All interviewees, even those from Member States with stronger pre-existing frameworks, thought the Governance Regulation provides added value.

Harmonisation and predictability of national policies

Survey respondents had mixed views about whether the Governance Regulation has contributed to EU Member States adopting more coordinated and consistent national energy and climate policies. Just under half the responding national authorities (11/25)

⁹⁵⁷ Interviews with one EU body, one national authority.

⁹⁵⁸ Interviews with one EU body, two national authorities, two civil society organisations.

⁹⁵⁹ NGOs (3); Environmental organisations (2); Public authority (1)

⁹⁶⁰ Interviews with two EU bodies, two national authorities, one research organisation, four civil society organisations.

⁹⁶¹ Interview with one EU body, one national authority, two civil society organisations.

⁹⁶² Interviews with one EU body, one national authority, two civil society organisations .

⁹⁶³ Interviews with two EU bodies, one national authority, one research organisation, three civil society organisations.

thought the Governance Regulation has contributed to more coordinated and consistent national energy and climate policies across the EU, while half the third-sector respondents (7/14) disagreed with this assertion. Industry respondents were evenly split between those that agreed and those that disagreed. National authorities and third-sector stakeholders generally agreed that the Governance Regulation has contributed to national energy and climate policies being made more transparent and predictable.⁹⁶⁴ Industry respondents were evenly split between those that agreed and those that disagreed with this statement.

Interviewed stakeholders had mixed views about whether the Governance Regulation has enhanced transparency and predictability.⁹⁶⁵ Some believed that the Regulation has only had a limited effect and that much remains to be done to improve in this regard.⁹⁶⁶ Overall, interviewees tended to have reservations, show uncertainty or scepticism when answering this question, not least due to the large effort required to substantially review national reports across the EU (interviewees usually acknowledged only having consulted one or a few national reports). Reflecting on the technicality and amount of data contained in national plans and reports, several interviewees doubted whether most EU citizens or organisations would have the time and skills to digest the information.⁹⁶⁷

Access to justice and accountability

Survey respondents had mixed views on the effects of the Governance Regulation on enhancing access to justice and on enabling public and private actors to hold Member States and the EU accountable for their obligations. Most (17/25) responding national authorities thought this had been achieved at least 'to some extent', but third-sector (7/14) and industry stakeholders (6/14) tended to think that this had happened 'only to small extent' or 'not at all'. A majority of third-sector respondents (11/14) thought the Governance Regulation lacks adequate mechanisms to hold Member States and the EU accountable for their obligations. A majority (8/14) also indicated that the Regulation does not support access to justice for public and private stakeholders. They expressed mixed views when asked whether private and public actors in their Member State are able to access justice and hold governments accountable for their obligations under the Governance Regulation.⁹⁶⁸

While two national authorities thought the framework of the Governance Regulation allows access to justice in their Member State, several third-sector interviewees contended that this aspect of the Regulation is lacking and emphasised that, in practice, access to justice and holding Member States accountable for their obligations is not always ensured.⁹⁶⁹ They notably referred to the lack of clarity in the procedures for ensuring access to justice and limited enforcement mechanisms to make plans and reports binding. They also considered that the provisions of the Governance Regulation on access to justice are not strong enough.

⁹⁶⁴ Thirteen out of 25 national authorities agreed or strongly agreed, and seven out of 14 third-sector respondents agreed or strongly agreed.

⁹⁶⁵ Interviews with one EU body, two national authorities, one research organisation, four civil society organisations.

⁹⁶⁶ Interviews with one national authority, one industry organisation, two civil society organisations.

⁹⁶⁷ Interviews with two industry organisations, one research organisation, two civil society organisations.

⁹⁶⁸ Out of 17 respondents, six disagreed and three agreed. The majority of respondents did not choose either option or said they did not know.

⁹⁶⁹ Interview with two research organisations and four civil society organisations.

ANNEX 7. CLASSIFICATION OF OBLIGATIONS FROM ENERGY AND CLIMATE ACQUIS INCLUDED IN THE GOVERNANCE REGULATION (BASELINE)

According to the SWD (Annex 6), when referring to the energy legislative framework relevant to the Regulation '**Integrate means the obligation is integrated in National Plans, Progress Reports and integrated Commission monitoring; Keep separate means the obligation remains an entirely separate obligation in sectorial legislation (with possible amendments); or Keep separate and reflect means the obligation remains a separate obligation in sectorial legislation, which will however be reflected in the National Plans Progress Reports and integrated Commission monitoring; Repeal means the obligation is fully repealed from current sectorial legislation and thus removed from the EU energy and climate acquis'**'.⁹⁷⁰

According to the SWD (Annex 7), when referring to the climate legislative framework relevant to the Regulation '*Integrate means the obligation is integrated in National Plans, Progress Reports and integrated Commission monitoring (and at the same time being amended in or repealed from current sectorial legislation); Linked means the obligation is remaining a separate obligation from National Plans, Progress Reports and integrated Commission monitoring but, given its relation to obligations to be integrated in National Plans, Progress Reports and integrated Commission monitoring, linked to those obligations and to follow the legal destination of those obligations; Repeal means the obligation is fully repealed from current sectorial legislation and thus removed from the EU energy and climate acquis*'.⁹⁷¹

The identification of the baseline for the evaluation of the Governance Regulation followed the same approach, and used the obligations listed in the SWD as the starting point of the exercise. The analysis updated the provisions as relevant (since some of them have been amended or repealed since) and made an effort to identify the reporting obligations in the Governance Regulation and the dimensions of the Energy Union to which they correspond. In a few instances, this correspondence was not very clear, and comments have been left in the table, signalling where input from DG ENER/CLIMA would be needed.

⁹⁷⁰ COMMISSION STAFF WORKING DOCUMENT IMPACT ASSESSMENT Accompanying the document Proposal for a Regulation of the European Parliament and the Council on the Governance of the Energy Union, amending Directive 94/22/EC, Directive 98/70/EC, Directive 2009/31/EC, Regulation (EC) No 663/2009, Regulation (EC) No 715/2009, Directive 2009/73/EC, Council Directive 2009/119/EC, Directive 2010/31/EU, Directive 2012/27/EU, Directive 2013/30/EU and Council Directive (EU) 2015/652 and repealing Regulation (EU) No 525/2013 - SWD/2016/0394 final - 2016/0375 (COD), available at:

<https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:52016SC0394>

⁹⁷¹ Ibid.

Table 69. Classification of obligations from energy and climate acquis included in the Governance Regulation (baseline)

Name of obligation	Legal basis	Art.	Description of obligation	Type of obligation	Frequency	Entity targeted by the obligation	Manner of inclusion	Corresponding obligation in the Governance Regulation	Dimension of the Energy Union
Energy acquis									
Connecting Europe Facility Regulation	Regulation (EU) No 1316/2013	22	Report on progress and investments made in projects of common interest	Reporting	Annual	MS	Kept separate, and reflected ⁹⁷²	Art. 23	Internal energy market
Electricity Directive	Directive 2009/72/EC	4	Monitoring of security of supply by MS, with possibility to delegate to NRA	Reporting	Every 2 years, by 31 July	MS	Kept separate, and reflected ⁹⁷³	Art. 23	Internal energy market
Electricity Directive	Directive 2009/72/EC	22	Submit a national ten-year network development plan based on existing and forecast supply and demand, containing efficient	Planning	Annual	Transmission System Operators (TSOs)	Kept separate ⁹⁷⁴	Not included in the Governance regulation	Internal energy market

⁹⁷² Instrument repealed by Regulation (EU) 2021/1153 establishing the Connecting Europe Facility and repealing Regulations (EU)1316/2013 and (EU) 283/2014

⁹⁷³ Instrument repealed by Directive (EU) 2019/944 on common rules for the internal market for electricity and amending Directive 2012/27/EU (recast)

⁹⁷⁴ Instrument repealed by Directive (EU) 2019/944 on common rules for the internal market for electricity and amending Directive 2012/27/EU (recast)

Name of obligation	Legal basis	Art.	Description of obligation	Type of obligation	Frequency	Entity targeted by the obligation	Manner of inclusion	Corresponding obligation in the Governance Regulation	Dimension of the Energy Union
			measures in order to guarantee the adequacy of the system and the security of supply						
Electricity Directive	Directive 2009/72/E C	47	Overall progress report on internal market of electricity; should include MS measures for improving competition +/- recommendations	Monitoring	Annual	EC	Kept separate, and reflected ⁹⁷⁵	Art. 35	Internal energy market
Energy Efficiency Directive	Directive 2012/27/E U	3	Member State shall set an indicative national energy efficiency target	Planning	First when transposing the Directive, with possible revision every 3	MS	Integrated	Article 4(b)(1) (in the NECP) (+ Article 6 about related considerations)	Energy efficiency

⁹⁷⁵ Instrument repealed by Directive (EU) 2019/944 on common rules for the internal market for electricity and amending Directive 2012/27/EU (recast)

Name of obligation	Legal basis	Art.	Description of obligation	Type of obligation	Frequency	Entity targeted by the obligation	Manner of inclusion	Corresponding obligation in the Governance Regulation	Dimension of the Energy Union
					years (in NEEAPs)				
Energy Efficiency Directive	Directive 2012/27/EU	24(2), Annex XIV ⁹⁷⁶ Part 2	National Energy Efficiency Action Plans (NEEAPs)		Every 3 years	MS	Integrated	NECP (cf. Article 3(2)(c) + Annex I, sections 2.2 and 3.2 of the NECP template) ⁹⁷⁷	Energy efficiency
Energy Efficiency Directive	Directive 2012/27/EU	4 (then Article 2a of the	Long-term strategy for mobilising investment in the renovation of the	Planning and reporting	Every 3 years	MS	Integrated	In NECP, cf. Article 4(b)(3), Annex I (sections 2.2(ii) and 3.2(ii) of the	Energy efficiency

⁹⁷⁶ The Governance Regulation deleted Annex XIV of the EED. This can be considered as an example of ways the Governance Regulation ‘takes over’ reporting obligations previously listed in Annex XIV EED.

⁹⁷⁷ It would be possible to compare the indicative template for the NEEAPs (cf. part 2 of Annex XIV of the EED2012) and the sections on energy efficiency in the mandatory template for the NECP to identify a more specific correspondence.

Name of obligation	Legal basis	Art.	Description of obligation	Type of obligation	Frequency	Entity targeted by the obligation	Manner of inclusion	Corresponding obligation in the Governance Regulation	Dimension of the Energy Union
		EPB D)	national stock ⁹⁷⁸ building					NECP template) In NECPR, cf. Article 21 (points (a)(2) and (b)(4))	
Energy Efficiency Directive	Directive 2012/27/EU	5	exemplary role of public buildings (target and approach for central government buildings)	Planning	First notification by December 2013, then possible updates	MS	Integrated	Article 4(b)(4) (in NECP)	Energy efficiency

⁹⁷⁸ Two separate provisions are in fact relevant in this case 1) The renovation targets and milestones that are indeed included in the NECP, with progress monitored in the NECPR and 2) The Long-Term Renovation Strategy itself, which was reported separately until the Governance Regulation. The Governance Regulation includes an amendment to Article 2a of the EPBD, to clarify that "each Member State's long-term renovation strategy shall be submitted to the Commission as part of its final integrated national energy and climate plan", with the derogation that the first LTRS related to Art.2a of the EPBD was due by 10 March 2020. Which may have been a way to avoid overloading MS at the time they had to submit their first NECP.

The LTRS will become the BRP (Building Renovation Plans) with the EPBD Recast, that should remain linked to the NECP. But not this year again, as the EPBD recast is not yet adopted, postponing the deadline for the first BRP.

Name of obligation	Legal basis	Art.	Description of obligation	Type of obligation	Frequency	Entity targeted by the obligation	Manner of inclusion	Corresponding obligation in the Governance Regulation	Dimension of the Energy Union
					in annual reports and NEEAPs				
Energy Efficiency Directive	Directive 2012/27/EU	7(9), and Annex V	notification of energy efficiency obligation schemes and alternative measures reported to Article 7(1)	Planning	First notification by December 2013, then possible updates in annual reports and NEEAPs	MS	Integrated	Annex III (listing all reporting requirements) ⁹⁷⁹ Articles 3(2)(h) and 4(b)(2) (in NECP) Article (in NECPR)	Energy efficiency
Energy Efficiency Directive	Directive 2012/27/EU	Annex VIII	Comprehensive assessment of the potential of cogeneration and	Planning	Every 5 years	MS	Kept separate, and reflected	Not included in the Governance	Energy efficiency

⁹⁷⁹ This is an example where the Governance Regulation brought more clarity about how Member States should notify to the Commission information relevant to the EED energy savings obligation (previously Article 7 now Article 8 of the EED).

Name of obligation	Legal basis	Art.	Description of obligation	Type of obligation	Frequency	Entity targeted by the obligation	Manner of inclusion	Corresponding obligation in the Governance Regulation	Dimension of the Energy Union
			district heating and cooling					Regulation ⁹⁸⁰	
Energy Efficiency Directive	Directive 2012/27/EU	24(1), Annex XIV ⁹⁸¹	Progress report (annual report to the EED)	Reporting	Annual	MS	Integrated	Article 21(a) and Annex IX (part 2) (reporting on energy efficiency in NECPR) ⁹⁸²	Energy efficiency

⁹⁸⁰ This assessment should change, as per Article 25 of the EED Recast (replacing Article 14 of EED(2012)): "**As part of its integrated national energy and climate plan and its updates pursuant to Regulation (EU) 2018/1999, each Member State shall submit to the Commission a comprehensive heating and cooling assessment**". The same new article of the EED recast makes the link between the comprehensive assessment for heating and cooling and the assessment of renewable energy potentials for heating and cooling (cf. Article 15(7) of Directive (EU) 2018/2001 - Renewable Energy Directive).

⁹⁸¹ Same comment on Annex XIV (part 2) of the EED applies, as the Governance Regulation deleted Annex XIV of the EED.

⁹⁸² There might be some differences in the requirements between both, annual report to the EED and NECPR. Most of the obligation requirements on energy efficiency in the NECPR come indeed from the former Annex XIV part 1 of the EED. But it also includes a few details that were previously included in the NEEAPs (or not reported). A comparison of part 1 of Annex XIV of the EED with part 2 of Annex IX of the Governance Regulation (and possibly as well with the implementing regulation including the NECPR template) could provide better details. For example, progress with the long-term renovation strategies was previously included in the update of the LTRS, attached to the NEEAP (so every three years). Currently, Member States have to report some indicators about their building stock and building renovations in the NECPR (so every 2 years). However, most of these data are not mandatory, and the Commission's assessment confirmed that therefore, only a few Member States reported the non-mandatory data in their NECPR2023.

Name of obligation	Legal basis	Art.	Description of obligation	Type of obligation	Frequency	Entity targeted by the obligation	Manner of inclusion	Corresponding obligation in the Governance Regulation	Dimension of the Energy Union
		Part 1						+ Article 27 (report on the achievement of the 2020 targets)	
Energy Efficiency Directive	Directive 2012/27/EU	24(3)	Evaluation of annual reports and NEEAPs	Monitoring	Other	EC	Integrated	Article 29(3) about headline target (Article 3 EED) Article 35(2)(h) about energy savings obligation (Article 7 EED)	Energy efficiency
Energy Efficiency Directive	Directive 2012/27/EU	24(4)	Monitor impact of implementing the EED on the ETS Directive, the RES Directive, the EPBD	Monitoring	Other	EC	Repealed	No longer needed, due to the	Energy efficiency

Name of obligation	Legal basis	Art.	Description of obligation	Type of obligation	Frequency	Entity targeted by the obligation	Manner of inclusion	Corresponding obligation in the Governance Regulation	Dimension of the Energy Union
			Directive, the Effort-sharing Decision and industry sectors (carbon leakage sectors)					integrated reporting	
Energy Efficiency Directive	Directive 2012/27/EU	24(1)	publication of reports referred to in Article 24(1) and (2)	Monitoring	As in para 1 and 2 (annually and every three years respectively)	EC	Repealed	NECPs are published on the Commission website NECPR data are published on ReportNET	Energy efficiency
Energy Labelling Directive	Directive 2010/30/EU ⁹⁸³	3(3)	Enforcement activities and level of compliance	Reporting	Every 4 years	MS	Repealed	Not included in the Governance Regulation - Now part of	Energy efficiency

⁹⁸³ This Directive was repealed by Regulation (EU) 2017/1369, before the adoption of the Governance Regulation. As the 2017 Regulation on energy labelling reads, these articles have been replaced by Article 8(1) of the 2017 regulation that refers to Art.19 to Art.26 of the Regulation (EC) No 765/2008 setting out the requirements for accreditation and market surveillance. (see: <http://data.europa.eu/eli/reg/2008/765/oj>). Therefore, this reporting is now done as part of the general reporting on market surveillance (not linked to the Governance Regulation).

Name of obligation	Legal basis	Art.	Description of obligation	Type of obligation	Frequency	Entity targeted by the obligation	Manner of inclusion	Corresponding obligation in the Governance Regulation	Dimension of the Energy Union
								Regulation (EC) No 765/2008 on market surveillance	
Energy Labelling Directive	Directive 2010/30/EU 3	3(4)	Synthetic report of MS 4 years reporting	Monitoring	Every 4 years	EC	Repealed	Not included in the Governance Regulation - Now part of Regulation (EC) No 765/2008 on market surveillance	Energy efficiency
Energy Performance of Buildings Directive	Directive 2010/31/EU	5(2)	Report all input data and assumptions used for cost-optimal calculations and their results	Reporting	Every 5 years	MS	Integrated	Annex I (section 4(3)(iv) of the NECP template; however, cost-optimal levels only in the NECP (details are	Energy efficiency

Name of obligation	Legal basis	Art.	Description of obligation	Type of obligation	Frequency	Entity targeted by the obligation	Manner of inclusion	Corresponding obligation in the Governance Regulation	Dimension of the Energy Union
								provided separately) ⁹⁸⁴	
Energy Performance of Buildings Directive	Directive 2010/31/EU	9.5	Report on progress of MS in increasing the number of nearly zero energy buildings	Monitoring	Every 3 years	EC	Integrated	Article 35(2)(j) (every 4 years) ⁹⁸⁵	Energy efficiency
Energy Performance of Buildings Directive	Directive 2010/31/EU	10.2	List of existing measures and instruments, including financial	Reporting	Every 3 years	MS	Integrated	NECP: Annex I (section 3.2) NECPR: Article 21(b)(1),	Energy efficiency

⁹⁸⁴ Frequency of reporting for the detailed report is still 5 years, not modified by the Governance Regulation. By coincidence, it happens the same year as the drafts of the NECP cycle. First ones were reported in 2013, then 2018 and 2023. The first report was supposed to be due on 30 June 2012, but apparently the deadline was adapted. The Governance Regulation does not include explicitly this reporting obligation (only the need for Member States to report the values of cost-optimal levels in their NECP or NECP updates). Member States report on cost-optimality are available from the Commission's website, (at: https://circabc.europa.eu/ui/group/092d1141-bdbc-4dbe-9740-aa72b045e8b3/library/30a6e0cd-055a-4623-95ab-e529c2a1b1be?p=1&n=10&sort=modified_DESC)

⁹⁸⁵ The change frequency of the reporting obligation from 3 to 4 years was an amendment to the EPBD included in the Governance Regulation, possibly probably to align with the frequency of NECPRs, where Member States are required to report about nZEB every two years; therefore an assessment by EC every three years would have create a misalignment)

Name of obligation	Legal basis	Art.	Description of obligation	Type of obligation	Frequency	Entity targeted by the obligation	Manner of inclusion	Corresponding obligation in the Governance Regulation	Dimension of the Energy Union
								and Annex IX (part 2, point (a)) ⁹⁸⁶	
Energy Performance of Buildings Directive	Directive 2010/31/EU	10.3	Examination (monitoring) of the effectiveness of the measures and instruments, including financial, listed by MS pursuant to Art.10.2	Monitoring	Not specified	EC	Integrated	Part of Commission's assessment of NECP (Art.13(b)) and/or of the NECPR (Art.29) ⁹⁸⁷	Energy efficiency
Energy Performance	Directive 2010/31/EU	14(3) and	Report on impacts of alternative approach to	Reporting	?	MS	Integrated	NECP (Article 3, and reference to Governance	Energy Efficiency

⁹⁸⁶ These details were to be included in the NEEAPs before. They are not listed in the Articles of the Governance Regulation. However, they likely correspond to the following point in Annex I of the NECP template, at the beginning of section 3.2: "Planned policies, measures and programmes to achieve the indicative national energy efficiency contributions for 2030 as well as other objectives referred to in point 2.2, including planned measures and instruments (also of a financial nature) to promote the energy performance of buildings". Another other possible link would be with this point required in the NECPR (see Annex IX Part 2): "(a) major legislative and non-legislative policies, measures, financing measures and programmes implemented in year X-2 and X-1 (with X as the year when the report is due) to achieve their objectives referred to in point (b) of Article 4 which promote energy service markets, improve the energy performance of buildings"

⁹⁸⁷ See previous comment. The link with the Governance Regulation would be the Commission's assessment of NECP and NECPR.

Name of obligation	Legal basis	Art.	Description of obligation	Type of obligation	Frequency	Entity targeted by the obligation	Manner of inclusion	Corresponding obligation in the Governance Regulation	Dimension of the Energy Union
of Buildings Directive		15(3)	mandatory inspection of heating systems (Art.14) and air conditioning systems (Art.15)					Regulation and NECP added in the EPBD)	
Financial Assistance in the Field of Energy Regulation	Regulation No 663/2009, as amended by Regulation 1233/2010	28	Report on implementation of financial assistance to projects in the field of energy	Monitoring	Annual	EC	Repealed	Article 28 has been deleted - not in the Governance Regulation	Research, innovation, competitiveness
Gas Directive	Directive 2009/73/E C	5	Monitoring of security of gas supply by MS, with possibility to delegate to NRA	Reporting	Annual, by 31 July	MS	Repealed	Article 5 has been deleted - not in the Governance Regulation	Internal Energy Market
Gas Directive	Directive 2009/73/E C	22	Submit a national ten-year network development plan based on existing	Planning	Annual	TSOs	Kept separate, and reflected	Art. 23	Internal Energy Market

Name of obligation	Legal basis	Art.	Description of obligation	Type of obligation	Frequency	Entity targeted by the obligation	Manner of inclusion	Corresponding obligation in the Governance Regulation	Dimension of the Energy Union
			and forecast supply and demand, containing efficient measures in order to guarantee the adequacy of the system and the security of supply						
Gas Directive	Directive 2009/73/EC	52	Overall progress report on internal market of gas; should include MS measures for improving competition +/- recommendations	Monitoring	Annual	EC	Integrated	Article 35	Internal Energy Market
Hydrocarbons Directive	Directive 94/22/EC	8(2)	Report on the conditions for granting and using authorization for the prospection, exploration and production of hydrocarbons - on	Monitoring	Other	EC	Repealed	Article 8(2) is deleted - not in the Governance Regulation	Internal energy market

Name of obligation	Legal basis	Art.	Description of obligation	Type of obligation	Frequency	Entity targeted by the obligation	Manner of inclusion	Corresponding obligation in the Governance Regulation	Dimension of the Energy Union
			the situation of entities in third countries and on the state of any negotiations undertaken with those countries or in the framework of international organizations						
Hydrocarbons Directive	Directive 94/22/EC	9	Annual report on prospecting, exploration and production	Reporting	Annual	MS	Repealed	Article 9 has been deleted - not in the Governance Regulation	Internal energy market
Infrastructure Regulation	Regulation No 256/2014	3 and 5	Reporting on investment projects in energy infrastructure within the European Union	Reporting	Every 2 years	MS	Repealed ⁹⁸⁸	Not included in the Governance Regulation	Internal energy market

⁹⁸⁸ Instrument repealed by Regulation (EU) 2018/1504

Name of obligation	Legal basis	Art.	Description of obligation	Type of obligation	Frequency	Entity targeted by the obligation	Manner of inclusion	Corresponding obligation in the Governance Regulation	Dimension of the Energy Union
Infrastructure Regulation	Regulation No 256/2014	10	Cross-sector analysis of the structural evolution and perspectives of the Union's energy system	Monitoring	Every 2 years	EC	Repealed ⁹⁸⁹	Not included in the Governance Regulation	Internal energy market
Infrastructure Regulation	Regulation No 256/2014	8	Report information exchange mechanism with regard to intergovernmental agreements (IGA) between Member States and third countries in the field of Energy	Monitoring	Every 3 years	EC	Repealed ⁹⁹⁰	Not included in the Governance Regulation	Internal energy market
Intergovernmental	Decision 994/2012/EU	8	Report information exchange	Monitoring	Every 3 years	EC	Kept separate ⁹⁹¹	Not included in the	Internal Energy Market

⁹⁸⁹ Instrument repealed by Regulation (EU) 2018/1504

⁹⁹⁰ Instrument repealed by Regulation (EU) 2018/1504

⁹⁹¹ Instrument repealed by Decision (EU) 2017/684

Name of obligation	Legal basis	Art.	Description of obligation	Type of obligation	Frequency	Entity targeted by the obligation	Manner of inclusion	Corresponding obligation in the Governance Regulation	Dimension of the Energy Union
Agreements Decision			mechanism with regard to intergovernmental agreements (IGA) between Member States and third countries in the field of Energy					Governance Regulation	
Network Access for Cross-Border Electricity Exchanges Regulation	Regulation 714/2009	8	Adopt a non-binding Community-wide ten-year network development plan, (Community-wide network development plan), including the modelling of the integrated network, scenario development, a European generation adequacy outlook	Planning	Every two year	ENTSO-E	Kept separate ⁹⁹²	Not included in the Governance Regulation	Internal Energy Market

⁹⁹² Instrument repealed by Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity (recast)

Name of obligation	Legal basis	Art.	Description of obligation	Type of obligation	Frequency	Entity targeted by the obligation	Manner of inclusion	Corresponding obligation in the Governance Regulation	Dimension of the Energy Union
			and an assessment of the resilience of the system						
Network Access for Cross-Border Electricity Exchanges Regulation	Regulation 714/2009	12(1)	publish a regional investment plan	Planning	Every two year	TSOs	Kept separate, and reflected ⁹⁹³	In the NECPs - Annex I (4.5. Dimension internal energy market)	Internal Energy Market
Network Access for Cross-Border Electricity Exchanges Regulation	Regulation 714/2009	24	Regulation implementation monitoring and reporting by COM, including preparation of the report "Progress towards completing	Monitoring		EC	Kept separate ⁹⁹⁴	Not included in the Governance Regulation	Internal Energy Market

⁹⁹³ Instrument repealed by Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity (recast)

⁹⁹⁴ Instrument repealed by Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity (recast)

Name of obligation	Legal basis	Art.	Description of obligation	Type of obligation	Frequency	Entity targeted by the obligation	Manner of inclusion	Corresponding obligation in the Governance Regulation	Dimension of the Energy Union
			the Internal Energy Market"						
Network Access for Natural Gas Transmission Regulation	Regulation 715/2009	8	Adopt a non-binding Community-wide ten-year network development plan, (Community-wide network development plan), including the modelling of the integrated network, scenario development, a European generation adequacy outlook and an assessment of the resilience of the system	Planning	Every two year	ENTSO-G	Kept separate ⁹⁹⁵	Not included in the Governance Regulation	Internal Energy Market

⁹⁹⁵ Act changed in July 2022

Name of obligation	Legal basis	Art.	Description of obligation	Type of obligation	Frequency	Entity targeted by the obligation	Manner of inclusion	Corresponding obligation in the Governance Regulation	Dimension of the Energy Union
Network Access for Natural Gas Transmission Regulation	Regulation 715/2009	12(1)	publish a regional investment plan	Planning	Every two year	TSOs	Kept separate, and reflected ⁹⁹⁶	In NECPs - Annex I	Internal Energy Market
Network Access for Natural Gas Transmission Regulation	Regulation 715/2009	29	Regulation implementation monitoring and reporting by COM, including preparation of the report "Progress towards completing the Internal Energy Market"	Monitoring		EC	Kept separate ⁹⁹⁷ -	Not included in the Governance Regulation	Internal Energy Market
Offshore Safety Directive	Directive 2013/30/EU	25(3)	Annual report based on the information reported by MS to the EC	Monitoring	Annual	EC	Integrated ⁹⁹⁸ -	Articles and 55 26	Unclear

⁹⁹⁶ Act changed in July 2022

⁹⁹⁷ Act changed in July 2022

⁹⁹⁸ instrument has been changed in January 2021

Name of obligation	Legal basis	Art.	Description of obligation	Type of obligation	Frequency	Entity targeted by the obligation	Manner of inclusion	Corresponding obligation in the Governance Regulation	Dimension of the Energy Union
Oil Stocks Directive	Directive 2009/119/EC	6(2)	Annual summary copy of the stock register	Reporting	Annual	MS	Kept separate, and reflected?	Articles and 52 26	Energy security
Oil Stocks Directive	Directive 2009/119/EC	9(4) and 9(5)	Annual summary copy of the stock register	Reporting	Annual (9(5))	MS	Kept separate (9(4)) and reflected (9(5))?	Unclear	Energy security
PINC	Euratom treaty	40	EC to publish periodically illustrative programmes indication in particular nuclear energy production targets and all types of investment required for their attainment	Monitoring	Irregular	EC	Integrated	Unclear	Unclear

Name of obligation	Legal basis	Art.	Description of obligation	Type of obligation	Frequency	Entity targeted by the obligation	Manner of inclusion	Corresponding obligation in the Governance Regulation	Dimension of the Energy Union
Renewable Energy Directive	Directive 2009/28/E C as amended by Directive (EU) 2015/1513	4 + Annex VI	National Renewable Energy Action Plan (NREAP)	Planning	Once	MS	Repealed ⁹⁹⁹ –	Not included in the Governance Regulation	Decarbonising the economy
Renewable Energy Directive	Directive 2009/28/E C as amended by Directive (EU) 2015/1513	22	MS Progress Report on NREAPs	Reporting	Every 2 years	MS	Repealed ¹⁰⁰⁰	Not included in the Governance Regulation	Decarbonising the economy
Renewable Energy Directive	Directive 2009/28/E C as	17(7) +	Progress report	Monitoring	Every 2 years	EC	Integrated	Article 29 Article 29	Decarbonising the economy

⁹⁹⁹ Instrument repealed by Directive (EU) 2018/2001 , and changed in November 2023

¹⁰⁰⁰ Instrument repealed by Directive (EU) 2018/2001 , and changed in November 2023

Name of obligation	Legal basis	Art.	Description of obligation	Type of obligation	Frequency	Entity targeted by the obligation	Manner of inclusion	Corresponding obligation in the Governance Regulation	Dimension of the Energy Union
	amended by Directive (EU) 2015/1513	23(3)							
Renewable Energy Directive	Directive 2009/28/EC as amended by Directive (EU) 2015/1513	24	Making relevant information public on the transparency platform	Monitoring	Irregular	EC	Integrated	Article 28	Decarbonising the economy
Security of Electricity Supply Directive	Directive 2005/89/EC)	Report on overall adequacy of the electricity system to supply current and projected demands for electricity	Reporting	Every 2 years	MS	Repealed ¹⁰⁰¹	Not included in the Governance Regulation	Internal energy market

¹⁰⁰¹ Instrument repealed by Regulation (EU) 2019/941 of the European Parliament and of the Council of 5 June 2019 on risk preparedness in the electricity sector

Name of obligation	Legal basis	Art.	Description of obligation	Type of obligation	Frequency	Entity targeted by the obligation	Manner of inclusion	Corresponding obligation in the Governance Regulation	Dimension of the Energy Union
Security of Electricity Supply Directive	Directive 2005/89/EC	7 (5)	Report investments on planned and their contribution to the objectives	Monitoring		EC	Repealed ¹⁰⁰²	Not included in the Governance Regulation	Internal energy market
Security of Gas Supply Regulation	Regulation 994/2010	4 and 5	Preventive Action Plans and Emergency Plans	Planning	every 2 years	MS	Kept separate, and reflected ¹⁰⁰³	NECP: Annex I (section 3.3)	Energy security
Security of Gas Supply Regulation	Regulation 994/2010	9	Risk assessment	Planning	Every 2 years	MS	Kept separate ¹⁰⁰⁴	Not included in the Governance Regulation	Energy security
Security of Gas Supply Regulation	Regulation 994/2010	14	Report on the security of gas supply to be included in annual reporting	Monitoring	Every 2 years	EC	Kept separate, and	Article 29	Energy security

¹⁰⁰² Instrument repealed by Regulation (EU) 2019/941 of the European Parliament and of the Council of 5 June 2019 on risk preparedness in the electricity sector.

¹⁰⁰³ Instrument repealed by Regulation (EU) 2017/1938

¹⁰⁰⁴ Instrument repealed by Regulation (EU) 2017/1938

Name of obligation	Legal basis	Art.	Description of obligation	Type of obligation	Frequency	Entity targeted by the obligation	Manner of inclusion	Corresponding obligation in the Governance Regulation	Dimension of the Energy Union
			Directive 2009/73/EC				reflected ¹⁰⁰⁵		
Transparency of Gas and Electricity Prices Directive	Directive 2008/92/E C	1, Annex I	Gas prices reports	Reporting	Other	MS	Repealed ¹⁰⁰⁶	Not included in the Governance Regulation	Internal Energy Market
Transparency of Gas and Electricity Prices Directive	Directive 2008/92/E C	1, Annex II Annex II:	Electricity prices report	Reporting	Other	MS	Repealed ¹⁰⁰⁷	Not included in the Governance Regulation	Internal Energy Market
Transparency of Gas and Electricity Prices Directive	Directive 2008/92/E C	8	Report on the transparency of gas and electricity prices charged to industrial end-users	Monitoring	Annual	EC	Repealed ¹⁰⁰⁸	Not included in the Governance Regulation	Internal Energy Market

¹⁰⁰⁵ Instrument repealed by Regulation (EU) 2017/1938

¹⁰⁰⁶ Instrument repealed by Regulation (EU) 2016/1952

¹⁰⁰⁷ Instrument repealed by Regulation (EU) 2016/1952

¹⁰⁰⁸ Instrument repealed by Regulation (EU) 2016/1952

Name of obligation	Legal basis	Art.	Description of obligation	Type of obligation	Frequency	Entity targeted by the obligation	Manner of inclusion	Corresponding obligation in the Governance Regulation	Dimension of the Energy Union
Climate acquis (MMR)									
Monitoring Mechanism Regulation	Regulation (EU) No 525/2013	4	Obligation to prepare a LCDS, to report on the status of implementation and to make it available to the public	Planning / Reporting	Updates every 2 years	MS EC and	Integrate	Article 15 & 16	Decarbonising the Economy
Monitoring Mechanism Regulation	Regulation (EU) No 525/2013	5	Requirements for Member States' national inventory systems	Other/reporting	Updates every 2 years	MS	Integrate	Article 37 (1)	Decarbonising the Economy
Monitoring Mechanism Regulation	Regulation (EU) No 525/2013	6	Union inventory system	Other/reporting	N/A	EC	Integrate	Article 37 (3)	Decarbonising the Economy
Monitoring Mechanism Regulation	Regulation (EU) No 525/2013	7	Reporting obligations on Member States' greenhouse gas inventories and obligation for the Commission to compile the Union	Reporting	Annual	MS EC and	Integrate	Article 26	Decarbonising the Economy

Name of obligation	Legal basis	Art.	Description of obligation	Type of obligation	Frequency	Entity targeted by the obligation	Manner of inclusion	Corresponding obligation in the Governance Regulation	Dimension of the Energy Union
			greenhouse gas inventory						
Monitoring Mechanism Regulation	Regulation (EU) No 525/2013	8	Requires Member States to report approximated greenhouse gas inventories	Reporting	Annual	MS	Integrate	Article 26	Decarbonising the Economy
Monitoring Mechanism Regulation	Regulation (EU) No 525/2013	9	Procedures for completing emission estimates to compile the Union inventory (gap filling)	Other	N/A	MS EC	and Integrate	Article 26 (4)	Decarbonising the Economy
Monitoring Mechanism Regulation	Regulation (EU) No 525/2013	10	Establishment and operation of registries (for Kyoto Protocol units)	Other	N/A	MS EC	and Integrate	Article 58	Decarbonising the Economy
Monitoring Mechanism Regulation	Regulation (EU) No 525/2013	11	Retirement of units under the Kyoto Protocol	Other	N/A	MS	Integrate	Article 58	Decarbonising the Economy

Name of obligation	Legal basis	Art.	Description of obligation	Type of obligation	Frequency	Entity targeted by the obligation	Manner of inclusion	Corresponding obligation in the Governance Regulation	Dimension of the Energy Union
Monitoring Mechanism Regulation	Regulation (EU) No 525/2013	12	National systems of policies and measures and projections	Other/reporting	Updates every two years	MS EC and	Integrate	Article 39	Decarbonising the Economy
Monitoring Mechanism Regulation	Regulation (EU) No 525/2013	13	Reporting obligations for Member States related to reporting on policies and measures relevant for climate action	Reporting	every two years	MS	Integrate	Article 18	Decarbonising the Economy
Monitoring Mechanism Regulation	Regulation (EU) No 525/2013	14	Reporting obligations for Member States related to projections of greenhouse gas emissions	Reporting	every two years	MS	Integrate	Article 18	Decarbonising the Economy
Monitoring Mechanism Regulation	Regulation (EU) No 525/2013	15	Member States' reporting of information on National planning and strategies	Reporting	every 4 years	MS	Integrate	Article 19 (1)	Decarbonising the Economy

Name of obligation	Legal basis	Art.	Description of obligation	Type of obligation	Frequency	Entity targeted by the obligation	Manner of inclusion	Corresponding obligation in the Governance Regulation	Dimension of the Energy Union
			adaptation						
Monitoring Mechanism Regulation	Regulation (EU) No 525/2013	16	Member States' reporting related to financial and technology support provided to developing countries	Reporting	Annual	MS	Integrate	Article 19 (3)	Decarbonising the Economy
Monitoring Mechanism Regulation	Regulation (EU) No 525/2013	17	Reporting on revenues from the auctioning of emission allowances under the EU emissions trading system and on the use of project credits from the ESD	Reporting	Annual	MS	Integrate	Article 19 (2)	Decarbonising the Economy
Monitoring Mechanism Regulation	Regulation (EU) No 525/2013	18	Union and Member States' submission of National Communications and Biennial Reports to the	Reporting	Every four years	MS EC and	Integrate	Article 17 (1)	Decarbonising the Economy

Name of obligation	Legal basis	Art.	Description of obligation	Type of obligation	Frequency	Entity targeted by the obligation	Manner of inclusion	Corresponding obligation in the Governance Regulation	Dimension of the Energy Union
			UNFCCC and copies to the Commission						
Monitoring Mechanism Regulation	Regulation (EU) No 525/2013	19	Review of GHG inventories for ESD purposes	Other	Annual	EC	Integrate	Article 38	Decarbonising the Economy
Monitoring Mechanism Regulation	Regulation (EU) No 525/2013	20	Addressing effects of recalculations in the ESD	Other	N/A	EC	Repeal	Article (2d) 38	Decarbonising the Economy
Monitoring Mechanism Regulation	Regulation (EU) No 525/2013	21	Commission reporting on progress towards international and ESD targets	Reporting	Annual	EC	Integrate	Article 29	Decarbonising the Economy
Monitoring Mechanism Regulation	Regulation (EU) No 525/2013	22	Union and Member States to submit report to the UNFCCC on the additional period for fulfilling commitments under the Kyoto Protocol	Reporting	in 2023	EC MS	and Integrate	Article 58	Decarbonising the Economy

Name of obligation	Legal basis	Art.	Description of obligation	Type of obligation	Frequency	Entity targeted by the obligation	Manner of inclusion	Corresponding obligation in the Governance Regulation	Dimension of the Energy Union
Monitoring Mechanism Regulation	Regulation (EU) No 525/2013	23	Cooperation between Member States and the Union	Other	N/A	EC and MS	Integrate	Article 41	Decarbonising the Economy
Monitoring Mechanism Regulation	Regulation (EU) No 525/2013	24	Role of European Environment Agency	Other	N/A	EEA	Integrate	Article 42	Decarbonising the Economy
Monitoring Mechanism Regulation	Regulation (EU) No 525/2013	25	Climate Change Committee assist the Commission	Other	N/A	N/A	Integrate	Article (1a) 44	Decarbonising the Economy

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