

PlanUp Virtual Final Conference - Report

“What Fit for 55 means for National Energy and
Climate Plans”



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EVENT REPORT

Date: Monday 28 June, 10h00-12h00

Platform: ZOOM

1. Brief description of the event

The purpose of the event was to discuss the main takeaways of the three-year LIFE Project [PlanUp “A multi-stakeholder platform for strong and inclusive energy and climate plans”](#) with a view to provide recommendations to policy-makers as well as national and regional representatives ahead of the adoption of the *Fit for 55* legislative package on 14th July by the European Commission.

The *Fit for 55* package will be a major overhaul of the EU’s policy and regulatory framework to align it with the increased climate ambition agreed by the EU institutions in the deal on the European Climate Law in April 2021 to step up the 2030 target to “55 net” greenhouse gas emissions reduction.

Based on the knowledge gathered in assessing National Climate and Energy Plans (NECPs) in the five focus Member States (Hungary, Italy, Poland, Romania and Spain), the PlanUp project partners have taken stock of the new upcoming policy framework and drafted a report “*Fit for (Flop) 55*” providing a set of key policy recommendations for policy-makers on how to ensure that NECPs are fit for increased climate ambition while enabling Europe’s recovery.

The event was organized in partnership with the Committee of the Regions which contributed to a panel discussion attended by LNR representatives of the five focus Member States. Eleonora Evi (Greens, Italy), Member of the European Parliament Environment Committee, also contributed to the discussion.

2. Background

The *Fit for 55* package that the European Commission is due to adopt on 14th July is a key policy milestone to implement the European Green Deal commitment to make Europe the first climate-neutral continent by 2050, while also ensuring the achievement of a zero pollution, toxic-free and circular economy.

The comprehensive policy and regulatory review will have to allow Europe to step up its effort to contribute to increasing our chances to keep the global average temperature rise below 1.5°C as set by the Paris Agreement.

The speed and size of climate and environmental challenges we are facing are such that we cannot afford to waste time and the next decade will be critical to put us on the right path. The unprecedented amount of funds made available by the Next Generation EU recovery plan provide a unique opportunity to put in place more ambitious policy, economic and fiscal instruments and steer investments and reforms in the next decade.

The political agreement reached on the “55% net” greenhouse gas emissions reduction target for 2030 has been a remarkable political achievement but the climate target is still well below the 65% required by science. The EU Climate Law has set a binding 2050 climate neutrality target and overall framework. However, it now needs to be complemented with policy and regulatory tools to increase ambition across all economic sectors. Reducing our energy consumption by mainstreaming the Energy Efficiency First principle, stepping up the uptake of sustainable renewable energy, and making the most of circularity in line with climate ambition, while ensuring synergies with other EU environmental targets will be the main challenges of the new climate and energy framework. Therefore, the revision of the Effort Sharing Regulation and of the Governance Regulation are urgently needed to ensure coherence with the *Fit for 55* package and more broadly with the objectives of the Paris Agreement.

3. Main purpose of the event

The event had a double aim: communicating the main takeaways of the PlanUp project to policymakers and the wider stakeholder community and engaging with LNR representatives (Committee of the Regions) in a debate on needed actions to deliver on the increased climate ambition.

The discussion has been focused on national binding emissions reduction targets under the Effort Sharing Regulation, which tackle emissions in three key economic

sectors not covered by the Emissions Trading Scheme (transport, buildings, agriculture), as well as RES, EE and the governance of the energy Union and climate action. In particular, the revision of the Governance Regulation, which is not included in the *Fit for 55* package, has been pointed to as the key enabler for increased ambition and policy coherence.

4. Format of the discussion

The discussion was framed to address four specific policy areas: Buildings, Agriculture, Transport, and Governance.

The event was translated simultaneously into and from the five languages of the focus Member States: Italian, Spanish, Romanian, Hungarian, and Polish.



The event was structured in two sessions:

1. Main recommendations on each of the policy areas based on the knowledge and experience gathered during the project, given by project partners European Environmental Bureau, Carbon Market Watch, and Transport & Environment.
2. A panel debate among representatives of the Committee of the Regions, one for each of the five focus member states.

The debate was moderated by Phillipa Nuttall Jones, a journalist from Energy Post.

A Q&A box was keeping a track of questions from the audience.

The event was closed with a video contribution by Eleonora Evi (Greens, Italy), Member of the European Parliament Environment Committee.

5. Main takeaways

First session: recommendation by the project partners

Patrick ten Brink (Deputy SG and Director of EU Policy, EEB)

The buildings sector is one of the largest energy consumers in Europe and is responsible for more than one-third of the EU's emissions.

However, only 1% of buildings undergo energy efficiency renovation every year, so effective action is crucial to making Europe climate neutral by 2050.

Agriculture is a significant driver of climate change. It is estimated, that methane emissions from the sector have contributed to 24% of the global warming effect to date. According to the European Environment Agency, while agriculture is the third-largest source of emissions in the ESR sectors, its emissions have been constant since 2005. The sector has hardly contributed to the reductions under the ESR. In the EU, agriculture is responsible for 54% of anthropogenic methane emissions. Overall, the NECPs' performance on agriculture has been very negative.

The NECPs must be updated to reflect the new 2030 climate ambition.

Specifically, on the EED revision, we need:

- Stronger and more stringent policies to mainstream the Energy Efficiency First principle. The EED should favour long-lasting measures such as deep renovations, deeper uptake of renewable energy (wind, solar, some biomass) combined with phasing out of fossil fuels in the energy system;
- Addressing market barriers and accelerate skilling and expertise;
- Fair, transparent, and effective redistribution measures to mitigate social costs.

The EPBD revision should:

- Increase at least three times the number of renovations, focusing on one-step deep renovations;
- Ensure the decarbonisation of buildings in their whole lifecycle, promoting circularity actions, among others;
- Establish minimal legal energy performance requirements for buildings;
- Reduce the energy demand and improving an effective resource-use, boosting the use of renewable energy;
- Reduce the need for fossil imports. Fossil fuels should be phased out in deep and light renovations, first and foremost in heating and cooling.

Sabine Frank (Executive Director, Carbon Market Watch)

Public participation in national climate policy-making - **more urgently needed!**

Strengthen the provisions in the Governance Regulation (art. 10) to require Member States to

- Improve overall transparency of their NECP drafting and update process, e.g. by providing an **easily accessible** and **clear timeline**
- Give the **public** sufficient time to be **informed, participate and express its views**, i.e. specify a **minimum duration** for public consultation
- Consult the public **“well before the adoption”** of the draft NECP.



Not revising the Governance Regulation as part of the Fit for 55 package is a A loophole in the overall 2030 policy review.

NECPs must be reviewed to reflect the new 2030 climate ambition.

NECPs must:

- Crucially integrate the entirety of EU countries' energy and climate policy into one document;
- Provide clear goals and a firm direction of travel for the next ten years;

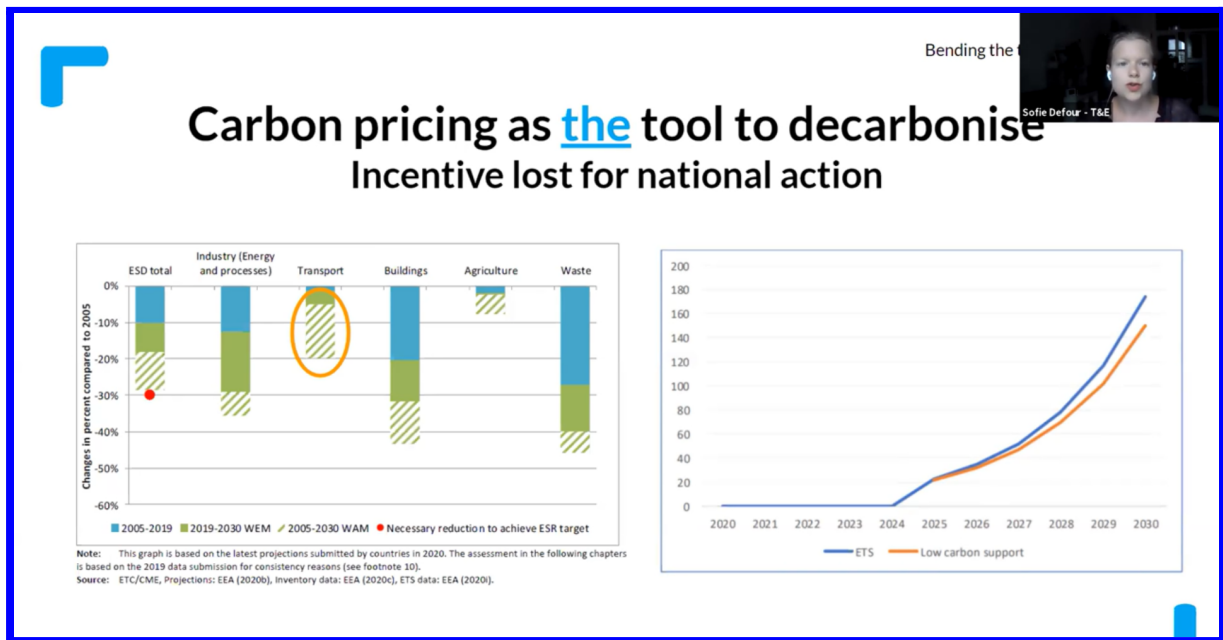
If no update of Governance Regulation:

- New 2030 climate target will not be integrated with the NECPs;
- It is risked that the plans will become disconnected from the EU's new climate target in the next two years;

The provisions in the Governance Regulation (Art. 10) must be strengthened to require the Member States to:

- Improve overall transparency of their NECP drafting and update process, e.g. by providing an easily accessible and clear timeline;
- Give the public a sufficient time to be informed, participate and express its views, i.e. by specifying a minimum duration for public consultation;
- Consult the public “well before the adoption” of the draft NECP.

Public participation in national policymaking must be strengthened and the multi-stakeholder dialogue must be improved.



According to the European Commission's Impact Assessment on the 55-net target, among the policy options addressing transport emissions, repealing or phasing out the ESR and proposing an ETS for buildings and transport is considered. This will mean that Member States will no longer be held responsible for emissions reductions in the buildings and transport sector. Therefore, the incentive for national efforts will be lost. This couples with strong concerns with the social impacts of the measure, even though the EC has recently proposed to reinvest the revenues to mitigate social consequences. The level of the CO₂ price ultimately set will be crucial. However, there must be no trade-offs with the current regulatory framework on CO₂ performance standards for road transport. Addressing public acceptance is crucial and will significantly depend on how ETS revenues will be used.

Revenues should flow back to the public in an equally visible way as price increases, and we need:

- Considerable share for social compensation measures;
- Effective communication;
- Precondition for increasing prices.

There must be a multi-layered approach to social compensation. Member States should not only count on (or wait for) new ETS revenues, but also look at other revenue streams (company cars, fossil fuel subsidies, recovery fund, etc.).

POLAND: Jakub Piotr Chełstowski, CoR Member and Marshal of the Silesian region



According to the EU energy policy, our shared goal is to completely reduce our emissions by 2050. The climate goals are very important for the Silesian region, because the region's starting point was worse compared to other regions. Silesia is the largest mining region in the EU.

The Fit for 55 package is fully supported in the region, although it is a great challenge for us. The whole range of legislation is going to be revised to put stricter rules in terms of emissions. Poland will soon have access to the recovery funds to change the landscape of the Silesia region, which we are very happy about.

The partners of the PlanUp project provide lessons to learn for the next 10 years on climate and energy. The combustion of fossil fuel is the primary source of GHG emissions, so we need to change our energy systems. The Silesia region phases out coal and leads the transition in Poland to solar energy in households. More financial and organisational support is needed and the recovery funds are an opportunity to develop the energy transition in the region.

It is important to consider that the legislative proposals of the Fit for 55 package do not happen at the expense of the poor citizens of the EU. Zero emissions economy is a great challenge, but the region is committed to this goal. We hope that soon the coal combustion will not be allowed in Silesia, but still, many jobs rely on coal. This is why it is important to receive adequate funds to transform our society and to create jobs with renewables. The Fit for 55 must not put an extra burden on workers. No one should be left behind in this transition.

ROMANIA: Csaba Borboly, President of Harghita County Council

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"Local and regional authorities should not be considered as stakeholders but rather as co-authors and partners for these plans"

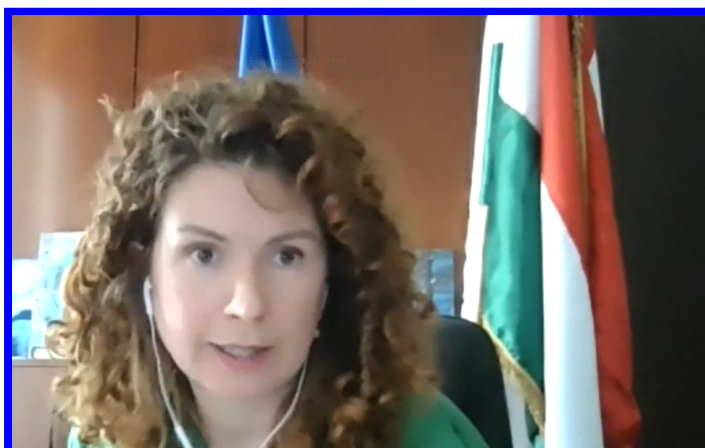
Csaba Borboly
President of Harghita County Council

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The Plan Up project is very timely, as it provides valuable indications for the Fit for 55 package. 2030 is approaching very soon and the -55 target will not be achievable if we lose this opportunity. Local and regional authorities are not stakeholders but should instead be considered as co-authors and partners for these plans. We do not need a one-size-fits-all approach.

Harghita County faces critical environmental challenges, extended forested areas hosting many wild animals to name one. The number of damages caused recently by wild animals has increased exponentially. A large number of damages caused by bears and the number of their attacks on humans has also increased. Decisions need to be taken to provide solutions for public safety. Damage caused by bears accounts for over 75% of damage caused by wild animals. There is a need for a change of paradigm and to receive support from the EU in such issues, such as Life Programme support for areas with more bears to find a resolution.

HUNGARY: Kata Tüttö, Rapporteur on Gender and Climate and Deputy Mayor of Budapest



Hungary has adopted the new NECP and sustainable mobility strategy. The capital Budapest's emissions account for 1/3 of national emissions.

Strategies are clear, but local and regional authorities are left out of the discussions at the national level in Hungary.

Everything has been centralised and authority over the region's budgets has been taken by the government.

More than 1000 projects were suggested to the government, but the proposals were rejected. Problem for the climate transition at local level is that any public or private loan needs to be approved by the government, limiting the ability of local authorities to act on their plans. "Our hands are tied" (quote).

Citizens were strongly involved in participatory planning at the local level, unlike at the national level. Public transport has been hit by the Covid pandemic. We need strong investments and, again, we are prevented from doing so by the government.

We have a gender equality issue and a strategy, but the money is not there. The Court of Auditors also stressed that. Energy poverty is a good example of gender inequality in climate action. Also public transport and heating are clear cases where the gender gap is present and evident. For reduction targets, it is instrumental to have gender policies and measures included.

ITALY: Roberto Ciambetti, Covenant national ambassador and President of the Regional Council of Regione Veneto

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"To achieve the EU Green Deal goals, regions need to simplify efforts & replicate their best practices in climate action but adapting them individually, to avoid a one-size-fits-all approach."
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Roberto Ciambetti
Covenant national ambassador and
President, Regional Council of
Regione Veneto

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When it comes to energy and climate plans, multi-level cooperation among institutions to reach the goals is essential. The EU has established that the goal of 150.000 new charging stations per year, but the current speed is at 86 stations per year. The EU can set ambitious goals, but the plans need to be adapted to each region.

Regions and local authorities are fundamental to achieving the energy and climate targets. They should be given more authority and independence to implement policies to reduce emissions and increase the circular economy.

There is no climate transition without a circular economy. Helen McArthur estimates 630 BN of savings for the EU in material production. This goes together with more jobs and integration within production value chains. And it is horizontal, from energy and water to smart cities and territorial management.

All Green Deal measures and dimensions should be included in the NECPs. This is also key for national Recovery plans.

The great value of the PlanUp project is also the analysis of good practices that evaluate feasibility and replicability. It is essential to share good practices among regions and countries to learn from one another and implement good practices as soon as possible. Mistakes at this stage can be very dangerous. There is a fear that the EU targets from might be too ambitious.

SPAIN: Juan Espadas, Mayor of Sevilla, Chair of ENVE Committee (replaced by Esperanza Caro)

The PlanUp project has provided crucial and relevant conclusions at the EU level



and at national and subnational governments. Fit for 55 is at the core of the EU Green Deal, the multi-level dialogue and involvement of citizens. EU methodologies are key. Local and regional partners are not only stakeholders but interested parties on climate action and circular economy. The national Recovery and Resilience Plan (RRP) must be based on NECPs.

-55% must be based on RRP, otherwise it is not possible to reach it. Regional governments cannot often reach those funds, as Kata Tutto from Hungary pointed out. PlanUp is a good project as it is based on best practices.

Seville has roughly 1.5M and is very vulnerable to climate change consequences, already witnessing them with heat waves, droughts and so on.

Interaction at different levels: waste management; better and intensified public transport; better use of public spaces for individual electric mobility, energy efficiency, distributed renewables production ect. It will improve local employment while fighting climate change. To make it a reality collaboration between the private and public sector is needed.

The new target presents a new challenge, but it is possible to adapt to it with aligning tools, resources and regulations.

Q&A

How could we move forward so the local level can take action on climate?

Kata Tüttö: All of the climate strategies have been centralized. For circular economy, for example, and even for waste management which did not use to be the case. In the short term, we cannot be very optimistic. Where there are strong regions, instruments and finances are more robust. Co-funding is a possibility but not the overall solution to it.

Esperanza Caro: Needs and priorities need to be clear, and then we need to work with the administration at its different levels and work with the most competitive ones. Good projects have higher chances of getting funding.

What is the best solution for “One size fits all”?

Sabine Frank: Climate policy happens in different political approaches and contexts. For a policy to be effective, citizens need to be involved, and it seems to be an obstacle at the local level, which is closed to people on the ground.

On the conference on the future of Europe

Kata Tüttö: easier to be aware of the direction we are heading but maybe more complicated to have something concrete on this topic. Women involvement and public participation must be increased.

How can it be encouraged?

Kata Tüttö: Hungarians have called for more participation in climate policy-making; we are using new tools and intensified action, i.e. letters to encourage all the discussions and especially women involvement in the urban debate.

Esperanza Caro: We have no technological problems, instead backing from the citizens, via participation. This is the great challenge we face, participation in strategic planning at the urban level. We are trying to get to the neighbourhoods via our district infrastructures through the workshops and communication. This is working but it is not enough. We still talk of small numbers of participants. But time is a challenge as it takes time and the decision-making process must be quick, especially in climate change planning.

We first raise awareness via examples such as drought, to explain how climate is a real threat to them, and that is how we have higher participation.

Eleonora Evi, Member of the European Parliament, Environment Committee



"The Greens in the European Parliament voted against this Climate Law that fits only for 55% emissions reduction. We will do our best to have a package that Fit for 2030"



Eleonora Evi

Member of the European Parliament, Environment Committee



MEP Eleonora Evi reminded us that the European Parliament had adopted the first EU climate law. However, although progressive, this law is not enough to keep global warming under 1.5°C degrees, as science is pointing out. She stressed that the EU must act collectively, but also Member States have to do their part: too many NECPs suffer from a lack of ambition. The question to be asked is: how can we push the Member States to a higher level of ambition? She said that climate justice seems to be the only way to hold the Member States accountable and force them to deliver. She added that citizens must be involved: this is the golden rule in all policies areas and especially when public money is involved. Finally, she observed that RRP and NECPs are weaker in investing in the green transition because of poor participation in the many Member States.