

International power planning: the Energy Union's National Energy and Climate Plans

Source: Energy Community Secretariat, "Policy Guidelines on the development of National Energy and Climate Plans under Recommendation 2018/01/MC-EnC" (2018). Available at https://www.energy-community.org/dam/jcr:c9886332-a1f5-43ee-b46c-31c637aedfa6/PG_03_2018_ECS_NECP.pdf.

The Energy Union's National Energy and Climate Plans (NECPs) are strategic documents developed by European Union (EU) member states to outline their approaches towards achieving the EU's energy and climate targets for 2030. These plans are a critical component of the EU's overarching strategy to transition towards a sustainable, secure, and competitive energy system. Each NECP covers five key dimensions: (i) decarbonization, (ii) energy efficiency, (iii) energy security, (iv) internal energy market, and (v) research, innovation, and competitiveness.

NECP shall consist of the following main sections:

- a) An overview of the process followed for establishing the plan, including public consultation and involvement of stakeholders and their results, and regional cooperation;
- b) National objectives, targets, and contributions relating to the dimensions of the Energy Union;
- c) Planned policies and measures in relation to point (b) as well as investment needs;
- d) Current situation of the five dimensions of the Energy Union;
- e) Where applicable, a description of the regulatory and non-regulatory barriers and hurdles related to renewable energy and energy efficiency;
- f) An assessment of the impacts of the planned policies and measures and their consistency with the long-term greenhouse gas emission reduction objectives;
- g) A general assessment of the impacts of the planned policies and measures on competitiveness linked to the five dimensions of the Energy Union;
- h) Member States' methodologies and policy measures for achieving the energy savings requirement.

Furthermore, Member States shall describe their assessment, at national and, where applicable, regional level, of:

- The impacts on the development of the energy system and greenhouse gas emissions and removals, including a comparison with the projections based on existing policies and measures;
- The macroeconomic and, to the extent feasible, the health, environmental, skills, and social impact of the planned policies and measures, including a comparison with the projections based on existing policies and measures. The assessment methodology shall be made public;
- Interactions between existing policies and measures within a policy dimension and between existing policies and measures. Projections concerning security of supply, infrastructure, and market integration shall be linked to robust energy efficiency scenarios.

The NECPs are subject to an SEA under the EU SEA Directive. The described above approach to NECPs has some resemblance to an SEA (e.g., stakeholders' consultation, public transparency, consistency analysis among policies, institutional "skills," assessment of health, environmental, and social impacts). Integration of NECPs with an SEA is relatively simple and straightforward.

A number of countries have already completed the NECP process, including SEA. Finland and Estonia have integrated completed SEAs in their NECP submissions. Denmark, the Czech Republic, and Cyprus have applied SEAs to their NECP processes.