



Commission calls on Member States to improve their National Energy and Climate Plans to ensure collective achievement of the EU's 2030 targets *

Brussels, 18 December 2023

The Commission has today published its <u>assessment of EU Member States' draft National</u> <u>Energy and Climate Plans (NECPs)</u> and issued <u>recommendations</u> to assist Member States in raising their ambitions in line with EU targets for 2030. The final Plans must be submitted by 30 June 2024. The draft updated NECPs bring us closer to meeting the EU's 2030 targets and to implementing recently agreed legislation. However, there is a clear need for extra efforts, also in light of the COP28 outcome and the global call to accelerate action this decade.

In today's assessment, the **Commission calls on Member States to enhance their efforts** on greenhouse gas (GHG) emissions reductions and set out clearer plans on how they intend to adapt to climate change. It also invites them to better prepare for an increased uptake of renewables and enhance energy efficiency measures. Additional measures are also needed to empower consumers, improve energy security, and support European companies in strengthening their competitiveness. Greater efforts will be necessary to ensure access to available sources of funding and stimulate the crucial investments required for the competitiveness of European industry.

The Commission's in-depth analysis is based on 21 NECPs which were submitted sufficiently in time, and completed with other available data. Three Member States submitted their draft Plans too late for a country-specific assessment by December, and three have still not submitted their draft Plan.

Key findings and recommendations

The NECPs set out each Member State's roadmap to collectively meet the EU's legally binding target of 55% GHG emission reductions by 2030, and its energy and climate objectives. Today's EU-wide assessment is accompanied by a set of <u>recommendations and individual assessments</u> for each of the 21 Member States that submitted NECPs.

The Commission assessment finds that:

- At this stage, draft NECPs are not yet sufficient to reduce greenhouse gas emissions by at least 55% by 2030; current measures would lead to a reduction of 51%;
- Further ambition is needed to close a gap of 6.2 percentage points in the **effort sharing** sectors compared to the <u>40% target</u>;
- There is a gap of around -40 to -50 MtCO₂eq compared to the <u>-310 MtCO2eq target</u> under the LULUCF Regulation, showing an enhancement of the carbon sink is necessary;
- For **renewable energy**, the current drafts would lead to a share of 38.6-39.3% of renewables in the energy mix by 2030, compared to the <u>42.5% target</u>;
- For **energy efficiency**, the current drafts would lead to 5.8% energy efficiency improvements, compared to the <u>target of 11.7%</u>.

The Commission also highlights the importance and urgency of **phasing out the use of fossil fuels** in energy generation, notably solid fossil fuels. In addition, the persistence of fossil fuel subsidies in all Member States, including in transport, is identified as another obstacle to the EU's pathway towards climate neutrality. Subsidies which do not address energy poverty or the just transition need to be phased out as soon as possible and be directed instead to innovation and supporting vulnerable groups with the transition.

The Commission also encourages Member States to give more attention to **energy security** in their final NECPs and stresses the need to urgently boost the competitiveness of European clean energy value chains. Final NECPs should provide clarity and predictability for businesses and investors as well as facilitate planning for the use of public funds. The Commission recommends Member States better plan how to diversify their energy supply in a competitive manner. Better anticipating the necessary structural changes in the energy system will enable consumers to benefit from a cost-effective and flexible energy market. More attention should also be paid to reskilling and upskilling as

well as employment and social impacts and measures to ensure a green transition that is just, inclusive and leaves no one behind.

Significant further measures are also necessary to **adapt to climate change and enhance resilience**, including in the energy system. Final NECPs need to sufficiently address climate related impacts. The Commission made <u>additional recommendations</u> under the European Climate Law on the consistency of Member States' measures with the Union's climate-neutrality objective and with ensuring progress on adaptation.

Next steps

All Member States must submit their final updated NECPs by 30 June 2024, taking into account the Commission's recommendations and individual assessments. This should ensure that the final versions of the NECPs are ambitious, sufficiently detailed and robust, and form a solid basis to accelerate implementation in the coming years.

Member States who have not yet submitted their draft updated NECPs (Austria, Bulgaria and Poland) need to do so without further delay. The drafts recently received from Belgium, Ireland and Latvia will be assessed by the Commission in early 2024.

Background

National Energy and Climate Plans for 2021-2030 are required under the 2018 EU Governance Regulation. They outline how Member States intend to meet their 2030 energy and climate targets. Member States submitted their previous NECPs in 2019. Since then, key 'Fit for 55' legislation has been completed and the Plans now require an update to align with the revised EU-level legislation. Member States were required to submit draft updated Plans by the end of June 2023, prior to the submission of final updated Plans in June 2024. The plans address the five dimensions of the Energy Union and Member States' commitments under the European Climate Law, the Fit for 55 package, the Recovery and Resilience Facility and the REPowerEU plan.

Today's Communication on the EU-wide assessment of the draft NECPs is accompanied by <u>21 country-specific recommendations and individual assessments</u> on the alignment with the energy and climate goals, the climate neutrality objective, and adaptation goals, for each of the Member States that submitted draft NECPs in time. At this stage, the 6 remaining Member States receive assessments and recommendations only on their adaptation policies and consistency with the Union's climate-neutrality objective, which are published (<u>here and here</u>). In addition, another <u>Staff</u> <u>Working Document</u> assesses progress on climate adaptation in all 27 Member States.

For More Information

Communication: An EU-wide assessment of the draft updated NECPs

Questions and answers

National energy and climate plans (NECPs) (related documents)

European Climate Law (related documents)

* Updated on 19/12/2023

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Quotes:

"The EU has committed to cut its greenhouse gas emissions by at least 55% by 2030, and our Fit for 55 legislation is now in place to enable it. Ensuring effective and complete implementation at national level is our main task now. This is why it is crucial to update the National Energy and Climate Plans with resolute ambition. We have shown leadership at COP28, and this is the chance to demonstrate that we are ready to deliver on the ground and firmly fight climate change. The Commission stands ready to support Member States in this process, including by promoting good practices in using the available sources of funding for the green transition."

Maroš Šefčovič, Executive Vice-President for European Green deal, Interinstitutional Relations and Foresight - 18/12/2023

"We have gone through the energy crisis together, and concluded many important initiatives, which will shape our future and fast-track the energy transition. Now it is time to implement our joint ambitious commitments. The national energy and climate plans are key tools to set a clear path towards a clean, resilient, and digitalised energy system. Our economies are waiting for clear investment signals and our citizens for strategies on how to keep energy prices at an affordable level for the long-term. Finalising ambitious plans before the summer is therefore one of the top priorities." Kadri Simson, Commissioner for Energy - 18/12/2023

"The EU is a leader in the fight against climate change. What we do at home is the foundation of our climate diplomacy abroad, as COP28 demonstrated. We adopted the European Climate Law in record time, to deliver on our 2030 ambition. Key legislation to make the EU reach 55% emissions reductions is already in force. The evaluation of Member States' draft updated NECPs is now proof that we have taken yet another step in the right direction to implement our ambitious objectives. However, it is clear we need stronger commitments in the final plans to put us firmly on the right track to climate neutrality, build resilience to climate impacts and to capitalise on the gains that come from the climate and energy transition." Wopke Hoekstra, Commissioner for Climate Action - 18/12/2023

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