

Brussels, 19 April 2019

Subject: Governance - National Energy and Climate Plans are missing the mark

Dear Commissioner,

Dear Directors-General,

The new climate and energy policy framework set by the Clean Energy Package and the Clean Planet for All are landmarks in Europe's path towards meeting the Paris Agreement commitments – and they require an efficient implementation going forward. **Ambitious and coherent National Energy and Climate Plans (NECPs) are needed to ensure the EU reaches its 2030 targets**, to provide investors with more certainty across sectors and to ensure consistent reporting under the UNFCCC.

Eurelectric has identified a range of key performance indicators, which are essential to deliver on the EU decarbonisation targets. Alarming, the following key elements are not adequately defined and reflected in the draft plans:

1. Electrification

- There is analytical consensus on the importance of electrifying heating, transport and industry to achieve decarbonisation. The CEP includes several levers to electrify, but they are not properly picked up in the draft NECPs.
- On heating, only ten Member States (MSs) refer to figures or plans for heat pumps roll-out. This is not enough for making the electrification push in buildings a reality. In transport, no single plan explicitly mentions EV pre-cabling and only a minority refers to a long-term renovation strategy for existing buildings. We estimate the need for public and private charging points at 65-80 million by 2050, hence the importance of measures to support pre-cabling. If this information is featured in other buildings regulations, they should also be recognised in the NECPs.
- The majority of NECPs show a positive trend in setting targets for electric mobility, but only six draft plans provide a 360 degree strategy. As many as 10 draft NECPs do not feature any plan on how to electrify the transport sector. Given the urgent need to reduce transport emissions, this situation is alarming: we call on the Commission to support the MSs in developing a more comprehensive strategy for a low-carbon transport sector.

2. RES build-out towards 2030 remains unclear

- The 32% EU RES target translates into ca. 55% RES in the power sector. Eurelectric's Decarbonisation Pathways study finds that achieving 95% of decarbonisation across the EU economy in 2050 enabled by 60% direct electrification, would require ca. 393 GW of solar, 363 GW of onshore wind and 164 GW of offshore wind to be already deployed in 2030. To get on track for this, NECPs must set realistic, quantifiable and achievable ambition levels of RES buildout, coupled with a concrete analysis on how these will be reached, i.e. through fully market based investments or through supporting measures.
- Only 17 out of 28 draft NECPs feature quantifiable RES build-out by technology. Only 11 of those feature high ambition (at least doubling current levels) for at least two RES technologies. Five NECPs are ambitious with regard to one RES technology and one plan is underperforming. In addition, many draft plans lack concrete policy measures to reach these deployment levels, hampering necessary investment signals. It is of pivotal importance to address this issue in order to avoid jeopardising CEP implementation and undermining the credibility of the EU leadership.
- There is a lack of coherence. For instance, the data on RES build-out in draft NECPs is expressed in different units and ranges (some in absolute numbers, some in %, some need to be extracted from graphs), which makes comparisons and proper analysis difficult. A more streamlined methodology is advisable.
- A further point of concern is the lack of detail in a number of NECPs with regard to ensuring security of supply in a context of higher shares of RES and planned phase-out of existing assets. In this transition, ensuring sufficient firm capacity and flexibility is of crucial importance to maintain security of supply. NECPs in addition to their RES ambitions should therefore also clearly define how to address this challenge with a link to the implementation of the Risk Preparedness Regulation.

To enable electrification as a major part of the solution in decarbonising our society, the discrepancy between the EU headline targets and the lack of ambition (and data) in the national plans needs to be urgently addressed. This also implies creating the best conditions for the energy sector to be a functioning market-based industry, while ensuring regulatory consistency and preventing policy overlap¹.

2019 is the year in which ambitious targets need to translate into convincing strategies. We look to the Commission to ensure that key indicators are reflected in its analysis of the draft NECPs and the subsequent exchanges with the Member States. Eurelectric remains at the Commission's disposal to support and exchange on the findings of the above assessment and to support the dialogue between national experts in climate and energy and EU officials in charge of the governance file.

Kind regards,

A handwritten signature in blue ink, appearing to read 'KR', with a stylized flourish at the end.

Kristian Ruby Secretary General of Eurelectric

¹ Only 1 MS has recognised the need for policy overlap assessment. More information on this point can be found in the [joint statement](#) by EFET, CEEP and Eurelectric (March 2018).