EUROPEAN GREEN DEAL RISK RADAR | UPDATE

What to watch out for in the EU's new legislative term 2024-2029



GOVERNANCE REGULATION

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

The aim of the Regulation is to facilitate the achievement of the EU's climate and energy targets for the year 2030 in a fair and consistent way by the national governments of EU Member States. It establishes rules for the planning, reporting and monitoring of national measures that contribute to the overarching EU targets (55% net greenhouse gas emissions reduction, a 42.5% share of renewables in final energy consumption, with the latest to be reduced by at least 11.7% by 2030).

WHAT'S IN IT?

OBJECTIVE

Climate ambition

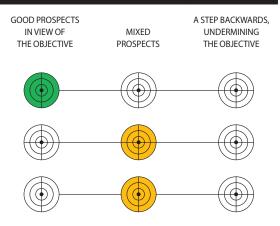
In view of respecting the limit of 1.5°C global warming under the Paris Agreement

100% renewables

Accelerating the phase-out of fossils and nuclear

Fair participation

Of citizens in the benefits of the European Green Deal



WHAT'S NEXT?

STATUS

Entered into force



MILESTONES

September 2024 European Commission review published

By March 2025

EU Member States to submit National Energy and Climate Plans (NECP) progress reports

By mid-2027

Revision of the Regulation to adapt it to the new post-2030 climate targets

By January 2028

EU Member States to submit updated NECPs

WHAT TO WATCH OUT FOR?

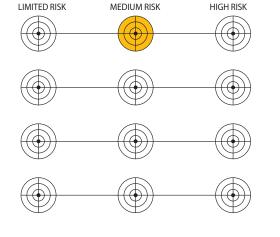
RISK

Speed. Slowing down the EU law's progress or implementation.

Money. Conflict on distributional effects or lack of finance for making this EU law impactful.

Fossil fuels. Open door to supporting the use of fossil fuels.

Nuclear power. Open door to supporting the use of nuclear power.







WHAT'S IN IT?

Climate ambition

Ensures EU Member States contribute to the achievement of collective climate and energy targets, inter alia through National Energy and Climate Plans (NECPs).

100% renewables

The Governance Regulation aims to bridge the regulatory gap that was created when the binding targets under the Renewable Energy Directive were abandoned. Through the NECPs, countries need to identify their contribution to the collective EU target to achieve a 42.5% renewable energy share of their final energy consumption by 2030. If EU Member States collectively fail to reach the target, the European Commission (EC) can impose specific targets to specific Member States (based on indicators included in the Regulation).

However, it does not reinstall binding targets and misses a long-term 100% renewable energy target.

+ Fair participation

EU Member States need to assess energy poverty in their NECPs and where needed include a national indicative objective to reduce energy poverty in their NECPs. Many Member States did not consult civil society appropriately on the content and ambition of their NECPs.

WHAT TO WATCH OUT FOR? RISKS

Speed





Nuclear power

The NECPs are the main tool to achieve the objectives of the Governance Regulation.

Despite request from the European Commission, Member States rarely improve their NECPs. Violations are not even penalised. As a result, the gap between the EU's climate targets and the progress expected on the basis of the NECPs is only growing. With the abolition of nationally binding renewable energy and climate targets, a key risk is that the Governance Regulation will remain unable to close the widening gap between targets and implementation.

'Given the major challenges of achieving climate neutrality by 2050, it is crucial to create a more robust governance mechanism that provides clarity and legal certainty.'

- ARIADNE PROJECT BRIEF: STRENGTHENING THE EU GOVERNANCE REGULATION FOR THE 2030 CLIMATE TARGETS, JANUARY 2024

FURTHER READING

Heinrich-Böll-Stiftung EU & Environmental Action Germany (DUH): Accelerating the European energy transition. Impetus for the EU reform debate, September 2024
Climate Action Network (CAN) Europe: NECP Tracker

WHAT'S NEXT?



STATUS

Entered into force on 24 December 2018

Transposition by EU Member States

The Governance Regulation puts many obligations on Member States regarding planning (NECPs and National Long-Term Strategies) and reporting on policies such as the Effort Sharing Regulation (ESR, see our dedicated scorecard) and land use, land use change and forestry (LULUCF). The most critical element are the 10-yearly NECPs of which the first version had to be submitted in 2019. Given the increased climate and energy ambition of the EU, new NECPs had to be submitted by end June 2024. As of 1 September 2024, only ten Member States had submitted a final revised NECP (DE, DK, FI, FR, IE, IT, LV, LU, NL and SE). As of 30 April 2025, final updated NECPs of three countries were still missing (BE, EE, PL).

Revision clauses and reporting duties

The European Commission shall report within six months of each global stocktake under the United Nations Framework Convention on Climate Change (UNFCCC) on the operation of this Regulation (June 2024), as well as on progress towards the EU climate and energy objectives, complemented by Annual Climate Action Progress Reports.

In February 2025, the EC announced that it plans to revise the Regulation by mid-2027 to adopt it to the new EU climate targets for 2035 and 2040. A proposal for the climate targets is expected by autumn 2025.

NECP progress reports by 15 March 2025, and next draft NECPs by 1 January 2028 (arts. 9, 17).

Delegated acts and other related legislative action

If the EC's assessments conclude that the objectives, targets and contributions of the NECPs or their updates are insufficient for the collective achievement of the targets, it shall propose measures and exercise its powers in order to ensure the collective achievement of those objectives and targets.

HOW TO IMPROVE IT? OPPORTUNITIES

The NECP process needs a more effective gap filler mechanism that encourages Member States to actually make an adequate contribution to meeting the common EU climate targets. In the area of the Energy Efficiency Directive or the ESR, Member States that do not meet their targets are already required to take additional measures. Failure to do so can lead to infringement procedures. The European Commission in November 2024 opened infringement procedures against AT, BE, BG, CZ, CY, EE, EL, HR, MT, PL, PT, SI and SK for not submitting their final updated NECPs which finally made most of the national governments react. The NECPs also offer opportunities for overachievement. It will be crucial to ensure each EU Member State provides an NECP reflecting its highest level of ambition so as to avoid any progress obtained by countries overachieving on their fair share being nullified by countries underachieving.