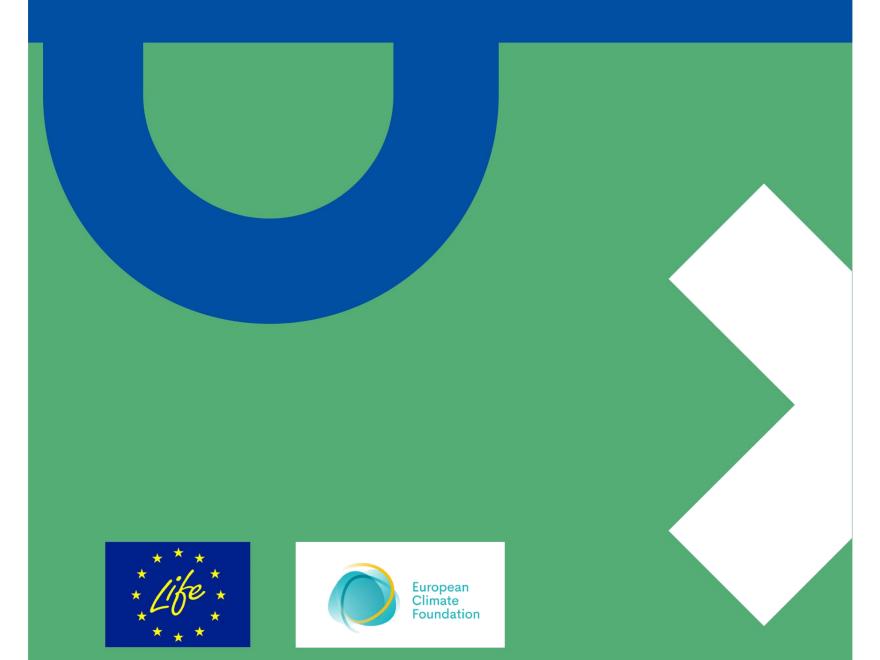
C7.3: Report on Roundtables with Ministry Officials on Effective Climate and Energy Governance



LIFE PlanUp

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Legal notice

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It is the overarching goal of the LIFE + programme to act as a catalyst for changes in policy development and implementation by providing and disseminating solutions and best practices to achieve environmental and climate goals, and by promoting innovative environmental and climate change technologies.

The information and views set out in this report are those of the author(s) and do not necessarily reflect the official opinion of the European Commission.







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Background

Following the publication of the draft National Energy and Climate Plans (NECPs) of the LIFE PlanUp focus countries Romania, Spain, Italy, Poland and Hungary, political roundtables were organised in each country with key Ministry officials in charge of the NECPs. In the case of Spain, the plan was even published on the same day as the roundtable, which provided participants with the opportunity to receive first-hand information from the Ministry Officials present on the NECP's main content and how it was drafted.



Event in Italy (Photo Credit: LIFE PlanUp)

The roundtables took place in the form of a facilitated exchange between representatives of local and regional authorities (LRAs), civil society organizations (CSOs) and the Ministry officials, who represented Ministries in the fields of energy, climate, environment, agriculture, building and transport at both technical and political level.

The political roundtables sought to identify the barriers for public participation and assess how to best capitalize on the involvement of LRAs and CSOs in the focus countries' NECPs. Furthermore, the aim was to gather participant's views on the project's main findings in good practices in energy and climate governance, as well as to debate relevant issues pertaining to each of the countries' NECPs.

All roundtables managed to exceed the minimum number of required participants (10 as stated in the project proposal) significantly. Between 26 to 94 participants joined the roundtables in the five focus countries.

List of Roundtables

Organiser	Information about Event	
Energy Cities & Association "Orașe	"Romania's Integrated National Plan on	
Energie în România" (OER)	Energy and Climate Change 2021-2030:	
	Perspectives of cooperation between	
	national government, local authorities and	
	civil society"	
	14 February 2019	
	Bucharest, Romania Number of Participants: 34	
Energy Cities & Ecodes	"Roundtable on the National Energy and	
	Climate Plan"	
	21 February 2019	
	Madrid, Spain Number of Participants: 31	
Energy Cities & Legambiente	"National climate and energy plan:	
	Roundtable"	
	12 March 2019	
	Rome, Italy	
	Number of Participants: 94	
Energy Cities & Stowarzyszenia Gmin	"Roundtable on Effective Climate and	
Polska Sieć (PNEC)	Energy Governance: The Role of Local	
	Self-Governments and Civil Society	
	Organizations"	
	19 March 2019	
Warsaw, Poland Number of Participants: 35		
		Energy Cities & Clean Air Action Group
	Climate Plan of Hungary"	
	25 March 2019	
	Budapest, Hungary	
	Number of Participants: 26	



Event in Hungary (Photo Credit: LIFE PlanUp)

Main Takeaways

Despite the national specificities of each of the LIFE PlanUp focus countries, the main takeaways that can be drawn from the five roundtables are quite similar. These concern the barriers for public participation (on the draft NECP), the role of LRAs and CSOs in the NECPs, the participants' views on the project's main findings in good practices in energy and climate governance, as well as the technical and political aspects of the NECPs of the focus countries. These takeaways are laid out below:

1) Barriers for public participation



Event in Romania (Photo Credit: LIFE PlanUp)

As regards the elaboration of the draft NECP, the Ministry officials that participated in the roundtables Romania, Spain and Italy identified the timeline of the NECP process as the main barrier for public participation. In essence, the end of 2018 deadline to submit

the draft NECP to the

Commission was deemed by the Ministry representatives of these focus countries as being too tight and strict, thereby preventing them from consulting extensively with the public and all stakeholders in the preparation of the draft NECP. For its draft NECP, Spain only held informal discussions with (energy) businesses, while Romania provided a window of only ten days to the public to comment on its draft NECP, before it was submitted to the EU Commission. The only country undertaking a broader public participation process for the elaboration of its draft NECP was Hungary, which sent out a questionnaire to 130 stakeholders that could be then answered within a month.

participating LRAs and **CSOs** identified two main barriers for public participation in this regard. Firstly, the local actors in Romania, Spain and Poland concluded that the mandatory public consultation process in the **NECPs** was not sufficient to design critical, strategic national energy and climate policy in a participatory manner. Instead, a real, ongoing public and social dialogue, following a detailed roadmap, driven from the bottom-up and engaging Event in Spain (Photo Credit: LIFE PlanUp)



citizens, stakeholders and local communities, would be needed to ensure strong public participation in the NECP process. Secondly, the legal nature of the foundation for the NECPs, the EU Energy Union Governance regulation, was also identified as a barrier for public participation. Compared to the Aarhus Convention provisions on public participation, the Governance regulation lacks acknowledgement of the citizen and stakeholder involvement process in the NECPs, and also does not provide clear guidance to EU Member States on how to implement a strong public participation process.

2) The role of LRAs and CSOs in the NECPs



Event in Romania (Photo Credit: LIFE PlanUp)

While the Ministry officials in the roundtables acknowledged LRAs should have an important role in the NECPs, the scope and this role depth of generally perceived from top-down perspective. In Spain for example, the draft NECP foresees the creation of lowemission zones in cities with more than 50000 inhabitants. At the Spanish roundtable, the Ministry

representatives said that the Government would now organize dedicated discussions with the affected cities on this issue. However, it also confirmed that Spanish cities were not consulted before this measure was proposed in the draft NECP, thereby reflecting a top-down policy approach in the relation between the national and local level.

In the other focus countries, the role foreseen for LRAs in the NECP process mainly touched upon providing more national support for local plans and actions on renovating buildings, decarbonising transport, adapting climate change and raising awareness on climate among citizens (this aspect was particularly in Poland the case). As regards the role of CSOs, the Ministry officials present welcomed their contributions to the NECP process, in particular on the



Event in Poland (Photo Credit: LIFE PlanUp)

measures and policies of the plan (not on the vision, ambition and the targets), but did not foresee a specific role for CSOs in the NECPs.



Event in Italy (Photo Credit: LIFE PlanUp)

For the LRAs representatives participating in the roundtables, the role of LRAs in the NECPs should be about showing leadership through ambitious energy and climate action, which would in turn support the achievement of more ambitious national objectives. Furthermore, LRAs could increase the uptake of renewables and stimulate energy efficiency by directly engaging with their constituents, both through dedicated programs as well as education actions. Moreover, the LRAs present called for the NECPs to make use of the full potential of the Covenant of Mayors initiative, which not only covers key sectors such as buildings, transport, waste and adaptation, but whose local energy and climate database can feed into the

national energy and climate planning. The LRAs representatives ultimately noted though that in order to play their role to the fullest extent in the NECP, an enabling legal, political and financial framework would be needed.

The CSOs actors underlined during the roundtables that CSOs' role in the NECPs can be to mobilize citizens for more energy and climate action by raising their awareness through a grassroots approach, gather useful data for sectoral policies (e.g. in agriculture), and also to support national policymakers with an inventory of existing good, replicable and upscalable energy and climate practices.



Event in Poland (Photo Credit: LIFE PlanUp)

3) Participants' views on main findings in good practices in governance



Event in Spain (Photo Credit: LIFE PlanUp)

project's main findings in practices in energy and climate governance were generally welcomed participants of the roundtables, but did not trigger much controversial discussion. Detailed questions were mostly asked in Spain from LRAs and representatives, regarding the evaluation of the good practices presented from Estonia, Ireland and Luxembourg (what went well, what didn't), and how the

findings from these good practices and their participatory approaches (in terms of narrative and engagement) could serve to react to the Youth for Climate movement.

In the other focus countries, the discussion focused more on the issues relevant to the respective NECP process.

4) Technical and political aspects of the NECPs discussed

The roundtables focused to a large extent on the same technical and political aspects of the focus' countries NECPs. The main issues that were discussed related to the NECPs touched upon its missing aspects (in particular climate adaptation, circular economy, lack of dedicated multi-level energy and climate dialogue). Moreover, the sessions focused also on the methodology used, vision,



targets and ambition, aligning the *Event in Hungary (Photo Credit: LIFE PlanUp)* 2030 trajectory with a long-term 2050 perspective (reflecting the discussion at EU level) and tapping into the potential of new actors (e.g. prosumers). Regarding the renewables sector, the ways to increase the share of renewables in the energy system were discussed, and also what role should remain for non-renewable energy sources in the focus countries' energy mix (e.g. nuclear, coal, gas).

Main takeaways	Summary
The barriers for public participation: - For Ministry Officials	- Timeline to submit draft NECP too tight and strict, thereby preventing extensive consultation with public and stakeholders
- For LRAs and CSOs	 Mandatory public consultation is not enough to design NECP in a participatory manner Energy Union Governance regulation lacks acknowledgement of the citizen and stakeholder involvement process in the NECPs, and also does not provide clear guidance to EU Member States on how to implement a strong public participation process
The role of LRAs and CSOs in the NECPs: - For Ministry Officials	Following a top-down policy approach, dedicated measures for LRAs are proposed, but without their prior consultation

	2) More national support for plans and
	actions of LRAs
	3) No specific role for CSOs apart from
	contributing to public consultation
- For LRAs	1) Show leadership through ambitious
	energy and climate action
	2) Increase uptake of renewables and
	energy efficiency
	3) Use full potential of Covenant of
	Mayors initiative
	Need enabling framework to play their role in the NECP
	Tole III the NECP
- For CSOs	1) Mobilize citizens for more energy and
10.000	climate action
	2) Gather data for sectoral policies
	3) Inventory of good and replicable
	energy and climate practices
	1) Evaluation of good practices (what
good practices in governance	went well, what didn't)
	2) Relevance of their participatory
	approaches to react to current
	movements (i.e. Youth for Climate)
Technical and political aspects of the	1) What is missing in the draft NECPs
NECPs discussed	(adaptation, circular economy, no
	dedicated multi-level dialogue)
	2) Methodology used
	3) Vision, targets and ambition
	4) Aligning 2030 trajectory with 2050
	long-term perspective
	5) Tapping into potential of new actors
	(e.g. prosumers)
	6) Ways to increase share of renewables,
	and what role to remain for non- renewable sources
	renewable sources

Conclusions and Next Steps

The political roundtables aimed to identify the barriers for public participation and define the role of LRAs and CSOs in the focus countries' NECPs. Furthermore, the objective was to gather participant's views on the project's main findings in good practices in energy and climate governance, as well as to debate relevant issues related to the focus countries' NECPs. As the four main takeaways outlined above make it clear, the roundtables largely succeeded in achieving these goals. This is firstly due to the strong outreach to the target audience of Ministry officials, LRAs and CSOs. In every roundtable, key Ministry officials in charge of the NECP participated by providing detailed information on the NECP process and responding extensively to the questions from LRAs and CSOs. The quality and diversity of the discussions was also ensured thanks to a strong mobilization of local actors, both from LRAs and CSOs. The Ministry officials appreciated the usefulness of the roundtables in gathering clear and constructive feedback from relevant local stakeholders on the NECP, while the LRAs and CSOs present welcomed the roundtables as an opportunity to discuss the NECP outside of a public consultation. Hence, the roundtables filled a gap in the focus countries, by providing national and local actors with a setting to openly debate the NECP.

On the other hand, it should be noted that a key part of the roundtables, the project's main findings in good practices in governance, did not solicit as much interest as expected. Furthermore, no LRAs joined the roundtable in Hungary, while in Italy, the roundtable turned out to be a plenary discussion with succeeding presentations, instead of a "real" roundtable, as was observed in the roundtables in the other focus countries.

Following the roundtables, the networks of LRAs and CSOs that had co-organized these events in the focus countries are keen to keep up the momentum and build on the dialogue started between LRAs, CSOs and the Ministry officials in charge of the respective NECP. These activities, while not fully defined yet, aim also to support the preparation of the project's multi-stakeholder dialogues in the focus countries, which are foreseen to take place in early 2020, after the submission of the final NECPs.

Both in Poland and Romania, the roundtable co-organizers PNEC and OER will use the roundtable as a basis for a follow-up dialogue with the Ministry officials, under the framework of the Covenant of Mayors. In Italy, Legambiente will issue a shadow NECP based on the roundtable discussions, to be released by June 2019. In Hungary, a large conference on decarbonising transport is organized by CAAG in June 2019, for which another attempt will be made to bring the Ministry of Transport to the table to debate with local actors on the issue of transport in the NECP. Finally for Spain, follow-up actions will depend on the general elections held end of April 2019, as their outcome could drastically affect the country's NECP.

Focus country	Follow-up to roundtable
Romania (OER)	Roundtable as basis for follow-up dialogue with Ministry officials under framework of the Covenant of Mayors
Poland (PNEC)	Roundtable as basis for follow-up dialogue with Ministry officials under framework of the Covenant of Mayors
Italy (Legambiente)	Based on roundtable discussions, a shadow NECP is set to be released by June 2019
Hungary (CAAG)	Large conference on decarbonising transport in June 2019, for which Ministry of Transport (did not attend roundtable) will be invited to debate transport with local actors
Spain (Ecodes)	Follow-up actions unclear yet, depending on outcome of general elections held in April 2019

In addition to these country-specific next steps, the forthcoming project's report on good practices in energy and climate governance, scheduled for publication in June 2019, will be broadly disseminated to the LRAs, CSOs and Ministry officials that had joined the roundtables in the focus countries.

All these actions seek to ensure that between the roundtables and the upcoming multi-stakeholder dialogues, additional steps are taken towards establishing a multi-layer governance framework in the focus countries, in particular in the form of a multi-level energy and climate dialogue as stipulated in the Energy Union Governance regulation. In particular the follow-up meetings envisaged between LRAs, CSOs and Ministry Officials, such as in Poland and Romania, have the potential to enable LRAs and CSOs to play a more important role in the finalization of the NECPs and their subsequent implementation.

Annex

- Event reports from all roundtables
- Agendas
- List of participants



inclusive energy for strong and and climate plans



EVENT REPORT

Project Partner: Energy Cities

Title of the event: Romania's Integrated National Plan on Energy and Climate Change 2021-2030: Perspectives of cooperation between national government, local authorities and civil society

Date & location: 14 February 2019, Bucharest

Organiser(s): Energy Cities & Association "Orase Energie în România" (OER)

Number of Participants: 34

Summary of the event

The political roundtable gathered several representatives at technical and political level from different Romanian Ministries in charge of the Integrated National Plan on Energy and Climate Change (NECP) and relevant national bodies, and also representatives from local authorities and civil society organizations. The event was held in Romanian, with interpreters providing simultaneous translation.

The first part of the roundtable was dedicated to presentations on the NECP from the Ministry of Energy, the Ministry of Environment, the Ministry of European Funds, OER and the NGO Fundatia Adept. Furthermore, a representative from Energy Cities provided an EU perspective to the national presentations, by giving an overview of good practices in climate and energy governance from EU Member States, as identified by the LIFE PlanUp project.

The second part of the political roundtable was dedicated to a fruitful and constructive discussion between all participants. Representatives from local authorities and NGOs asked questions on different technical and political aspects of the NECP to the representatives from the Ministries, as well as to the representatives from Deloitte Romania, which has been subcontracted by the Romanian government to elaborate the country's NECP.

The main outcome of this roundtable has been an improved dialogue between the Romanian government, local authorities and NGOs, and an increased awareness among the Ministry officials participating about the importance and usefulness of engaging in an open dialogue with key local stakeholders of the Romanian NECP.

Presentations from Ministry Officials and Stakeholders – Main Points:

Romania draft national energy and climate plan - Elena Popescu, General Director, Ministry of Energy

Elena Popescu noted in the beginning of her presentation that the LIFE PlanUp roundtable was actually the first national debate on the country's NECP, and a "commendable initiative" as the measures of the NECP would have to be implemented both at local and national level. Popescu also said that more national and regional debates "would follow" on the NECP, and that this roundtable was part of the public consultation process.

An interministerial group, coordinated by the Ministry of Energy and the Ministry of Environment, elaborated the NECP. An important benefit of the NECP was the interinstitutional cross-collaboration between different Ministries, and that all Ministries had to get involved and think about the plan in an integrated manner. Deloitte Romania was contracted by the Government to provide support in the drafting of the plan.

In the elaboration of the Plan, the data and information included came mainly from the Energy Strategy of Romania 2019-2030 with the perspective of the year 2050 and from specialized expertise at national and regional level. The focus was put on the best policies (in terms of cost-effectiveness in particular) in order to reach the proposed objectives.

At the beginning of December 2018, the Ministry of Energy submitted the NECP project for a first stage of public consultation, which was very short as the Ministry had to comply with the EU Commission deadline. During this short consultation, the Ministry received suggestions and comments regarding the objectives, policies and measures. Furthermore, the Romanian Parliament was informed about the NECP and the Ministry expects several parliamentary debates on the plan in 2019. In order to comply with the requirements for regional cooperation, the Ministry of Energy also sent a summary of the plan in English to the Ministry of Energy of Bulgaria and to the Ministry of Innovation and Technology of Hungary.

Popescu then elaborated the general assumptions for Romania in terms of energy policies. The calculations estimate that for 2030, the cost of RES technology will decrease and become cost-competitive. An increase of the RES generation capacity (wind and photovoltaic) is envisaged and market structures will be created that will eliminate the need for RES support schemes. The primary energy consumption and production will increase by 2030 compared to 2017, mainly because of the increased industrial production and better living standards. This consumption was divided into three sectors of interest: heating & cooling (50% of gross final energy consumption), electricity and transport. Romania's GHG emissions will also increase between 2025 and 2030 due to the increase of industrial production.

One of the main goals of the NECP is to maintain a diversified energy mix. Natural gas will reach a 39% share in primary energy production. For 2030, coal will remain the main stability factor for the national electricity grid and the nuclear capabilities will be strengthened. Investments & policies in the electricity grid should be supported and prioritized along with new technologies such as energy storage. The main areas of intervention of the draft plan that will need to be updated and monitored at all times: production assurance, flexibility and integration of RES, ensuring proper network operation and access to technologies.

For the Ministry of Energy, the next steps for the NECP are:

- Continue the internal and regional consultation process at the next stage of the project, leading to an updated and final NECP 2021-2030 by end of 2019;
- Continue the public consultations online on the Ministry of Energy website, where stakeholders can submit written responses;
- Participation in all relevant meetings & initiatives on the evaluation and updating of the draft plan, and a more precise assessment of investment needs and sources of funding;
- By mid-2019, the European Commission will submit its comments on the draft NECP, which will be followed by a revision of Deloitte Romania, which has been subcontracted by the Government to elaborate the country's NECP.
- The final version of the NECP will be validated by the relevant stakeholders (all Ministries and authorities involved in drafting the plan, Parliament, etc.) and approved by the Government. The Ministry of Energy wants the participation of all economic sectors and stakeholders in the NECP, however, has not said how this will happen concretely apart from the public consultation.

<u>2030 Framework for Climate & Energy – Sergiu Cruceanu, Senior Advisor on Climate Change, Ministry of Environment</u>

Provided a general presentation of EU 2030 framework for Climate and Energy and agreed targets, in particular in the ETS and non-ETS sectors.

<u>EU Funds and the NECP - Speech by Secretary of State Octav-Dan</u> <u>Paxino, Secretary of State, Ministry of European Funds</u>

Paxino stated how 25% of all European Funds will now be dedicated to financing climate mitigation and adaptation measures. In the current period, he said that "we have two energy and climate objectives, namely supporting the transition to a low-carbon economy in all sectors, and promoting adaptation to climate change, prevention and management of risks". To support the full use of the potential of an operational program to contribute to the achievement of climate and energy objectives, both in the current programming period and in the future one, relevant actions have been and will be identified throughout the process of preparation, implementation, review and evaluation of the Partnership Agreement and operational programs.

Paxino concluded that "the national plan draft is important, as it draws the strategic lines to which future European investments should be channeled in order to support the achievement of low-carbon economy".

<u>Local energy planning PIEE¹ and SECAP² – Camelia Rată, Executive</u> Director, OER

The presentation begins with the description of OER Association (the Romanian Network of Energy Cities), the fields of activity and its members. There are two important initiatives of OER at national level: the inclusion of the Covenant of Mayors Sustainable Energy Action Plan as the first strategic document in accessing structural funds (in 2013, through the EU Intelligent Energy Europe project NET-COM), and the draft decision of ANRE (the National Energy Regulatory Authority) to modify the national methodology (PIEE) and to complete it with the forms developed for collecting technical data useful for sustainable local energy planning. The update of the national methodology was based on consultations with OER members, meetings with ANRE representatives and energy distributors.

The newly added climate dimension of the Covenant of Mayors – Europe brings new commitments for signatories and extends the range of sectors addressed in the signatories' action plans. The SECAP under the Covenant of Mayors covers now both climate mitigation and adaptation at local level. The sectors addressed in the Romanian PIEE and its specific indicators, as well as the sectors and indicators under the Covenant of Mayors SECAP, make both local planning instruments complementary. Both these local planning instruments, and the databases that are built through them, can be used as valuable inputs driven by the "bottom-up" in order to feed into the national energy and climate planning.

Reaction of the civil society on the NECP – Ben Mehedin, Food and Farming Communities Manager, Fundatia Adept

Mehedin noted that the public consultation for the NECP is not enough to involve the public, that there was a need for a real public, social and constructive dialogue on the plan. An adequate bottom-up driven approach is needed in order to create a stronger and more operational NECP. Furthermore, the potential of NGOs should be used, as they could help in raising awareness on energy and climate action from citizens through their grassroot work.

Mehedin then presented the conclusions of the LIFE PlanUp capacity-building workshop for NGOs and local authorities, held on the 13 February 2019, to the participants. Examples of good practices were identified in the field of public transport (electric buses, where cities have a huge role to play), buildings (promoting energy audits to help people better understand the consumption of

¹ PIEE - Program for improving the energy efficiency of communities with a population of more than 5000 inhabitants

² SECAP – Sustainable Energy and Climate Action Plan under the Covenant of Mayors – Europe Initiative

their houses) and agriculture (potential of biogas plants, CO₂ storage through grassland). He concluded that civil society can support national policymakers by making an inventory of existing good energy and climate practices and disseminate them among citizens.

Objective & main programme point

The objective of the political roundtable was to create a bridging dialogue between national authorities, local authorities and civil society organisations on the Romanian NECP. The discussions aimed to identify the potential role of the local authorities within the NECP, and also what means of collaboration could be used in a constructive approach of designing and implementing strategic national energy and climate policies in Romania (such as the NECP). The main discussion points in the open debate part of the roundtable were concentrating on various aspects of the draft NECP, as for example:

- Methodology (which is a property of Deloitte Romania, but is based on the 2007 EU PRIMES modelling and input data received from the ministries involved) & estimations related to energy and GHG emissions comprised in the plan;
- Aspects missing (adaptation to climate change, concrete role of the local authorities in Romania);
- New input data to be included, resulting from the public consultation (e.g. data collected from local authorities in the PIEE and SECAP can be used in the national energy and climate planning);
- The collaboration between the relevant stakeholders and beneficiaries of the national plan, such as NGOs and local authorities, should be more concrete and transparent, following a bottom-up approach.

Stakeholders input collection

Ion Dogeanu (AEEPM, Local Energy Agency Bucharest) - Interventions have been made by several associations to preserve the co-financing criteria of Horizon 2020, when its current priorities will be transferred into the future Clean Energy Transition sub-programme in LIFE. The Ministry of Environment must support local authorities, so that they will stay motivated to apply for European projects.

Carmen Cozma (LIFE expert in the Ministry of Environment) - The funding scheme is not yet established, but in 2018 the funding was 45% own funding and 55% EU funding, and in 2019 the level of own funding dropped to 40% while the EU contribution increased to 60%.

Camelia Rață (OER) – What is the schedule and stage of project implementation for fostering prosumers in Romania?

Irina Nicolau (energy expert in ANRE) – In 2018 three orders were approved on the marketing of energy produced by prosumers. She stressed that on the issue of energy efficiency, the collaboration with OER for updating and modifying the national methodology PIEE and making the technical data

collection forms more accessible, improved overall the PIEE local energy planning instrument. However, regarding the PIEE, only 100 out of 650 local authorities submitted their plans properly, meaning that this is still an area where more capacity-building is needed. ANRE reports annually to the EU on energy efficiency measures in Romania.

Sorin Elisei (Deloitte Romania) – The prosumer domain is still new in Romania, but it will grow, especially when the financial support for it will be made available.

Camelia Rață (OER) – Can the local authorities be prosumers? Does the 27 kWh quota apply to a plant or can it be accumulated from multiple plants? **Sorin Elisei (Deloitte Romania)** – In the case of local authorities, he does not know whether they can be prosumer, and the 27 kWh threshold theoretically refers to a single installation.

Ion Dogeanu (AEEPM). Only the utilities EON and ENEL have been involved in the prosumer domain by installing smart meters. There have been major problems with licensing the installers.

Alexandru Mustață (Bankwatch Romania) – asked the Ministry of Energy representatives to what extent the public consultation results will be taken into account in the NECP, considering that the draft plan has already been sent to the EU. Furthermore, he asked the Deloitte Romania representatives about the details for the estimates made for 2030 in the NECP, in particular regarding which sectors were leading to an increased energy consumption. Moreover, he asked when the methodology developed for the NECP would be published.

Sandru Mircea (Senior Advisor on energy policy, Ministry of Energy) – The consultations are not limited to a certain period of time, they can take place throughout the year 2019 and overlap with external and regional consultations. The deadline of 15 March 2019 for the public consultation is correlated with the period during which EU Commission experts will issue their views on the proposal. An analysis of the EU Commission experts' remarks on the plan will follow as next step by the Ministry of Energy.

Camelia Rață (OER) – In the NECP, 10 sites are mentioned for installing new renewable energy capacities: was the view of the local authorities taken into account when it comes to the location and planning of these new capacities? **Sorin Elisei (Deloitte Romania)** – The NECP is based on official data submitted by 7 Ministries. The zoning for new renewable energy capacities was carried out taking into account the national policy, the technical and economic feasibility and the capacity of RES integration in the national energy system. The approach to this issue must be comprehensive in order to identify the barriers and problems that will arise.

In reaction to the questions from Bankwatch Romania, he answered that for the modelling in the NECP, the EU PRIMES 2016 (patented model) has been kept unchanged and underpinned by the input data considered in the methodology of the NECP analysis. The methodology belongs to and has been developed by Deloitte Romania.

The developed methodology is used at European level, and also includes a calculation methodology for the European electricity market. The challenge is to link GHG emission calculations to impacts, projections or industrial

consumption. The increased energy consumption is due to three main factors - living standards (many households in Romania are not equipped with the same electrical equipment used in the EU), sectoral economic growth, and electricity consumption per capita in Romania being still at a very low level compared to the rest of the EU. Due to more electric mobility, an increase in the electricity consumption is also expected. In the industrial sectors, the cement industry is the largest consumer. Thus, between 2025 and 2030, the GHG emission curve is on the rise, as consumption will increase.

Suzana Carp (EcoDobrogea) – Reacting on Deloitte Romania's comments, she stated that the cement industry is currently stagnating in Romania, but that there is still a growth foreseen in the construction sector until 2030. Economic growth is already detached from the GHG emissions of the 1990s in many parts of Europe, but in South-East Europe, it is reverse.

The emission reduction targets set in the Paris Agreement should be more taken into account in the projected emission reduction targets for 2050. Furthermore, renewable energy should be treated in an equal manner as natural gas infrastructure when it comes to natural protected areas. Renewable energy potential of Romania is vastly untapped.

Strategic energy decisions can in some cases affect the natural protected areas, as is the case with the natural gas Ana Doina pipeline that leads to Vadul, a settlement which is located in a natural protected area. She calls on the Ministry of Environment to intervene on the Ana Doina gas pipeline.

Sergiu Cruceanu (Ministry of Environment) – Cement is covered by the EU ETS and there is no specific Romanian target. As regards 2050, we are currently discussing in the Council the EU Commission proposal, but in Romania, we will follow guidelines from the Commission. Regarding the issue of natural protected areas and the Ana Doina gas pipeline, this area is under the responsibility of the biodiversity department (the representative participating is part of the climate change department) in the Ministry of Environment, and the question can be sent to this responsible department.

Sorin Elisei (Deloitte Romania) – In an IRENA study, Romania appeared to have a potential of 84 GWh RES, but IRENA did not take into account that some zones with RES potential are natural protected areas.

Suzana Carp (EcoDobrogea) – asked for the share of protected areas in Romania's RES potential compared to natural gas.

Sandru Mircea (Ministry of Energy) – A study will be made on this issue for natural protected areas.

Şerban Danciu (BPIE Romania) – asked about what the share of buildings would be in the projected increasing energy consumption.

Sorin Elisei (Deloitte Romania) – Do not have detailed figure on this available right now. Ministry of Regional Development and Public Administration (MDRAP)'s database was an important data basis for our calculations in the buildings sector. We did not expect such precise questions today, we encourage participants and stakeholders to contribute to the public consultation and send us if possible detailed comments, clear figures and other relevant input for our modelling.

Irina Nicolau (ANRE) - There are measures in the National Energy Efficiency Action Plan that monitors the potential contribution of economic agents and local authorities (through PIEE). Why was this not taken into account for the NECP, in order to estimate not such a high increase in energy consumption? Sorin Elisei (Deloitte Romania) - we used PRIMES 2007 and our own methodology, and thereby arrived to the projections for energy consumption. **Dumitru Ene (Advisory in MDRAP - Ministry of Regional Development** and Public Administration) - The data used to prepare the NECP are not just estimates, they are taken from the databases of each institution. **Ion Dogeanu (AEEPM)** - The draft NECP does not cover sufficiently the area of climate adaptation. The question is whether there has been a real collaboration with the Ministry of the Environment. Other issues identified in the plan are: there is no risk analysis or inventory of risks, there is no bibliography of the studies and methodologies consulted in the NECP elaboration, the emphasis is placed only by the Ministry of Energy on the national energy system, the data used is statistical and does not reflect the reality in terms of final consumption of energy (the estimate cannot be used for quantification), there are not different scenarios but Business-as-usual only, where is the information about the funds allocated for the concrete implementation of the plan.

Obligations and measures imposed on local authorities are also not supported by financial instruments, and there is no priority in the area of adaptation to climate change when it comes to the financial instruments. We suggest to Deloitte Romania to identify the relevant key actors in this regard and conduct more targeted consultations with them to improve all these issues.

Camelia Rață (OER) – In local energy planning, Covenant of Mayors or the national methodology PIEE can be used to collect real data from local authorities, which can then be converted to any unit of measure requested in reporting. How can data generated by the local energy planning in Romania be better integrated into the NECP?

Sergiu Cruceanu (Ministry of Environment) – In drafting the plan, a working group involving several institutions was established, in which the Ministry of Energy acted as coordinator and the Ministry of Environment made its contribution wherever it was relevant. The layout of the plan followed the template provided in the Annex to the Energy Union Governance Regulation, in which climate change adaptation part does not have a key role.

Sorin Elisei (Deloitte Romania) - An attempt will be made to improve the plan considering all inputs, observations and comments received today and through the public consultation process.

Francisco Gonçalves (Energy Cities) – How many public consultations are foreseen until the end of 2019, involving also local authorities?

Sandru Mircea (Ministry of Energy) – There is no public consultation schedule, but we welcome precise and detailed comments sent by e-mail or via the official address communicated in the public consultation. All key actors can hold meetings and public debates, the Ministry is open to official invitations to these meetings and debates. All the proposals and recommendations of this roundtable today will be considered and forwarded to the Ministry.

Event evaluation by event organiser

The event reached all the stakeholders targeted: Ministry representatives, the consultancy (Deloitte Romania) drafting the national plan, local energy agencies, representatives of local authorities, various NGOs, etc. A favorable environment for an open and constructive dialogue was created, and relevant observations & suggestions were transmitted to the relevant Ministries responsible for the draft NECP. It remains to be seen to which extent this input will be considered by the Ministries in the updated, final version of the NECP. On the downside, the high-level representative in charge of the Romanian NECP, the General Director Elena Popescu from the Ministry of Energy, did not remain at the open debate with local authorities and NGOs. However, two technical representatives of the Ministry of Energy remained at the discussions and took detailed notes, trying in some cases to answer questions alongside the Deloitte Romania consultant.

Impact follow-up

The event hopes to have widened the communication channel in particular between the national and local authorities. The aim is ultimately for the local authorities, and also the NGOs, to have a more concrete and active role in the final Romanian NECP. No formal feedback has been received by the Ministry officials present after the event, but assurances were given in particular by Ministry of Energy representatives that took part in the open debate, that the summary of the discussions would be forwarded to the high-level, key political actors in the Ministry. Furthermore, the Ministry of Energy has requested the event report of the roundtable, which was sent to the Ministry. The top representative of the Ministry of Energy, the General Director Elena Popescu, appreciated the event as being very useful, perceiving that key climate and energy action is happening at local level and that this roundtable was a necessary dialogue.

In attachment:

- Agenda
- Attendance List









European Project LIFE PlanUp

PNIESC 2021 - 2030: masa rotundă, 14 Februarie 2019, 09:00 - 12:30, București

"Planul Național Integrat în domeniul Energiei și Schimbărilor Climatice 2021 – 2030 al României: Perspective de cooperare între guvernarea națională, autoritățile locale și societatea civilă".

AGENDĂ

Oră	Subiect	Speaker
09:00 – 09:20	Primirea invitaților	Asociația Orașe Energie în România (OER)
09:20 - 09:30	Prezentarea și scopul evenimentului	OER
09:30 - 09:45	Cadrul politic al României pentru energie și climă Propunere "Planul Național Integrat în domeniul Energiei și Schimbărilor Climatice 2021 – 2030"	Reprezentantul Ministerului Energiei din România
09:45 – 10:00	Pachetul privind Cadrul 2030 în domeniul energiei şi schimbărilor climatice	Reprezentantul Ministerului Mediului din România
10:00 – 10:15	Proiect EU LIFE PlanUp : Prezentarea bunelor practici în domeniul energiei și climei la nivel de guvernanță națională în Europa	David Donnerer, <u>Energy</u> <u>Cities</u> , Politici UE & Ofițer proiecte
10:15 – 10:30	Planificare energetică locală 2030, PACED - PIEE	Camelia RAȚĂ, Director OER
10:30 – 10:45	Reacția societății civile	Reprezentant Fundația Adept
10:45 – 11:00	Pauză de cafea	
11:00 – 12:00	Căi potențiale de dialog pe mai multe niveluri privind energia și schimbările climatice în România, implicând autoritățile locale și societatea civilă	Intervenții ale tuturor invitaților
12:00 - 12:30	Concluzii și etape viitoare	

Invitați:

Ministerul Energiei

Ministerul Mediului

Ministerul Dezvoltării Regionale și Administrației Publice

Ministerul Agriculturii și Dezvoltării Rurale

Ministerul Fondurilor Europene

Autoritatea Națională de Reglementare în Domeniul Energiei

Autoritatea Națională de Reglementare pentru Serviciile Comunitare de Utilități Publice

Deloitte România

Fundația ADEPT Transilvania

Asociația Grupul Ecologic de Colaborare (GEC) Bucovina

BPIE România

Asociația Municipiilor din România

Reprezentanți ai Autorităților locale din România

Notă: Se va asigura traducere simultană RO/ENG

*PNIESC 2021 – 2030 - document în consultare publică

*PACED - Planul de Acțiune pentru Climă și Energie Durabilă

*PIEE - Programul pentru Îmbunătățirea PEficienței Energetice pentru localități cu o populație mai mare de 5000 locuitori.



EVENT REPORT

Project Partner: Energy Cities

Title of the event: Roundtable on the National Energy and Climate Plan

Date & location: 21 February 2019, Madrid

Organiser(s): Energy Cities & Ecodes

Number of Participants: 31

Summary of the event

This political roundtable gathered high-level representatives at technical and political level from the main Spanish Ministry in charge of the Integrated National Plan on Energy and Climate Change (NECP), the Ministry for the Ecological Transition (MITECO), representatives from local and regional authorities, NGOs and industry associations. The event was held in Spanish.

In the first part of the roundtable, Antxon Olabe, Advisor in the cabinet of the Minister for the Ecological Transition, Teresa Ribera, and coordinator of the Spanish NECP, presented the main pillars of the plan ahead of its official public presentation on the 22nd of February to participants. His intervention was followed by a presentation from an Energy Cities representative, who gave an overview of good practices in climate and energy governance from EU Member States, as identified by the LIFE PlanUp project. The first part of the session concluded with a presentation from the legal environmental NGO IIDMA, which explained to participants the provisions on public participation in the NECP process, as stipulated by the EU Energy Union Governance regulation.

In the second part of the event, Alejandro Fernandez-Granado, Director in the renewable energy department of MITECO, first presented in more detail the provisions on RES in the Spanish NECP. Following his intervention, participants engaged in a debate on political and technical issues related to the NECP. As a result of this roundtable, the dialogue between the Spanish government, local and regional authorities and NGOs has been enhanced. The high-level Ministry officials attending the event recognized that is key to engage more closely with stakeholders in drafting the final NECP, and have stated that MITECO would reach out directly to local authorities in addition to the public consultation process, in particular to discuss their role when it comes to urban

mobility in the NECP (the plan includes a proposal to introduce compulsory low-emission zones in cities with more than 50000 inhabitants).

Presentations from Ministry Officials and Stakeholders – Main Points:

<u>Spain's draft national energy and climate plan: Main pillars – Antxon Olabe, Advisor in the cabinet of the Minister for Ecological Transition</u>

The Spanish NECP is part of a broader energy-climate package that also includes a climate law and a just transition plan. The NECP respects international commitments (Paris Agreement, latest IPCC report) and aims to transform Spain into a carbon-neutral country by 2050. We respond to the climate crisis with a clear perspective, clear objectives and by leveraging the tremendous social and economic opportunities of energy and climate action.

With the NECP, Spain is engaging in a 30 year cycle to totally transform its energy system and achieve minimum 90% reduction of GHG emissions by 2050. The sectors – energy generation, industry, mobility – will provide the most important contribution to the long-term decarbonisation of Spain. We will progressively remove coal and nuclear from the energy system, while at the same making a big push towards renewable energy. This will decrease our energy dependency by more than 15% by 2030. At the same time, energy efficiency will have a key role, as we retrofit 100,000 buildings by 2030.

In terms of mobility, the NECP will propose the compulsory introduction of lowemission zones in Spanish cities with more than 50000 inhabitants, as of 2023. We will also massively boost electric mobility and incentivize behavioral change in how we move from A to B. This will strongly improve public health, thanks to better air quality in our cities.

In order to achieve this widespread transformation, we will need more than 200 billion Euros. If we would do business-as-usual, it would be way more expensive. This transformation will create important net job growth and ensure most importantly a just transition. Our plan is the most ambitious among all EU Member States' plans. It is now key to have a broad discussion on this plan, and to ensure transparency on the NECP. In parallel to the public consultation, we will also launch a strategic environment assessment.

Public participation in the NECP - Ana Barreira, Director, IIDMA

The EU Energy Union Governance regulation is flawed compared to the Aarhus Convention provisions on public participation. The Governance regulation lacks in particular acknowledgement of the citizen and stakeholder involvement process, and does not provide clear guidance to EU Member States on how to do it.

Barreira also noted that for the Spanish draft NECP, a public consultation process should have been done already, but it wasn't the case. Furthermore,

there is no explicit multi-level dialogue involving local authorities directly. While it would be commendable for the Government to involve the association of municipalities in Spain in the NECP process, it would be more relevant to directly interact with local authorities, as they will be affected by key proposals in the draft NECP, such as for example the urban low-emission zones policy.

In the final NECP, EU Member States will have to lay out which input they considered from the public and stakeholders, and which input they did not include. Justifications have to be provided by the Government, as well as detailed explanations of how the public consultation process was carried out.

Spain's draft national energy and climate plan: Renewable Energy – Alejandro Fernandez-Granado, Director in the renewable energy department of MITECO

In the NECP, an objective of 42% share of renewables by 2030 is defined. Two different scenarios have been considered for this objective, which will be vastly facilitated if the target on reducing energy consumption is also reached. The Spanish NECP's renewables target is 10% above the EU target for renewables, and it will require the contribution of all sectors in order to be achieved. In renewable energy, Spain has a vastly untapped potential in wind, sun, wave and biomass. A big focus will also be put on heat pumps and increasing electricity interconnections with our neighbouring countries.

Objective & main programme point

The aim of this political roundtable was to lay the foundation for a deeper dialogue between MITECO, local and regional authorities and NGOs in the elaboration of the Spanish NECP. In the open debate, the discussions sought to identify the potential role of local and regional authorities and NGOs in the Spanish NECP. Furthermore, different options were discussed on how these stakeholders could be involved in the NECP process on top of the public consultation process, in order to put in place the multi-level energy and climate dialogue provision stipulated in the Energy Union Governance regulation. Moreover, the participants discussed with the MITECO representatives several political and technical aspects of the NECP, such as:

- What role the local action plans (Sustainable Energy and Climate Action Plans - SECAPs) implemented by Spanish local authorities in the Covenant of Mayors – Europe initiative could have in the NECP;
- How local authorities and the Government could better collaborate in order to deliver on sustainable urban mobility with less cars and better quality of life for citizens;
- Involving new actors such as local energy cooperatives or prosumer organizations more closely in the NECP;
- Missing issues such as agriculture and carbon sinks, which have important potentials for climate mitigation and adaptation;

Stakeholders input collection

Ana Barreira (IIDMA) - How will public participation be ensured from draft to the final NECP, in line with the Aarhus Convention? What process will be put in place by the Government?

Antxon Olabe (MITECO) - The NECP is open to changes, we will listen to stakeholders' opinions within the grand lines that we have defined in the plan. We will intent to have a broader debate during this year that will involve stakeholders. Please note that when we started to work on it in July 2018, nothing had been written yet, so we have done a great effort in producing this plan. It is also important for you to know that the NECP can be affected by a change in government brought through the general elections end of April 2019. **Carlos Martinez Camarero (CCOO – Spanish Trade Union)** – How will the nuclear phase-out affect the rest of the energy system? Will the renewables replacing nuclear still need more subsidies?

Antxon Olabe (MITECO) - The RES industries have told us themselves that they can achieve this without subsidies. We will follow a technologically neutral approach on deploying more renewables in the energy system in our NECP. **Raquel Garcia Monzon (WWF Spain)** – There does not seem to be much on agriculture in the NECP, what will the Government do concretely here? We cannot deliver the energy transition without a transition towards more sustainable food systems.

Antxon Olabe (MITECO) – We have not gone into so much detail on agriculture in the draft NECP, but we will listen to proposals from stakeholders during 2019 in order to understand what should be done better in this field. **Juan Rubio Val (Observatorio de Ciudades)** – The objective doesn't seem ambitious enough on retrofitting buildings, our neighbor France is much more ambitious than us in this regard.

Antxon Olabe (MITECO): The objective on retrofitting buildings will also be further pushed by supply-demand dynamics in the market. We have already foreseen a very steep curve, and aim to retrofit 350 000 buildings by 2050. Retrofitting 100 000 buildings by 2030 is consistent with this trajectory. **Alba del Campo (City of Cadiz)** – How will cities be now involved in the NECP process? Will they have the opportunity to participate directly or only

Alejandro Fernandez-Granado (MITECO) – We plan to hold consultation meetings and roundtables with cities with more than 50 000 inhabitants, in order to discuss with them how to best put in place the low-emission zones proposal and also on how to trigger behavioral changes by citizens in their commuting in urban areas.

through the national association of municipalities?

Daniel Senderos (Basque region) – The Covenant of Mayors has been a key instrument for Spanish local and regional authorities in their energy and climate action efforts. The initiative also touches both upon climate mitigation and adaptation, and covers key sectors like transport, buildings or waste. The Government should make use of the full potential of the Spanish Covenant community and integrate the initiative into the final NECP. Furthermore, the potential of carbon sinks should feature much more strongly in the NECP.

Alejandro Fernandez-Granado (MITECO) – As with agriculture, the potential of carbon sinks have not been laid out in a very detailed manner in the draft NECP. We look forward to proposals from stakeholders on this issue. As noted beforehand, we will reach out to cities during this year to discuss in particular on the urban mobility provisions of the NECP.

Juan Azcarate Luxcin (City of Madrid) – It would have been better if you had consulted cities before putting the proposal for low-emission zones in the NECP. What is the approach you want to take in order to implement this provision? Will it correlate to other mobility actions we have to take to decarbonise urban transport, such as the uptake of clean buses?

Alejandro Fernandez-Granado (MITECO) – The low-emission zones proposal is part of a broader package of measures we want to put in place to reduce the number of cars in cities and incentivize citizens to move to more sustainable modes of transport. It is clear that it will be a very challenging undertaking, but this is why we now want to discuss with cities how to do it.

Fernando Martinez (Fundacion Renovables) – How will the EUR 200 billion investments for the NECP be leveraged? What is now the plan from MITECO in 2019 to involve stakeholders in the finalization of the NECP, is there already a calendar available with the relevant information?

Alejandro Fernandez-Granado (MITECO) – 80% of the funding for the NECP will be mobilized from private funding sources, 20% will come from the public side. Most of the investments will go into fostering renewables, energy efficiency and modernising the energy networks to make them fit for the energy revolution we want to trigger in Spain. As regards the 2019 calendar, we are now awaiting the recommendations from the EU Commission, which are due for June 2019, and aim to submit the final NECP by end of 2019. Concerning the public consultation and other actions foreseen to involve stakeholders, these will be communicated shortly on our website.

Jesus Gimenez Perez (City of Zaragoza) – It is important to have this event today, cities have a key role to play in boosting energy and climate action. I fully agree we have to make urban mobility more sustainable, but the Government should also provide us with the necessary support, in particular in terms of financing, in order for us to deliver on the ambitious objectives.

Josu Benaito (City of San Sebastian) – How do we achieve that citizens will take ownership of the NECP objectives? In our city, we have set up an ambitious 2050 roadmap to decarbonise, but citizens have not yet taken full ownership of it. In terms of mobility, we can do a lot at urban level, but it is more complicated at metropolitan level, the NECP should also address this.

Alejandro Fernandez-Granado (MITECO) – The NECP will also focus in the mobility sector on how to improve mobility flows between urban and rural areas, improving in particular the public transport offer and creating more multimodal hubs in urban and metropolitan areas.

Carlos Bravo Villa (Alianza Mar Blava) – The draft NECP has not been done in a participatory way. The Government should draw inspiration from the recently approved climate change law of the Balearic Islands, which was backed by all political parties. It is a good example of how to involve the public and stakeholders, and engaging with them on all relevant issues of the energy

transition in each sector in the right way. The debate days that were held in the framework of this process should also be taken up at national level for the elaboration of the final NECP.

Carlos Martinez Camarero (CCOO) – We should also make much better use of the existing commissions and councils in Spain in order to debate energy and climate issues, at the moment these bodies are not very active. Also, the role of alliances and platforms is still important in bringing in also citizens to the public participation process. New important actors in the energy system, such as prosumer organisations or local energy cooperatives should also be more closely associated. It would also help if we would have a dedicated secretariat at national level to coordinate a national debate on the energy and climate transition. Such a secretariat could also have a role in making existing local and regional energy and climate initiatives more known to the public. Juan Azcarate Luxcin (City of Madrid) – We have to better plan for the long-term in order to make the energy transition a success. We also need to find new ways to engage with the youth, they are in the streets and are calling on local, regional and national governments to solve the climate crisis. All of us around this table have to work more flexibly, and should not be hampered and blocked by political cycles. It cannot be that changes in government paralyse action in the country.

Alejandro Fernandez-Granado (MITECO) – These discussions today have been very useful for us, and we will strive to improve the NECP by the end of the year. We will have to see with the outcome of the general elections, to what extent it can affect the final NECP.

Event evaluation by event organiser

The event reached all the stakeholders targeted: officials from the key Ministry in charge of the NECP (MITECO), local and regional authorities, NGOs and additionally, also industry associations. The roundtable provided the framework for a frank and constructive discussion on the draft NECP and in particular on improving stakeholder involvement processes in the Spanish context. It is still unclear however to which extent the outcome of the discussions will actually be taken up in the final version of the Spanish NECP.

Furthermore, the MITECO officials attending also warned that due to the upcoming general elections in Spain, it would be possible for a new government to impose drastic changes on the draft NECP. However, the extent of this would also depend on the recommendations issue by the EU Commission to Spain on its NECP.

While both MITECO officials welcomed the political roundtable on the draft NECP, unfortunately only one of them could stay for the entire event. Antxon Olabe, advisor to Teresa Ribera, Minister for the Ecological Transition and coordinator of the Spanish NECP, could only stay to answer a few questions from participants before he had to leave.

Impact follow-up

With this event, the project sought to have opened up the space for an improved dialogue between the Government, local and regional authorities and NGOs. In particular, the hope is that these stakeholders will be more closely involved in the finalization of the NECP, as they had no opportunity to influence the draft NECP. MITECO informed the participants that it had only held informal discussions with (energy) businesses prior to the draft NECP, and noted that due to the tight deadline from the EU Commission, it could not involve all stakeholders in the elaboration of the draft NECP. The MITECO officials attending the roundtable said that the outcomes of this event would be forwarded to high-level representatives in the Ministry, as well as to the team of 35 people (made up of MITECO staff and experts from the national energy agency IDAE) that had mainly drafted the NECP.

Both MITECO representatives that attended the event appreciated its usefulness in gathering feedback from local actors on the draft NECP. They also stated that the plan is open to modifications, and welcome in particular feedback on areas that have not been elaborated in as much detail, such as agriculture. In addition to this, they noted that MITECO was keen on having a broader debate in 2019 on the NECP involving all stakeholders, but could not give detailed information at the roundtable on how this would happen.

In attachment:

- Agenda
- Attendance List







Organiza:



JORNADAS DE DEBATE SOBRE EL PLAN NACIONAL DE ENERGÍA Y CLIMA

Fecha y lugar: 21 de febrero de 2019 en:

Espacio ecooo se encuentra en:

C/ Escuadra 11

Madrid (Metro Lavapiés)

Mesa redonda sobre el Plan Nacional de Energía y Clima.

Horario: 09:30 – 13:30 horas.

09:00-09:30h: Café y registro.

09:30 - 09:40 Bienvenida (ECODES).

09:40 – 10:15 Presentación del Plan Nacional de Energía y Clima. (Antxon Olabe, MITECO).

10:15- 10:30 Presentación del proyecto LIFE PlanUp y ejemplos de buenas prácticas (David Donnerer, Energy Cities).

10:30–10:45 Participación ciudadana en la preparación en el PNIEC (IIDMA).

10:45-11:15 Café

11:15 - 13:30 Debate y diálogo multinivel:

11:15 - 11:25

Breve intervención de representante de Subdirección General de Energías renovables y Estudios (MITECO)

Intervenciones del resto de participantes de municipios, ONGs y resto de organizaciones.



EVENT REPORT

Project Partner: Energy Cities

Title of the event: National climate and energy plan: Roundtable

Date & location: 12 march 2019, Rome **Organiser(s):** Energy Cities & Legambiente

Number of Participants: 94

Summary of the event

High-level representatives at technical level from the key Italian Ministries and national bodies in charge of the country's NECP, as well as representatives from NGOs, industry associations, trade unions and local authorities participated in this political roundtable. The event was held in Italian, with simultaneous interpretation provided in English.

The roundtable was kicked off with a presentation from an Energy Cities representative on the main findings of good practices in climate and energy governance, as identified by the LIFE PlanUp project. Then, the coordinators of the buildings, transport and agriculture sectoral working groups from the project's capacity-building workshop, which had preceded the roundtable, presented the proposals from stakeholders for each of these sectors in the country's NECP, as well as for an improved governance of the NECP.

In the second part of the roundtable, the invited officials from the relevant Ministries and national bodies responsible for Italy's NECP reacted to the stakeholder proposals presented earlier, and touched in particular upon how the Government would now engage with stakeholders and the public in the finalization of the NECP.

While the format of this roundtable focused less on the debate between Ministry officials, NGOs and local authorities, it still benefitted the dialogue between stakeholders and the Ministry representatives. The Ministry officials present valued the concrete proposals provided by the stakeholders to improve the content (in particular for the buildings, transport and agriculture sectors) and governance of the Italian NECP. Moreover, the roundtable increased their awareness about the importance of engaging with stakeholders outside of the framework of a general public consultation.

Objective & main programme point

The key objective of this political roundtable was to create the impetus for a broader, multi-level dialogue between Ministry officials, NGOs and local authorities on the country's NECP, as it is intended by the Energy Union Governance regulation. Moreover, another important aim was to give a stronger weight to the ideas and views of individual NGOs, local authorities and other stakeholders on the content and governance of Italy's NECP, by gathering them as a collective sum of proposals through the sectoral working group discussions of the project's capacity-building workshop. This deep link between the roundtable and the capacity-building workshop also sought to embolden NGOs, local authorities and stakeholders in how they can better shape Italy's NECP beyond the general public consultation process. During the roundtable, the following technical and political aspects of Italy's NECP were elaborated upon by participants, such as:

- What should be the role of local authorities in the decarbonisation of the transport sector;
- How to tackle the deficiencies in public administration in order to accelerate the renovation of the buildings sector;
- How to align the country's NECP with a long-term perspective;
- Leveraging the potential of renewable energy technologies, in particular through new actors such as prosumers;
- The vision and ambition of the NECP;

<u>Stakeholders input collection and Presentations from Ministry Officials – Main Points:</u>

Stakeholder proposals from the sectoral working group sessions of the capacity-building workshop presented at the political roundtable:

<u>Findings from the sectorial session on transport - Mirko Laurenti, Legambiente,</u> responsible for transport sector

As regards the transport sector in the NECP, there is a lack of vision and ambition that will have an impact on the operability of the overall plan. It is unclear from the draft NECP how we are going to succeed in revolutionizing the transport sector and making it fit for the key developments to come, such as 5G, automatization, self-driving cars etc.

The NECP should especially provide clear direction on the role of local authorities in the decarbonization of transport. Municipalities and companies have a critical role to play in the electrification of public and private transport for example. Local authorities should be equipped with the right tools to fulfill their role in decarbonising transport, for this it would be key for example to have a dedicated mobility manager in every Italian city.

The NECP also lacks policies to better reward sustainable mobility behaviours, often spearheaded by the younger generation. It is not enough to just focus on the purchase of new and efficient clean vehicles. In this regard, the numbers

proposed on the electrification of cars in the NECP are also questionable and do not appear to be ambitious enough.

Finally, we should only consider transport policies in the NECP that are consistent with a long-term decarbonization perspective.

<u>Findings from the sectorial session on agriculture - Angelo Gentili,</u> Legambiente, responsible for agriculture

There is a clear absence of the Ministry of Agriculture in the draft NECP. We are missing a lot of relevant data in the NECP, such as indicators on agroforestry, the role that humid places can play in climate mitigation and adaptation and the contribution of ecosystems in the fields of biomethane and bioeconomy. There is only some reliable and shared data on agriculture in the NECP, but too often it is questionable and unreliable.

The capacity of soils and forests to absorb carbon should be recognized as a fundamental aim in the NECP, instead of just being considered as a co-benefit. Also, there should be a stronger increase foreseen in organic materials & organic farming, as these have a very beneficial impact on the climate. In addition to this, the NECP should favour more the energy efficiency of the agri-food system, which is quite low in Italy at the moment. Finally, the role that citizens can play in gathering useful data for agriculture policies should be highlighted in the NECP.

<u>Finding from the sectorial session on buildings - Edoardo Zanchini,</u> Legambiente, vice-president

The NECP needs to clarify more in terms of buildings consumption and prospects, in order for the sector to be more effective in its interventions. We also need higher ambition in building renovation, in order to accelerate the reduction of our energy consumption.

The NECP should also focus on improving our ability to analyze the results of interventions over the years, by providing tools for the quantitative capitalization of programs like ecobonus.

Furthermore, the plan has to provide more certainty on targets, in particular in the long-term, in order to give investors more confidence.

Interventions have to be simplified, in particular in residential buildings. Finally, the NECP should already implement the new EU market design provisions on local energy, that would empower citizens in cities and rural areas to invest in renewables and benefit from PV panels on their roofs.

<u>Additional intervention on buildings and return of investments - Lorenzo Pagliano, Politecnico di Milano</u>

We currently have an ongoing project with the city of Milan where we are achieving big savings in social housing, even if the lifetime of the buildings is very long, it is still worth it to do the renovation. In order to go further, we need now increased and improved technical skills and competences in public administration, which would enable to have a faster return on the investments. The NECP should set up a dedicated program to train public administration employees, in particular on financing and gathering the relevant data.

Reactions from Ministry officials and national bodies - Main Points:

Federico Testa, ENEA, president

It is very interesting to hear about the outcomes of the sectorial sessions. Listening to those that are operating in this sector is crucial for us, as it gives us new ideas and suggestions for making the policies.

The buildings sector is definitely one of the fields where there is a huge amount of measures that need to be done. Renovation is currently stagnating in Italy, because incentives and financing are missing, and the long-time payback for elder citizens is a major issue; they do not perceive renovation as something useful, because a tax rebate for renovation only reaches them after 10 years. We have to think about transferability of incentives and payback.

It is also clear that the public administration in Italy requires serious reform; it is at a complete standstill at the moment, both in the center and the outskirts of the country. The only public administration that is functioning well is the army. A major issue we have is that we have no proper consumption data of public administrations available.

As a first step to tackle the dire situation of public administration, we will soon launch an initiative with GSE to build a technical assistance facility for small municipalities in the regions where ENEA has an office. Our staff there will be able to give advice to small municipalities on how to make first interventions on the public building stock. We need to help public administration in order to get the ball rolling in the right direction.

In the field of transport, we need to put in place a long-term project to have economic and environmental sustainability. We have to change the distribution network in Italy in order to integrate the rising number of e-vehicles and tackle the frequent power outages during the summer in our cities. Also, we should use fast-charging batteries as a balancing instrument for neighborhoods.

GSE (Energy Service Agency under Ministry of Economy & Finance), Luca Benedetti, Head of Energy Studies, Statistics & Sustainability

The NECP is a great occasion for us and we are quite lucky, because the EU has chosen a critical moment to introduce this important instrument that we must now take advantage of. I can already see a positive outcome of the NECP process, because it has lead us to work in synergy with one another, GSE, ENEA, ISPRA and Ministries, so this is already an important achievement. The draft NECP is the result of the collaboration between three different Ministries and various entities, and is extremely positive because we have built among each other's expertise and avoided working in silos.

Buildings and transport are probably the two sectors where we will need bigger interventions and incentives, and also in the renewables sector. On transport, the NECP is already more ambitious than what the EU requires, if we consider all the variables like a puzzle. But it is also true that we can leverage more

potentials in the transport and buildings sectors. When we talk about renewables, we should talk about all its aspects and not just about peak power, as the electricity system is getting very complex. While renewables are important, we should consider them carefully and put in place a clear planning to increase their share that includes all variables.

I've heard from stakeholders today that the plan is not ambitious enough. I would have to disagree with this, because as far as ambition is concerned, we shouldn't compare Italian with European figures, they don't have the same significance. It is also not about figures per se, but more about how we can reach them and what it then means when we actually reach them? Ambition is a relative concept, some countries have higher targets and others have lower ones. The key issue is about how the targets are reached.

I also believe that we have to first develop the necessary tools at national level, and then adapt them to the local context.

We at GSE are fully available to work together with you, and look forward to your feedback in the upcoming public consultation. Generally the plan is already good and does not lack vision. We support the energy transition and are open to collaborate with stakeholders in the finalization of the plan.

<u>Pietro Oieni, Agriculture Ministry, Director of the Directorate-General of Forests</u>

I have to stress firstly that of course, all the parts of the NECP are open to improvement and suggestions from stakeholders.

As regards the earlier statement that the Ministry of Agriculture was not involved in the draft NECP, I have to disagree with this. We should not minimize the commitment of the Ministry in the NECP, we were very much involved in its elaboration.

I see a clear need to restart dialogue with those responsible for forests in Italy, which are the regions. Also, we should not consider forests only as wood to burn, with the resulting high emissions, but instead make more use of its potential as a carbon sink.

There is no deficit in the vision of the plan, the plan is really comprehensive on climate & energy. I also have to say that we have done already a very ambitious task by moving from a National Energy Strategy to a NECP.

Alessandro Carretoni, Ministry of Environment, Director in the Division for environmental action, energy efficiency and alternative energy sources

The Ministry of Economic Development and the Ministry of Environment have been the two main Ministries that were responsible for the draft NECP. This debate today is crucial, as we are soon starting the public consultation. It is important to understand how to start a dialogue between administration and the many key stakeholders in this phase of the NECP.

The NECP we have put forward is ambitious, in terms of renewables and energy requalification of buildings in particular, and will require an extremely important effort from everyone. Everything that is not part of the ETS is part of the paradigm shift that is needed. In terms of renewables, we need to work more on local acceptance of energy infrastructure, such as wind turbines. Also, we have to include the newly adopted EU energy market design in the plan.

We should discuss more about policies than about goals, in order to have more concrete indications on the policies that are needed. What should we look at when we talk about policies? We should look at the relationship to the land, which is changing compared to the past, in terms of renewables, transport, and other sectors. This requires a paradigm shifts in the interventions we need to make, as well as an urgent change of habits.

What I expect from stakeholders now are indications in this sense. It's about policies that can create more impact at a territorial and city level. We are looking for specific input on policies and their impact at local level, and what infrastructure we need to put in place to achieve our ambitious targets. The stakeholder contribution should be on policies more than on targets.

<u>Luciano Barra, Ministry of Economic Development, Head of the technical secretariat department</u>

The NECP has its rigidity due to the template that is required by the EU Commission. It follows a certain structure because of the EU Governance regulation, therefore it cannot be as flexible.

While we are working on finalizing the NECP, at the same time we are working with the Ministry of Environment on Italy's long-term strategy by end of 2019. The NECP is a natural part of the long-term strategy.

I do not agree with the comments made earlier that this NECP is not ambitious. The targets we have proposed on renewables and energy efficiency are fairly reasonable. In terms of energy efficiency, we can only say good things about it: efficiency must be efficient. We have to insist on the general requalification of buildings and not just their energy requalification. Why do we have an EED, but not a directive on seismic criteria for buildings? It is true that it is a Mediterranean issue more than an EU one, but would still be important. In terms of renewables, we should reflect upon the issue of putting the citizen at the centre, based on the past mistakes we have made with electric renewables. Self-consumption should benefit everyone, not just a few.

We cannot compare Italian numbers with EU numbers and those of other Member States. We have to be realistic and undertake a balanced approach, where all Member States divide among themselves the responsibilities to decarbonize. Also, we should not forget in the discussion about ambition and targets that at Member States level, there are two main targets to follow: the Effort Sharing Regulation and Art. 7 of the EED.

It is true that when we drafted the NECP, we didn't engage stakeholders. However, not even all the institutions were consulted in the elaboration of the draft NECP. Furthermore, we had to deal with a tough deadline from the EU Commission to submit the draft NECP.

We have already started the discussions with the regions on the NECP, and I have to say that it is already complicated. Discussions with the Ministry of Agriculture are also not easy. We will soon launch a public consultation that will see many channels, combined with a Strategic Environment Assessment procedure. So, we will have both strategic and technical components in the public consultation phase. I have to mention that the EU Governance regulation is not clear on whether Member States should do a Strategic Environment Assessment, it is up to our own interpretation!

Now in the public consultation phase, we want to reach a lot of citizens and stakeholders, and not just the usual suspects. We want to reach people that usually don't engage on energy and climate issues, in order to gather their input for the NECP.

Event evaluation by event organiser

The event succeeded in reaching the target audience and stakeholders, as key Ministry officials and national bodies, NGOs, local authorities, trade unions, industry associations and other actors participated in the roundtable. The format of the roundtable enabled the stakeholders present, in particular NGOs and local authorities, to bring forward their proposals on the content and governance of the Italian NECP in an open and useful manner to the Ministry representatives attending. Hence, the involvement and engagement of stakeholders in the NECP process was improved, however it remains to be seen still to what extent their proposals will be integrated by the Government in the final NECP.

The Ministry officials invited appreciated the roundtable and the clear and concrete proposals brought forward by the stakeholders in a fair and constructive setting. The only downside is that the representative from the Ministry of Infrastructure and Transport did not come in the end to the roundtable, which is unfortunate as essential parts of the discussions focused on the transport sector.

Impact follow-up

The roundtable aimed at creating an enabling framework for an enhanced dialogue between the Italian Government, local authorities and NGOs. As these stakeholders had no opportunity to participate in the draft NECP, it is the hope that in the finalization of the NECP, they will have an opportunity to shape the plan through the public consultation process, but also through stakeholder meeting formats such as regional gatherings or conferences organized by the Italian Government. The Ministry officials present at the roundtable had stated that the tight deadline for the draft NECP had prevented them from engaging with stakeholders and even with all institutions.

The representatives from the key Ministries and national bodies for the NECP elaboration welcomed the event as a useful opportunity to gather the views and opinions of key stakeholders, in particular for the buildings, transport and agriculture parts of the NECP. They invited all stakeholders present to submit further proposals for modifying the draft NECP, yet were more inclined to receive suggestions on policies, but not on the overall ambition and vision of the plan. Furthermore, while the representatives from Ministries stated that the public consultation launched would have many channels, they provided no detailed information on this, as well as neither on whether a multi-level energy and climate dialogue would be set up for the finalization of the NECP.

In attachment:

- Agenda
- Attendance List



WORKSHOP

Piano nazionale clima e energia

Spunti, riflessioni e proposte per il raggiungimento degli obiettivi al 2030

12.03.19

Centro Congressi Cavour Roma

Programma















9.30
REGISTRAZIONE

10.00

SALUTI E INTRODUZIONE DI

Edoardo Zanchini,

vicepresidente Legambiente

INTERVENTI DI

Agnese Ruggiero, coordinatrice Plan Up >> Il progetto Life Plan UP

Mauro Albrizio,

Segreteria Nazionale Legambiente >> Il Piano Nazionale Integrato Energia e Clima

Benoit Martin, Climact
>> Il Calculator tool europeo
per valutare le politiche
climatiche pazionali

11.00 Workshop tematici

Edilizia

INTRODUCE

Katiuscia Eroe, responsabile energia Legambiente

MODERA

Edoardo Zanchini, vicepresidente Legambiente

Roland Joebstl, Senior Policy Officer: Energy and Climate EEB >> II PNIEC e il settore edilizia

PARTECIPANO

Simone Benassi, Enel X -Lorenzo Bernardi, Fassa Bortolo - Francesco Burrelli, Anaci - Livio De Santoli, Coordinamento Free & AICARR - Filippo delle Piane, ANCE - Dario Di Santo, Fire - Claudio Ferrari, Federesco - Leopoldo Freyrie, Fondazione Riuso - Francesco Longo, Movimento dei Consumatori - Alessandro Martella, AzzeroCO2 - Stefano Meneghini, CNAPPC Lorenzo Pagliano, Politecnico di Milano -Maurizio Savoncelli, CNG - Ivan Stomeo, Anci - Luca Talluri, Federcasa - Virginio Trivella, Rete Irene - Daniele Vettorato, EURAC

Trasporto

INTRODUCE

Andrea Poggio, responsabile mobilità sostenibile, Legambiente

MODERA

Mirko Laurenti, Legambiente

Veronica Aneris, Transport & Environment >> PNIEC e il settore trasporti

PARTECIPANO

Lorenzo Bertuccio. EuroMobility - Carlo Carminucci, ISFORT - Annalisa Corrado, Kyoto Club - Sandro Cobror, Assodistil - Anna Donati, Alleanza Mobilita Dolce - **Sergio Ferraris**, Qualenergia - **Alessandra Filippi**, Assessora Ambiente e Mobilità Sostenibile, Comune di Modena - Giancarlo Laguzzi, FederCargo - Andrea Murari, Ass. Ambiente Comune di Mantova - Francesco Naso, Motus-E - Michela Negri, Route220 - Evway - Valentino Piana, HES-SO Valais - Maurizio Picca, Kyoto Club - Emanuele Proia, ASS.TRA - Stefano Sordelli, Volkswagen - Chicco Tagliaferri, Sharengo - Raffaele Tiscar, Agici - Mario Zambrini, Ambiente Italia - Gian Battista Zorzoli, Coordinamento Free -Alyona Zubayeva, Eurac

Agro-forestale

INTRODUCE

Antonio Nicoletti, responsabile aree protette e biodiversità Legambiente

MODERA

Angelo Gentili, responsabile agricoltura Legambiente

Bérénice Dupeux, Senior Policy Officer: Energy and Climate EEB >> II PNIEC e il settore agroforestale

PARTECIPANO

Simone Angelucci, Parco nazionale della Majella - Marino Berton, Aiel - Carlo Bifulco, Parco nazionale dei Monti Sibillini - Vanda Bonardo, responsabile Alpi Legambiente -Antonio Brunori, PEFC - Lorenzo Ciccarese, ISPRA - **Beppe Croce**, Chimica Verde Luciano Di Martino, Parco nazionale della Maiella - Giuseppe Dodaro, Fondazione per lo sviluppo Sostenibile - Stefano Donati, Parco nazionale del Vesuvio - Diego Florian, FSC - Sonia Gantioler, Eurac - Marco Pezzaglia, CIB - Luca Lo Bianco, Fondazione Montagne -Saverio Maluccio, CREA - RRN - Maria Grazia Mammuccini, FederBio - Danilo Marandola, Crea-RRN - Marco Marchetti, Università Molise - Massimo Medugno - Assocarta -Domenico Nicoletti, Parco nazionale dell'Alta Murgia - Antonio Novelli Eurac - Massimo Ramunni - Assocarta - Giampiero Sammuri, presidente nazionale Federparchi - Severino Romano, Università Basilicata - Dino Scanavino Presidente nazionale CIA - Ezio **Veggia**, Confagricoltura - **Lucia Venturi**, Parco regionale della Maremma

13.00 Pausa pranzo | buffet

Spunti, riflessioni, proposte e partecipazione alla stesura del PNIEC per il raggiungimento degli obiettivi al 2030

COORDINA

Edoardo Zanchini, vicepresidente Legambiente

David Donnerer, LIFE PlanUp >> Buone pratiche di partecipazione dal basso

PARTECIPANO

Ing. Roberto Moneta, amministratore delegato GSE Federico Testa, presidente Enea Alessandro Carrettoni, Ministero dell'ambiente e della tutela del territorio e del mare Luciano Barra, Ministero sviluppo economico Pietro Oieni, Direzione Generale delle Foreste MIPAAFT

INVITATO RAPPRESENTANTE DEL

Ministro delle infrastrutture e dei trasporti

PRESENTAZIONI DELLE PROPOSTE

dai workshop di settore, a cura dei coordinatori

CONCLUSION

Giorgio Zampetti, direttore generale Legambiente

14.00 Tavola rotonda





EVENT REPORT

Project Partner: Energy Cities

Title of the event: Roundtable on Effective Climate and Energy Governance: The Role of Local Self-Governments and Civil Society Organizations

Date & location: 19 March 2019, Warsaw

Organiser(s): Energy Cities & Stowarzyszenia Gmin Polska Sieć (PNEC)

Number of Participants: 35

Summary of the event

This roundtable brought together representatives at technical level from the key Ministries in charge of the Polish NECP (Ministry of Energy, Ministry for Environment), local and regional authorities as well as NGOs. The event was held in Polish, with simultaneous interpretation provided in English.

The event started with an introductory presentation of the event's scope from Anna Jaskuła, Executive Director of PNEC. This was followed by an intervention from an Energy Cities representative of the Life PlanUp project, who presented the main project findings on good practices in energy & climate governance in EU Member States.

The current draft NECP was then presented in extensive detail by Anna Madyniak from the Electricity and Heating Department of the Ministry for Energy. The next presentation was given by Arkadiusz Michalski from the Sustainable Development and International Cooperation Department of the Ministry for Environment, who discussed the topic of climate adaptation in the NECP and in the context of the next EU budget for the period 2021-2027.

In the second part of the roundtable, representatives from the city of Warsaw and the Polish Green Network elaborated on the role of local authorities and NGOs in the Polish NECP. Also, Marta Rosłaniec from the National Centre for Emissions Management (KOBiZE) presented the LIFE ClimateCake project.

Thanks to the roundtable, a more constructive and frank dialogue could be established between the Polish Government representatives and the stakeholders attending the event. While the Ministry officials could better understand the expectations from stakeholders for the country's NECP, the Polish local authorities and NGOs present could use this opportunity to put in question the NECP proposal outside of the rigid public consultation format.

Presentations from Ministry Officials and Stakeholders - Main Points:

The Polish draft national energy and climate plan - Anna Madyniak, Ministry of Energy, Expert in the Electricity and Heating Department

Madyniak first explained Poland's priorities and objectives in each of the five dimensions of the Energy Union, highlighting that ensuring the country's energy security is the one of the highest priorities for the Government. The main priorities within each dimension are the following:

- Decarbonisation of the economy: the national target is to reduce CO₂ emissions in the non-ETS sector by 7% by 2030 (compared to the value from 2005). This shall be achieved by the following main activities: (1) reducing the share of hard and brown coal in electricity generation to 60% in 2020, (2) reducing CO₂ emissions from the energy sector through the modernisation of generation units, increase of RES use, launching nuclear energy generation and improving energy efficiency at end-use, (3) introducing environmentally- and cost-efficient solutions reducing emissions from transportation and industry; (4) undertaking actions for improving air quality; (5) improving forest ecosystems capacities to absorb CO₂.
 - Regarding the increase of the share of renewables in the final energy consumption, the national target proposed in the plan is to reach 21% share in 2030, which should be achieved mostly through the development of solar and off-shore electricity generation, geothermal heat generation and production of biofuels. Distributed energy generation will be also supported.
- Energy efficiency: the national target is to contribute to the EU target at the level of 23%. This shall be achieved by the following main activities: (1) continuation of the support scheme for energy-saving behaviours; (2) supporting thermal retrofitting and repair investments, promoting low-energy buildings and increasing RES use in new and existing buildings; (3) introducing new support scheme for high-efficiency cogeneration and system changes in the heat generation sector; (4) development of electricity- and heat-saving technologies, including energy management systems; (5) development of smart power grids.
- Energy security: this is the most important dimension for the Polish Government. The main two targets described in the plan are: (1) to ensure diversification of energy sources and energy supplies from third countries (which should be achieved through keeping and further developing own power generation capacities covering existing demand, and through diversifying sources and directions of natural gas and oil supplies), and (2) to reduce dependency on energy imported from third countries (which should be achieved through the diversification of sources and directions of natural gas supplies, including increasing possibilities of obtaining supplies from other directions than the Eastern one, development of e-mobility and alternative fuels and maintaining

- independence from power imported from third countries). There is an important discussion on building the first Polish nuclear plant, which could significantly contribute to improving the country's energy security.
- Internal energy market: the main two targets described in the plan are: (1) ensuring necessary and good quality infrastructure for energy transmission (ensuring the system's long-term capacity to cover power transmission needs within internal and cross-border market; construction, development and modernisation of internal gas transmission network; integrating national gas transmission system with the systems of CEE countries and Baltic countries); (2) ensuring energy users' protection and improving competitiveness in the energy retail sector (increasing users' knowledge and encouraging them to play a more active role on the energy market, liberalisation of natural gas market, development of competitive natural gas market). Here, Madyniak also raised the key issue of energy poverty for Poland.
- Research, innovation and competitiveness: the main target is to increase expenses on R&D activities in Poland to 1,7% of GDP in 2020 and 2,5% GDP in 2030 and to improve the economy's competitiveness through: (1) innovation, export and increase in the value of capital spent for investments in the enterprise sector; (2) better use of existing social and territorial resources; (3) undertakings increasing efficiency of operation of State institutions serving enterprises and citizens.

Madyniak also introduced participants to the participation process and the status of the final NECP development. The first draft of the plan was published for public consultation earlier this year, which ended in February 2019. 80 entities, including several Marshall Offices and NGOs representing local and regional self-governments, as well as the City of Warsaw, submitted 900 remarks, which are currently being analysed. Some key findings that materialised from the consultation are the issues of air quality, renewables and local energy clusters. The NECP was also sent to the Voivodeships (regions), who asked for more renewables and local energy clusters in the final NECP. In the 2nd quarter of 2019, further consultations are planned, including with the EU Commission, regional authorities, different Ministries and departments, other key stakeholders such as Poland's neighbouring countries. The final, agreed version of the plan should be presented in the 3rd quarter of 2019, and submitted for approval by the Government in the 4th quarter.

<u>Climate Adaptation in the NECP – Arkadiusz Michalski, Ministry for Environment, Expert in the Sustainable Development and International Cooperation Department</u>

Michalski discussed the topic of climate adaptation in the National Energy and Climate Plan for 2021-2030 and in the context of the new EU budget period for 2021-2027, where an important share of the EU budget will be devoted to environmental and climate action. Adaptation in the Polish NECP is mainly about increasing forest coverage to 31% (from 29%), increasing water

reservoirs and rainwater harvesting system (important, as in the Sudeten mountains snowfall and snowmelt is getting scarcer due to climate change), mainstreaming adaptation into spatial and urban planning and introducing more early warning systems. Michalski noted that in order to succeed here, citizens would need to be more on board, in particular through education and awareness-raising. All knowledge that the Ministry has gathered on climate adaptation should be handed to the Ministry of Education to make young people more aware of climate change.

As regards the next EU budget, it was noted that Poland would still remain biggest beneficiary of funds, even if the amount would be smaller. The importance of the new priority objectives under the EU Structural Funds was mentioned, as well as the issue of climate mainstreaming.

Michalski also presented experiences from the 44MPA project implemented by the Ministry, where Municipal Climate Adaptation Plans were developed for 44 big cities (with over 100 000 inhabitants) in Poland. Michalski stressed the public participation dimension in the development of these plans, and in general, public participation in the development of strategy and policy documents on different levels.

Role of local self-governments in the NECP - Leszek Drogosz, City of Warsaw, Director of the Infrastructure Department

Drogosz noted how the Covenant of Mayors initiative can be an interesting instrument to support EU climate & energy objectives. He also presented how how Warsaw deals with energy and climate issues through its Covenant Sustainable Energy and Climate Action Plan. For Drogosz, supporting decarbonisation, increase of RES and decrease of energy use are the elements which will impact all other elements in a city, such as air quality and quality of life. He highlighted that the role of cities in the NECP process should be to take a leadership role and show that there is a will to take ambitious action on the local level, which can support the achievement of ambitious national targets.

Role of NGOs in the NECP - Izabela Zygmunt, Polish Green Network, Campaigner

Zygmunt highlighted that development of the plan is a key moment for the Polish energy system and that we cannot leave room for any mistakes. The mid-term plan needs to go in the right direction and needs to be a result of a broad public consensus. There is a risk that in 2030 our energy system will dramatically differ from other systems in the EU, and that the Polish economy will therefore be burdened with huge and unwanted cost of CO_2 emissions allowances, which will then require immediate big and hardly achievable investments in the energy sector.

The current level of public consultation of the plan is not sufficient, and further consultation with self-governments, NGOs and representatives of business sector is needed.

The main weaknesses of the draft plan are the following:

- <u>Internal incoherence:</u> the plan puts emphasis on energy security, but this
 is based on tapping into national fossil fuel resources, instead of using
 the potential of wider RES use and increased energy efficiency.
- Missing elements: the definition of energy security doesn't take into consideration energy prices and the quality and continuity of energy supplies. Regarding RES use, the plan assumes increasing RES share in the overall energy mix below existing potential and doesn't say anything about removing barriers for further RES use development. Regarding energy efficiency, the plan doesn't address existing opportunities associated with transportation (modal shift), household sector (instruments facilitating switching to more energy efficient appliances regardless of income) and power grids (distributed energy, local energy clusters, prosumers, energy storage). The document also doesn't directly address just transition and threats associated with bio-energy (biomass ought to replace coal mostly in heat generation which might have a negative climate impact). The NECP also didn't consider at all alternative, zero-emission alternatives for heat generation, such as large-scale heat pumps and using seasonal and daily heat storage solutions.

Therefore, the necessary changes in the NECP should include:

- renewed assessment of RES use potential, including the potential of other entities than only state-owned energy utilities;
- renewed assessment of energy efficiency potential;
- analysis of actions that are necessary to fully use this potential;
- comparison of costs for the state budget and the scale of possible additional benefits (reducing fuel poverty, fighting air pollution, development of rural areas);
- removing barriers for further RES development;
- looking for the optimal way for moving from coal, which would ensure economic and social security of coal-mining regions (just transition);
- reconsidering provisions concerning heat generation, including feasibility study of different zero-emission solutions;
- full integration of the adopted Clean Energy Package into the NECP.

<u>The LIFE ClimateCake project - Marta Rosłaniec, National Centre for Emissions Management (KOBiZE), Monitoring Expert</u>

The LIFE ClimateCake project is funded by LIFE and the Polish national fund for environmental protection and water management (NFOSIGW). It supports the development and implementation of EU climate & energy policy until 2030 and 2050 by improving management, regulation and policy tools supporting the achievement of these policy targets.

For now, KOBIZE cooperated mostly with the relevant national authorities and Ministries in Poland, but also seek now to establish a better and more in-depth cooperation with the local level, and thereby ultimately act as a bridge between the national and the local level.

Objective & main programme point

The main objective of this roundtable was to debate the role of local authorities and NGOs in the conceptualisation and implementation of this new planning instrument for Poland. Moreover, the aim was also to enable the stakeholders present to discuss in detail with the Ministry officials attending the various technical and political aspects of the NECP, in an open framework outside of the recently ended first round of public consultation in the country.

The main discussion points during the roundtable focused on the following:

- how to better engage local stakeholders and local communities in further consultations of the NECP, to ensure that their needs are reflected;
- the missing elements in the NECP, such as circular economy;
- how fast Poland can really move away from coal towards renewables and energy efficiency;
- the ambition and quality of the targets set in the plan;
- whether energy security should be much more important than the other dimensions of the EU Energy Union;
- how to ensure proper climate education;
- the biggest obstacles for implementing climate action on the ground;

Stakeholders input collection

Wojciech Szymalski (ISD Foundation) - Energy and heat planning should be included as key part of urban and spatial planning. We should go towards this direction, instead of having separate plans for heat, electricity and gas fuels supplies. Municipalities don't have enough money for currently implementing their plans.

Maria Wasiak (City of Bydgoszcz) - Is there a concrete roadmap for the 2030 targets of the NECP. Such a schedule would be needed to mobilize self-governments, which work in the shorter, term-of-office perspective. It is important to know in each year, how far we are still from achieving the 2030 targets. It is important to translate them into short-term activities.

Anna Madyniak (Ministry of Energy) - The current draft of the NECP was developed on the basis of the thorough assessment of Poland's current needs and capabilities, as well as balancing different interests. Some of the foreseen priority activities of the NECP have their own deadlines, but there is not yet a detailed schedule for all the measures till 2030 in the plan. It would be good to have more concrete plans from local authorities and a local gap analysis, to see how far we still have to in order to achieve our objectives.

Joanna Furmaga (Polish Green Network) - How does the Ministry plan to publish the remarks from the first public consultation? And how does it plan further consultations? There are many think-tanks, self-governments and NGOs, who have many valuable things to say. Maybe it would be worth to organise some meeting during which it would be possible to discuss some issues in person, not only to submit remarks in official forms?

Anna Madyniak (Ministry of Energy) - the report from the first consultation will be published and the further consultations are planned in the 2nd quarter of 2019. There will be consultation and coordination meetings in the Ministry for Energy, meetings according to topic and sector, and the Ministry will also try to use such events as the event today, to reach out to relevant stakeholders. Maybe the Ministry will also organise a dedicated conference, but this hasn't been decided yet.

Joanna Furmaga (Polish Green Network) - two key issues of the plan concern emission reduction and the share of coal in the energy mix. The overriding objective should be climate protection, but it seems that the targets proposed by Poland are too low.

Anna Madyniak (Ministry of Energy) - the issue of emissions is a difficult one. At the moment we are a highly emitting country, but not the highest, and it is difficult to change it in short-term perspective. The NECP addresses also the issue of energy security, which is an important priority, and we need to find a good balance. But the plan does assume a transformation of the energy sector and an increase in RES use. It foresees that - especially in heat generation - coal will be partly replaced by geothermal and heat pumps. Joanna Furmaga (Polish Green Network) - the plan mentions "energy sustainable areas". There ought to be 300 of them. What does an "energy sustainable area" mean? Are they equivalent to the "local energy clusters"? In Poland we are still missing legislation supporting the establishment of local energy clusters, which the Ministry has promised to do for a long time now. Anna Madyniak (Ministry of Energy) – local energy clusters are a very important element. We hear many voices from local communities that this aspect should be better embedded in the plan, and we hope to finalize the issue of local energy clusters still in this year.

Joanna Furmaga (Polish Green Network) - you talk about using coal in the context of energy security, but we import 30% of our coal from Russia.

Anna Madyniak (Ministry of Energy) - there is such import, indeed, but not for the purpose of power generation. The Ministry is monitoring this issue, as we want the country to rely on its own coal.

Aleksander Sniegocki (WiseEuropa) – What happens after 2030? A good idea for the NECP by 2030 might not be suitable by 2050. Does the Ministry already have a long-term decarbonisation plan in mind, even to go net-zero? **Anna Madyniak (Ministry of Energy)** – In the NECP and the new national energy strategy, certain trends are already mapped out that bring responsible and rational development. We are already triggering beneficial changes by bringing in more RES instead of coal, thereby benefitting the environment. The changes we make now will not be lost, and we have already a perspective till 2040. The investments launched in the upcoming years are not isolated and fit into a longer-term perspective.

Tomas Waśniewski (Foundation "Development YES- Open-pit mines NO") – Our demands are known but not considered. The emission reduction targets included in the NECP seem not very ambitious. Maybe it is a strategy to have room for negotiation with the Commission? When it comes to public consultation, it would be good not to stop at the regional (voivodeship) level,

as often regional targets are different from the local ones. You also need to consult with local communities. When it comes to "energy security", it seems to be kind of a "fetish" word to cover all other issues and problems, and cover up the influence of the coal lobby. The energy security objective is prioritised higher than other environmental issues, including e.g. water protection.

Anna Madyniak (Ministry of Energy) - Our economy is developing very intensely and the emissions included in the plan take into consideration this intensive development, including the development in the transportation sector (mainly service transportation). We have seen your comments on closing the lignite and strip mines, but note that it is not that easy to just close the mines, often they are the foundation for livelihood in many regions. We also cannot replace coal immediately with RES and nuclear, this will still take time.

Andrejy Grąbczewski (City of Pułtusk) – Regarding the white certificates for energy efficiency, the NECP provides no information on what will happen to them? Will their validity be prolonged as declared some time ago?

Anna Madyniak (Ministry of Energy) - there is a new EU Energy Efficiency Directive and the Ministry is currently analysing it, in order to see whether we have to modify the white certificate scheme.

Kristof Choromański (Association of Polish Cities) - what about circular economy? Shouldn't it be included in the plan?

Anna Madyniak (Ministry of Energy) - yes, it is worth to consider to include this area more in the NECP. In the heating sector there is a Ministry program to support new, efficient technologies and we are planning to extend it.

Anna Gielniak (City of Opole) - we want to develop RES in housing, but are lacking financing to support citizens. For them, 10-30% co-financing is not enough to invest in RES. There is some EU support, but what about national, regional and local funds? Opole is already co-financing such installations, the total budget for this activity is 2 Mio PLN but it is not enough. Citizens should receive e.g. 80% support, otherwise we will not foster the trend in the housing sector towards more RES.

Anna Madyniak (Ministry of Energy) - we cannot misbalance the market. Some activities need to be undertaken rationally, I think that 80-90% support is a little too much to really achieve all targets.

Wojciech Szymalski (ISD Foundation) - I would like to come back to the issue of spatial planning. The problem is that in many cases spatial development plans are there but are not applied in practice, as there are many exceptions. Therefore, the postulate of increasing share of areas covered by valid spatial development plans – in present situation – means spending money for nothing. All "new" plans should be embedded in the existing planning system, including spatial planning, which should be put in order, but now is rather being dismantled. Education is important but so are also incentives to encourage people to do the things, otherwise they see no point in it). Spatial planning system not adequate to integrate adaptation in it.

Arkadiusz Michalski (Ministry for Environment) – indeed the planning system is not in a good shape and different proposals for its improvement are kept on-hold. But coming back to education, based on the project implemented

by the Ministry, we can conclude that the most engaged target group are children in the late grades of primary school and early grades of secondary school. But I agree that a good education programme on climate needs to go hand in hand with good regulation.

Joanna Furmaga (Polish Green Network) – the Ministry has so many instruments to introduce climate systematically in education and make climate an important part of school curriculum, but there is no strategy yet for it. In local authorities some activities are taking place, but there should be a systemic push at national level.

Maria Wasiak (City of Bydgoszcz) - people don't understand many elements of environmental policy and implemented changes in legislation. For many years already, Bydgoszcz is conducting energy & climate education. We have, among others, the RES Education Centre. But there are two important issues: education cannot mean propaganda and education requires solid work. Also, local authorities undertaking this should receive long-term support for it. Elżbieta Łąk (City of Wrocław) - also Wrocław conducts a large educational campaign addressing climate issues. Material from this campaign is publically available and can be used by other cities. Schools approach us and tell us that they can't educate children on climate because they have no reliable materials available. We have provided them with the campaign materials, but it can't be included in the core curriculum as this depends from the Ministry of Education. Still, climate education and information at schools is very much needed. 14000 students from Wroclaw schools have used these materials and found them useful, proves that these materials are very much in demand.

Anna Jaskuła (PNEC) - for educational purposes, our association would like to recommend the 50/50 methodology that we tested in hundreds of Polish schools. It is a good methodology for teaching on climate and energy issues and actively involving pupils in energy-saving actions.

Anna Czyżewska (NFOSIGW) – all these important activities should be in line with one another, and should be part of a general strategy and program at national level on climate education.

Arkadiusz Michalski (Ministry for Environment) - the Ministry can get involved in the development of such a curriculum for climate education. We are willing to get together with the Ministry of Education and with local authorities to discuss this. Tomorrow I will go to my director to say that this is something that we should do as a concrete action to react to the youth climate strike. Kristof Choromański (Association of Polish Cities) - we run a project concerning the monitoring of public services. Obtaining such data should improve the local situation and local services. Regarding other issues, most of them have been said already – spatial planning is important, as well as good governance, which includes territorial integration. Many entities need to be involved. The problem is that our environmental protection system is disaggregated. We need to aggregate it again.

Event evaluation by event organiser

The event was successful in gathering the target audiences, in particular the relevant Ministries in charge of the NECP, who took the time outside of their presentations to answer extensively the questions from the local authorities and NGOs representatives present. The discussions highlighted the important role of local authorities and NGOs in shaping and implementing the Polish NECP, in areas ranging from deploying renewables, improving energy efficiency, integrated planning and raising awareness of citizens for climate action. Many stakeholders also stressed the importance of a multi-level dialogue that includes the engagement of the local level, not only the regional level as is foreseen by the Ministry of Energy in the second consultation phase.

Impact follow-up

The feedback from the participants after the event was very positive, highlighting that this roundtable was an important and desirable initiative to debate the NECP in Poland. The presentations and conclusions from this roundtable have been sent to participants, including the Ministry officials present from the Ministry of Energy and the Ministry for Environment. The Ministry of Energy representative also approached PNEC after the roundtable, in order to request about other opportunities to engage with local actors on the NECP process in Poland, in order to send this information to her hierarchy.

It now remains to be seen to what extent the Ministry reaches out to local authorities and NGOs in the finalization of the NECP, and to what extent their views and opinions are reflected in the final plan. During the roundtable, the Ministry of Energy representative in particular appreciated the opportunity of this roundtable to reach out to stakeholders on the NECP, and noted that local actors would have an important role to play in the finalization of the plan. However, she did not provide detailed information on the implementation details of the next consultation phase starting in the 2nd quarter of 2019.

In attachment:

- Agenda
- Attendance List









SPOTKANIE OKRĄGŁEGO STOŁU

"EFEKTYWNA POLITYKA PAŃSTWA W OBSZARZE ENERGII I KLIMATU: ROLA SAMORZĄDÓW LOKALNYCH I ORGANIZACJI POZARZĄDOWYCH"

Warszawa, 19 Marca 2019 r.

Program

Wtorek, 19 Marca 2019 r. Miejsce: Sala "Czarna", ul. Marszałkowska 77/79, 00-683 Warszawa	
10:15 – 10:30	Oficjalne otwarcie spotkania okrągłego stołu i powitanie uczestników
	 Anna JASKUŁA, dyrektor biura Stowarzyszenia Gmin Polska Sieć "Energie Cités"
10:30 – 10:45	Wprowadzenie do projektu LIFE PlanUp i podsumowanie najważniejszych wniosków z analizy dobrych praktyk w obszarze planowania polityki klimatyczno-energetycznej w państwach członkowskich UE
	David DONNERER, europejska sieć Energy Cities
10:45 – 11:05	Krajowy plan na rzecz energii i klimatu na lata 2021-2030 i doświadczenia z procesu konsultacji planu
	 Anna MADYNIAK, Departament Elektroenergetyki i Ciepłownictwa Ministerstwo Energii
11:05 – 11:20	Pytania i odpowiedzi do prezentacji krajowego planu na rzecz energii i klimatu na lata 2021-2030
11:20 – 11:40	Adaptacja do zmian klimatu w Krajowym planie na rzecz energii i klimatu na lata 2021-2030 w kontekście nowej perspektywy finansowej 2021-2027. Doświadczenia projektu 44MPA. Partycypacja społeczna w adaptacji do zmian klimatu.
	 Arkadiusz MICHALSKI, Departament Zrównoważonego Rozwoju i Współpracy Międzynarodowej, Ministerstwo Środowiska
11:40 – 12:10	Pytania i odpowiedzi oraz dyskusja nt. szans i barier dla szerszej partycypacji publicznej w procesie planowania krajowej polityki klimatyczno-energetycznej
12:10 - 12:30	Przerwa na kawę
12:30 – 12:50	Potencjalna rola samorządów lokalnych w instytucjonalizacji i realizacji celów Krajowego planu na rzecz energii i klimatu na lata 2021-2030 • Leszek DROGOSZ, Urząd m.st. Warszawy
12:50 – 13:10	Potencjalna rola organizacji pozarządowych w instytucjonalizacji i realizacji celów









	Krajowego planu na rzecz energii i klimatu na lata 2021-2030 Izabela ZYGMUNT, Polska Zielona Sieć
13:10 -13:30	LIFE CLIMATE CAKE PL: system wytwarzania i dostarczania informacji o skutkach polityki klimatyczno-energetycznej Państwa – Praktyczne wykorzystanie wyników modelowania na szczeblu lokalnym • Marta ROSŁANIEC, KOBIZE
13:30 – 14:00	Dyskusja, jak najlepiej wykorzystać potencjał związany z zaangażowaniem samorządów lokalnych, organizacji pozarządowych i innych podmiotów reprezentujących społeczeństwo obywatelskie w finalizację, instytucjonalizację i realizację założeń Krajowego planu na rzecz energii i klimatu na lata 2021-2030? Jaki wkład mogą wnieść w kolejne związane z nim działania i zaangażować się w ich realizację? • Maciej CYGLER, KOBIZE
14:00 – 14:10	Podsumowanie spotkania • Anna JASKUŁA, dyrektor biura Stowarzyszenia Gmin Polska Sieć "Energie Cités"
14:10 - 14:40	Lekki lunch

Spotkanie okrągłego stołu jest organizowane w ramach europejskiego projektu LIFE PLAN UP: Wielostronna platforma na rzecz otwartych i ambitnych planów na rzecz klimatu i energii do roku 2030.



EVENT REPORT

Project Partner: Energy Cities

Title of the event: Roundtable on the National Energy and Climate Plan of

Hungary

Date & location: 25 March 2019, Budapest

Organiser(s): Energy Cities & Clean Air Action Group (CAAG)

Number of Participants: 26

Summary of the event

This political roundtable convened high-level representatives at technical level from the relevant Ministries in charge of Hungary's NECP (Ministry of Innovation and Technology, Ministry of Agriculture), as well as stakeholders such as NGOs and think tanks in the field of energy and climate. The event was held in Hungarian, with simultaneous interpretation provided in English.

The first part of the roundtable started with an in-depth presentation of the Hungarian NECP from a high-level representative of the Ministry of Innovation and Technology, the leading Ministry in the NECP process in the country. This was followed by an extensive debate between the stakeholders present and the Ministry of Innovation and Technology representatives.

In the second part of the event, a representative from the European Environmental Bureau spoke about the links between the NECP, long-term strategy (LTS) and the next EU budget (MFF) processes. In addition to this, a representative from Energy Cities presented the LIFE PlanUp main findings from good practices in energy and climate governance in EU Member States. The final part of the roundtable saw first a presentation on agriculture in the Hungarian NECP by a representative from the Ministry of Agriculture, followed by an open discussion. The event concluded with presentations from CAAG representatives on the role of NGOs in the Hungarian NECP, as well as the link between the NECP and the new Hungarian National Energy Strategy.

The roundtable resulted in a more robust, open dialogue between the Hungarian Government and the stakeholders present, as well as a higher awareness among the Ministry officials attending about the relevance of debating with stakeholders on the NECP in formats outside of dedicated questionnaires, which had been until then the only way through which the Government had interacted with stakeholders in the NECP process.

Life programme Grant agreement LIFE17 GIC/AT/000039

Presentations from Ministry Officials and Stakeholders – Main Points:

The Hungarian draft national energy and climate plan – Éva Totok, Ministry of Innovation and Technology, Head of the Strategy and Energy Policy Department

This event today is useful to become more familiar with the viewpoints of the stakeholders. Hungary has submitted its draft NECP in the end of January and is now expecting the feedback from the EU Commission.

Hungary has been working on various strategic documents in parallel to NECP, such as the new National Energy Strategy, the second National Climate Change Strategy and the National Pollution Reduction Strategy. All these documents are in conformity with the policy objectives and directions of the EU for the year 2030. The NECP and the National Energy Strategy go hand in hand and complement each other, as their forecasts are aligned.

The most important areas of the NECP focus on smart, clean and affordable energy with the consumer at the centre, energy security, climate-friendly restructuring of industry and on making use of the opportunities of energy & climate innovation. The NECP's two main KPIs are reduction of GHG emission intensity and the reduction of the primary energy intensity by 2030.

Some of the main measures to achieve the NECP objectives will be on enhancing PV facilities, electrifying transport, updating and modernizing district heating networks, improving the efficiency of buildings and making industrial efficiency investments, and getting rid of carbon-based power plants, while installing new nuclear power capacity, by the end of next decade. We have designed two different scenarios, one business as usual (WEM) and other one going beyond it (WAM) in the energy sector, which take into account that both blocks of the Paks2 nuclear power plant will be in operation and other major power plant will be switched away from coal.

In order to attain decarbonization under the first dimension of the Energy Union, we count on four pillars: a climate-friendly energy sector that focuses on PV, geothermal, biomass and waste heat, as well as nuclear instead of coal; an increased share of renewables; we also seek to boost energy efficiency in buildings; and finally, electrify transport and also decarbonize it through alternative fuels such as biofuels, not nitrogen-based fuels.

We will attain energy efficiency under the second dimension of the Energy Union by improving in particular residential buildings efficiency, strengthening the ESCO market, and by decreasing the use of natural gas in district heating to the benefit of renewables like biomass, geothermal and biogas. An increase in energy consumption by 14% between 2015 and 2030 is possible due to economic growth and the growth of the transport, so we have to be aware of this and take steps to remedy this development.

Our policies to attain the internal energy market and achieve security of supply will focus on reducing dependency on fossil fuel imports - Hungary being one

of the most affected countries in the EU because we are a landlocked country - , investing in LNG terminals in our region such as in Croatia and offshore natural gas, and establishing more interconnections in the CESEC region. Finally, our policies to attain research, innovation and economic competitiveness will focus on digitalization, better solutions for energy storage, establishing a geothermal research council and further supporting the Innovation Council we have set up in October 2018, which has already seven working groups in fields such as consumer behavior, storage, renewables, nuclear or energy efficiency.

We launched our NECP process already in November 2016, by establishing an NECP working group led by the State Secretary for energy and climate within the Ministry of Innovation and Technology, which has involved different departments and also external experts in the drafting of the NECP. In august 2018, we then consulted informally over 130 players, such as NGOs, industry, research and other stakeholders, for the draft NECP. Furthermore, we also launched a consultation with other Ministries and consulted our neighbours in line with the Energy Union Governance regulation.

For the Ministry of Innovation & Technology, the next steps for the NECP are:

- In 2019 we will continue fine-tuning the NECP and harmonise it further with the National Energy Strategy and the next MFF framework for 2021-2027;
- We count on the recommendations & opinions of stakeholders, in particular on the planned measures of the NECP in all its dimensions. We plan to send a questionnaire to approximately 140 stakeholders. In addition to this, an environmental survey will be done in the framework of the strategic environmental assessment procedure;
- Finally, we will also continue engaging with our neighbours in a regional consultation procedure in the finalization of the NECP;

Agriculture in the Hungarian NECP – Botond Laskai-Varga, Ministry of Agriculture, Head of the Agricultural Environmental Management and Modernization Department

Apart from being an emitter, agriculture is also an important entity being impacted by climate change. Climate adaptation is therefore essential, combined with robust climate mitigation actions.

In order to foster technological development, it is key to have environmental awareness among farmers.

We also need a better irrigation system in our agriculture, as well as improved soils, as we will have to face more droughts and floods because of climate change. Our water management will be key in this regard.

The next CAP and its climate policies in mitigation and adaptation play an important role in our NECP.

Adaptation and reducing emissions are interrelated. We have to make more sustainable use of our resources, implement more crop rotation and improve the sustainability of agricultural areas in our country.

<u>The energy strategy connections of the National Energy and Climate</u> <u>Plan – Zoltán Lontay, CAAG, Member of the Experts' group</u>

There is a timing problem of the NECP, the second National Climate Change Strategy and the new National Energy Strategy. They are not fully aligned and don't work in harmony with one another. For example, important energy strategy issues are missing in the draft NECP.

We face many dilemmas in Hungary that prevent us from going further in improving our share of renewables: wind power development is prohibited by legal measures, we have no hydroelectric potential, limited biomass potential, and a good PV potential but the grid is not fit for the integration of variable production. Also, the knowledge of Hungarian society about energy-climate issue is limited, and climate is seen as an EU special requirement. The current Government priority on reducing residential utility costs at all costs also narrows room for action.

Hungary is actually much more vulnerable than other parts of the world, therefore we need to think more seriously about climate mitigation and adaptation than other countries in the EU.

Nothing is attainable in climate policy unless we have money for it. The electricity grid has to be changed to have the capacity to absorb the massive increase of renewables that is needed, but this will require an incredible 1000 billion Forint (i.e. EUR 3 billion).

I want to conclude with some concrete proposals from civil society to improve the situation: we need more effective climate communication with society with the involvement of NGOs, more ambitious targets and feasible policies, a robust evaluation of earlier efficiency and renewables programs, policies that include the phasing out fossil fuel subsidies, a re-evaluation of the position of wind, better incentives for energy pricing, a comprehensive agro-energetic program and a real substantive dialogue with stakeholders is now needed.

The role of civil society organizations in the National Energy and Climate Plan – András Lukács, CAAG, President

The fundamental task we have at hand now is to ensure environmental protection and build the capacity of society and civil society to take action. While Hungary may not be as high an emitter when it comes to other parts of the world, we still need to do our part, even if many people feel that it is not our main responsibility to act.

We have to phase out fossil fuel subsidies and curb the growth of transport emissions in particular. We have recently done a study with the agency of transport, which has shown that if we take everything into account, then subsidies given to road traffic are at 7-10% of national GDP. The amount given to environmental protection cannot compete with this amount.

We need to invest more in awareness-raising for energy & climate action, and for this I invite the Government to entrust civil society actors with a strong role, so that we can mobilize citizens for energy and climate action.

Objective & main programme point

The main objective of this political roundtable was to lay the groundwork for a deeper dialogue on an equal footing between Ministry officials and stakeholders such as NGOs and think tanks on the elaboration of the Hungarian NECP. Another key aim of the event was to create an enabling framework for the participating stakeholders to express their ideas and opinions, in particular NGOs, which have been facing difficulties in expressing their demands (in climate and energy, but also in other fields) towards the Hungarian Government in recent years.

During the roundtable, the discussion touched upon many different political and technical aspects of the Hungarian NECP, such as:

- The stakeholder involvement process for the finalization of the NECP, and what role actors such as NGOs can play in it;
- How to align the NECP and the National Energy Strategy processes;
- The position of the NECP in light of the EU discussions on a net-zero emissions objective by 2050;
- How to increase the share of renewables in the energy system;
- The issue of emissions from biomass in agriculture and energy sectors;

Stakeholders input collection

Istvan Bart (Energiaklub) - What will be Hungarian legal form for the NECP, are we going to define a legal framework in this regard, also for the future Government? What do we do if we don't achieve the renewables goal of 20% by 2030? Are there also sub-objectives in the NECP to strengthen the plan? **Éva Totok (Ministry of Innovation and Technology)** - The relevant EU regulation is not too strict on what legal form the NECP should have. EU-wide, the situation is quite different and done in a flexible way. The NECP doesn't need to be approved by the Hungarian Parliament.

The National Energy Strategy will be an important starting point for the NECP, the strategy is very important and also focuses on other dimensions not extensively covered by the NECP. The NECP has a predefined structure and does not allow for much room for manoeuver.

As regards your question on sub-targets, if you have any recommendations in this regard, we would be very grateful if you could provide them to us, such as sub-targets for renewables, agriculture or other sectors. We would like to know what Government interventions you would expect to achieve such sub-targets.

Márk Alföldy-Boruss (Ministry of Innovation and Technology) – We have to fill in the template of the NECP as provided by the EU Commission. The renewables trajectory we foresee in the NECP is quite similar to the current renewables action plan of Hungary.

We are expecting a big debate about the contribution of each sector to the overall objectives, the biggest question is on transport and how to tackle its emissions, because this is a sector that is growing substantially. So if you can give recommendations focusing on transportation and residential buildings, that would be really beneficial, in particular on transport.

Alexa Botár (MTVSZ and Bankwatch Hungary) – We participated last year in the informal consultation on the draft NECP, and there we recommended

some sub-goals and targets already. However, we didn't receive feedback on this and can't see whether our recommendations have been included. How will the consultation process in 2019 take place. Is the National Energy Strategy the main document and its figures will be included in NECP, or is there more of a separation between what is in the Strategy and the NECP. Will there be alignment between the Strategy and the NECP consultation processes?

Éva Totok (Ministry of Innovation and Technology) – The Strategy and the NECP are interconnected, we have already done the report on the Strategy. Some parts of its might need consultations with stakeholders and consultations with other Ministries. We are still figuring out the details of the consultation process for the NECP and the Strategy, in my view it should be a continuous process that feeds into one another.

We have taken over comments provided in the informal consultation process on the draft NECP last summer from stakeholders. I have to say that we had received many comments, often not structured and in bulk, so it was difficult to sort out the relevant contributions. For the next consultation on the NECP, we will therefore establish this time a structure with key topics where we will gather input from stakeholders. We expect contributions from all actors for the NECP in particular on policies, measures, any new solutions they can think of, and also don't forget about the cost aspect of your proposals, such as subsidies, investment costs, etc. If you have any assessment & input on the costs in particular, that would be useful for us.

Alexa Botár (MTVSZ and Bankwatch Hungary) – When in May 2019 the consultation process on the final NECP will be kicked off, to what extent will the NECP be already finalized and harmonized with the Strategy? To what extent can it then be still modified? And also, regarding the link between the NECP & the next MFF, has something been done already on this to estimate the Hungarian and the EU contribution?

Éva Totok (Ministry of Innovation and Technology) – The State secretary for energy & climate policies is responsible for making the link between the NECP and the next MFF, on a two-year cycle basis.

Márk Alföldy-Boruss (Ministry of Innovation and Technology) – If I may add on the previous points raised on renewables, in the next year we will need to talk about renewable energy communities and how to introduce them in the legislation. We have a positive example from Germany that we can draw inspiration from, we need to think of this as well when we speak about the costs of introducing gradually more renewables into the energy system.

Levente Koczóh (Ministry of Innovation and Technology) – Regarding the issue of programming for the next MFF, we have to stress that at the level of the Union, there has been no decision yet on how the funds will be spent in all the programs in the next period. Also, the problem is that the NECP lasts until 2030 and the MFF only until 2027, so we have to figure out what will happen in the 3 year gap. Nevertheless, the EU budget will be done with due consideration of the NECP process, that is the good news. Hungary will receive one quarter of its GDP from the EU budget in the next period, so this can be a good opportunity for us to ensure the investments of the NECP.

Adám Harmat (WWF Hungary) – Will stakeholders be able to provide their views on the issue of emissions of biomass in the next consultation period? Éva Totok (Ministry of Innovation and Technology) – Yes, biomass will be part of the next questionnaire we will send to stakeholders, and your contribution is expected and valued in this regard.

Márk Alföldy-Boruss (Ministry of Innovation and Technology) – We try to be open as possible and are ready to absorb your suggestions and proposals. This can help us to channel the consultation in the right direction. We encourage civil society and stakeholders to come forth with their proposals in the next consultation and beyond and to be as active as you can, even before the next consultation starts in May.

András Lukács (CAAG) – Regarding the actions foreseen on renovation of buildings, what will be the concrete impact if all the measures are delivered? Éva Totok (Ministry of Innovation and Technology) – If we complete all the renovations as planned, then we will save 100 Metajoules by 2030. Alexa Botár (MTVSZ and Bankwatch Hungary) – We have recently seen that the Visegrad countries, including Hungary, have opposed an EU net-zero emissions target by 2050. Will the NECP target be in line with a net-zero emissions target by 2050 at EU level?

Levente Koczóh (Ministry of Innovation and Technology) – Hungary will not veto any of the net-zero 2050 forecasts, there has been some confusion here. The current discussions at EU level on the eight scenarios put forward by the EU Commission are very complex and still theoretical. Nevertheless, the EU Council will make sure that this process will go down well. Certainly Hungary will go along with what will be ultimately decided.

Hungary is committed to the objectives of the Paris Agreement. We have to think about how to couple economic growth with the need to do even more dynamic action to reduce GHG emissions.

Márk Alföldy-Boruss (Ministry of Innovation and Technology) – It is important for the market and investors to feel certainty about objectives of the NECP. It is difficult to already jump into 2050 with believing in technologies such as CCS whose success is not guaranteed. Let us make at least the direction stable, the objectives realistic and let us not limit ourselves to objectives that are utterly unrealistic as they rely on unproven technologies.

Éva Totok (Ministry of Innovation and Technology) – We are a landlocked country and those countries that have access to the sea are in a totally different situation. We need to strike a balance between consumer expectations, security of supply and environmental objectives.

The idea of 2050 should be seen critically, as the Paris Agreement is about the second half of the 21st century where some of us will not be around anymore. There are some sectors where we cannot imagine how they will achieve the technological breakthrough we are thinking of, so therefore our expectations have to be made realistic. It is also more realistic and important to change consumer attitudes, quite drastically, and here Hungary and the whole region is lagging behind. Currently consumer attitudes are quite unrealistic as many people still believe that technology will solve everything.

Zoltán Lontay (CAAG) – What will be done in the NECP to reduce emissions from biomass? Also, what is planned to support climate-friendly organic feed and food?

Botond Laskai-Varga (Ministry of Agriculture) - In Hungary, the soil is rather poor and needs to be enriched by organic fertilizers, we cannot do without this straw. As regards biofuels as part of the biomass discussions, we have no decision from the top at the moment to reduce emissions in this regard. Certain emissions from biomass are needed in agriculture.

Judit Berényi Üveges (Ministry of Agriculture) – We will provide stronger support for organic farming through the next CAP and the NECP.

Adám Harmat (WWF Hungary) – Are you thinking about how to better bind CO2 in the field of agriculture?

Botond Laskai-Varga (Ministry of Agriculture) – Yes, we are planning more research in this field on how this can be concretely achieved.

András Lukács (CAAG) – Meat production and consumption, in particular from cattle, causes a lot of damage to the environment. Do you plan to do something about this?

Botond Laskai-Varga (Ministry of Agriculture) – Yes, at the level of research this is a priority. It is important to mention that while it is polluting, it is not the biggest polluter.

Zoltán Lontay (CAAG) – It would be great if the Ministry would consider us as strategic partners. In the end we are just Hungarian citizens that are keen to contribute to energy & climate action. Another question I had on renewables was whether the Ministry of Innovation and Technology had already prepared a price analysis on variability of renewables supply and the technical solutions to address this?

Gábor Dùl (Ministry of Innovation and Technology) – Solar PVs need to be coupled with storage technologies in order to be fully successful in their integration in the grid. We are currently preparing analyses on better technical solutions to address the variability of renewables supply, but don't know about how to address the price issue yet.

Alexa Botár (MTVSZ and Bankwatch Hungary) – How can we accelerate the phasing out of fossil fuel subsidies in Hungary?

Gábor Dùl (Ministry of Innovation and Technology) – In the transport sector, we mostly have passive fossil subsidies, and it is being considered to amend the regulation to make transport more environment-friendly. We also need to think about changing the taxation system in the transport sector. As regards fossil fuel subsidies in connection with energy, we are planning to phase out subsidies for heating with coal in residential buildings.

Event evaluation by event organiser

The roundtable was successful in reaching the main actors targeted, in particular the key Hungarian Ministry in charge of the NECP, the Ministry of Innovation and Technology, which sent several representatives to answer precise and detailed questions from the stakeholders present. The debate between the Ministry officials and the stakeholders was open and constructive, and stakeholders such as NGOs and think tanks could address different

technical and political issues of the NECPs and its related topics (MFF, long-term strategy, other strategic Hungarian energy and climate plans) in extensive detail. Now, it is still to be seen to what extent the views and opinions brought forth by stakeholders will be reflected in the next stakeholder questionnaire sent out by the Ministry of Innovation and Technology and in the finalization of the NECP, and also, if a multi-level energy and climate dialogue will be set up by this Ministry to build upon the fruitful discussions with stakeholders during the roundtable.

Unfortunately, despite multiple attempts by the organizers, the Ministry of Transport declined to join the roundtable. Furthermore, the representatives from the Hungarian Association of climate-friendly municipalities (Klimabarát), the main network of local authorities engaged in energy and climate in Hungary, could not join the roundtable, due to the illness of its president Lajos Kovács. Hence, no stakeholders from Hungarian local authorities ultimately participated in the event.

Impact follow-up

The LIFE PlanUp project hopes that this roundtable provided a starting point for a stronger interaction, and ultimately cooperation, between stakeholders such as NGOs and Ministry officials. The aim is to have firstly the proposals from the Hungarian stakeholders (NGOs, local authorities in particular) more strongly reflected in the final NECP, and also to have their role more strongly recognized as a key partner of the Hungarian Government in the NECP process. Throughout the roundtable, the Ministry officials present have stated that detailed and precise input from stakeholders is appreciated and expected on all aspects of the NECP, however provided no information to which extent this input will be reflected in the final NECP. After the event, the Ministry officials also assured that a summary of the roundtable would be sent to their hierarchies in the Ministries of Innovation and Technology, and Agriculture.

In attachment:

- Agenda
- Attendance List

Konferencia a Magyar Nemzeti Energia- és Klímatervről

2019. március 25., hétfő

Helyszín: MagNet Közösségi Ház, 1062 Budapest, Andrássy út 98.

Program

09:00-09:05 Megnyitó - Lukács András, a Levegő Munkacsoport elnöke

09:05-10:00 A magyar Nemzeti Energia- és Klímaterv bemutatása – Totok Éva, Innovációs és Technológiai Minisztérium, dr. Laskai-Varga Botond, Agrárminisztérium

10:00-11:00 Kerekasztal – minisztériumok és civilszervezetek

- Roland Jöbstl, European Environmental Bureau
- David Donnerer, Energy Cities

11:00-11:20 Kávészünet

11:20-11:30 A LIFE PlanUp Projekt: Jó gyakorlatok az energia és éghajlat iránymutatások terén – David Donnerer, Energy Cities

11:30-11:40 Klímabarát településekről- Kovács Lajos, a Klímabarát Települések Szövetségének elnöke – betegség miatti változás

11:40-11:50 A Nemzeti Energia- és Klímaterv energiastratégiai kapcsolatai – Lontay Zoltán, a Levegő Munkacsoport szakértői testület tagja

11:50-12:00 A magyarországi civil szervezetek közreműködése a Nemzeti Energia és Klímaterv kialakításában – Lukács András, a Levegő Munkacsoport elnöke

12:00-12:10 Záró gondolatok

Agenda on the 25th of March 2019.

09:00-09:05 Opening speech by András Lukács CAAG

09:05-10:00 Presentation on the NECP by Éva Totok the representative of Innovation and Technology Ministry (Head of Department) and Botond Laskai-Varga dr. from the Ministry of Agriculture (Head of Department)

10:00-11:00 Roundtable with the representatives of the Ministries and NGOs

- Roland Jöbstl, European Environmental Bureau
- David Donnerer, Energy Cities

11:00-11:20 Coffee

11:20-11:30 LIFE PlanUp Project: Good practices in energy and climate governance by David Donnerer, Energy Cities

11:30-11:40 Presentation by Lajos Kovács, President of Klímabarát Települések Szövetsége – absent due to illness

11:40-11:50 Presentation by Zoltán Lontay, Energy expert: the link between NECP and the National Energy Strategy in Hungary

11:00- 11:00 Presentation by András Lukács, President of Clean Air Action Group: How NGOs can give an input to the progress of NECP in Hungary

12:00-12:10 Conclusions