

MAKING THE GRADE?

A review of eight national energy and climate plans in central and eastern Europe

INTRODUCTION

In 2018, the EU agreed on the 'Clean Energy Package', setting a new framework for climate and energy until 2030. Within this new set-up, Member States must develop by 2019 a national energy and climate plan (NECP). The process will serve as a planning tool for the next ten years during which Member States must name their own targets for 2030 within the framework of the EU's Long Term Strategy for 2050.

The NECP should explain what measures a Member State will take in order to contribute to the EU's 2030 targets for energy efficiency, renewable energy and greenhouse gas emissions reduction and a phase out of fossil fuels, and at the same time quantify the investments needed to reach these objectives.

As such the NECPs should be the first step in planning the transformation to a low-carbon economy in every EU Member State. The next decade is the one where major efforts on climate protection are needed if we are to avoid the worst of a changing planet. The magnitude of change required due to our ever-shrinking carbon budget means that a transformation is needed immediately.

People must be involved in this process and understand what changes are expected in economies, behaviours and infrastructure. Yet the EU's Governance Regulation which sets the framework for the formulation of the NECPs is ambiguous about when and how the public should be involved. These unclaritys were multiplied by the late approval of the Regulation in December 2018. At the same time, because such plans are likely to have a significant impact on the environment, the NECPs should be subject to a strategic environmental assessment. Countries like Latvia, that is already advancing the SEA process, deserve recognition.

Key elements of the SEA are: full access to all draft plans and supporting documents, consultations with the public at the different stages of the plan's development, and when all options are open, an independent assessment of various scenarios and their impacts.

Civil society organisations in several Member States were unable to comment constructively on the NECPs before these were sent to the Commission. In Romania, Bulgaria, Slovakia and Hungary, SEAs are planned at a later stage, meaning that not all options will be on the table

when the final energy and climate measures are decided.

Against this backdrop, Bankwatch has assessed the level of public participation and climate protection ambition of every NECP, according to seven factors, four of which are on climate ambition: renewable energy sources and energy efficiency, plans for a fossil fuels phaseout and investment needs for reaching these objectives. The other three factors relate to public participation: level of transparency of the process, commitment to an independent review, and quality of the public consultation held.

Our analysis shows that most countries in central and eastern Europe are not committed to an ambitious energy transformation and instead stay as close as possible to business as usual scenarios. Moreover, the development of nuclear energy as a primary source of decarbonised electricity and the widespread use of biomass as a renewable energy solution highlight a pattern of minimal efforts and an avoidance of the necessary measures to really develop clean energy sources and energy efficiency measures. In many cases, measures to phase-out coal (if any) are supported by a switch to gas, and the NECPs generally do not contain a real assessment of the investment needs to achieve these 2030 objectives.

The development of the NECPs are a learning process, and the plans will not be finalised until the end of 2019. With all Member States now having submitted their draft plans to the Commission, it is crucial to focus on their improvement and implementation, as there are not many other opportunities to get right the EU's framework on climate and energy for 2030 and therefore place Europe on a path in line with the Paris Agreement and the 2050 Long Term Strategy.

METHODOLOGY

The national energy and climate plans (NECPs) are graded according to seven criteria that have been divided into two categories regarding public participation and the level of ambition towards the EU's 2030 targets.

The grading criteria are as follows:

1. PUBLIC PARTICIPATION

a. Early publication and transparency

The transparency of the process, with the draft plan and all supporting analyses publicly available in due time is crucial to meaningful public participation. This criterion assesses how early a draft was disclosed and what if any document was lacking at its publication.

- A** - Draft published on time before consultation, with all analyses or studies used to make the draft
- B** - Draft published before being sent to the Commission, without all analyses or studies that was used to make the draft
- C** - Draft published very shortly before sending to the Commission
- D** - Draft published after being sent to the Commission on a part of the web site that is not visible.

b. Independent review

One crucial factor to determine the seriousness and ambition of a plan is the drafting process: was the plan subjected to a thorough review or an assessment by an independent expert group? Was there at least an intergovernmental consultation or an exchange of views to consolidate the government's position? Is there any hint of a strategic environmental assessment (SEA) conducted or planned in the near future? In cases of intergovernmental consultations, more points are awarded - not because this is considered independent but at least an exchange of views was permitted.

- A** - Commitment to a full SEA in parallel with the drafting of the NECP
- B** - Public impact assessment or late SEA
- C** - Assessment is not independent and public
- D** - Nothing

c. Public consultations

This grading assesses whether the draft was open for public comment, and whether a timeframe and purpose was outlined. This includes four sub-criteria: (1) inclusion of all different stakeholders (2) taking place when the plan was still open for changes (3) inputs were published together with a response from the Government (4) one or more public meetings held.

- A** - If all 4 elements are completed
- B** - If only 3 elements
- C** - If 2 elements
- D** - If 1 element or less

2. AMBITION

For the level of ambition, the grading methodology is the following:

- A** - the level of ambition is high enough to enable the EU to achieve its overall targets and supported by realistic policy measures that can help reach the stated objective.
- B** - the target is ambitious but not accompanied by concrete policy measures.
- C** - the target is not ambitious enough
- D** - No progress further from 2020 targets

A binding EU target on energy efficiency for 2030 has been set at 32.5 per cent. While individual member States do not have a binding target for 2030, it is possible to assess the level of ambition compared to targets set for 2020. In the case of energy efficiency, as with the renewable energy target, many Member States chose to commit to as little as possible in the upcoming decade.

a. Energy efficiency targets: comparing the 2030 target to the EU's

The ambition on energy efficiency will be scored

according to the following criteria:

- A** - ambition is high enough to reach the EU target, and considers includes measures to reduce energy poverty
- B** - target is ambitious enough but not supported by concrete measures
- C** - target is not ambitious enough, no measures
- D** - no efforts on energy efficiency and no recognition of energy poverty

b. Renewable energy sources targets: gross final energy consumption

- A** - Good target with sustainability criteria for sources
- B** - Good target but absence of supporting measures and/or sustainability criteria
- C** - Target is not ambitious enough (business as usual scenario)
- D** - No increase of overall renewable energy share

c. Criteria for a fossil fuels phase-out:

Grades attributed here depend on the existence of a scenario to phase out the use of fossil fuels,

whether any commitments regarding phase-outs are made and what supporting measures are added to implement such a policy.

- A** - Phasing out coal and gas in all sectors
- B** - Plans for phase-out that are not supported by concrete measures
- C** - No goals, just a reduction of consumption
- D** - No plans for phasing out any fossil fuel

d. Investment needs

The Governance Regulation asks Member States to assess their investment needs to reach the objectives in their plans. The score depends on the level of detail of an assessment, and whether or not such concrete figures and sectors are given.

- A** - full-fledged investment planning and needs for 2030
- B** - an assessment of needs without any concrete figures
- C** - business as usual scenarios
- D** - absence of a plan, or plans that support problematic infrastructure (like gas, nuclear or waste incineration projects)

| | Public participation | | | Level of ambition | | | |
|----------------|----------------------|--------------------|---------------------|-------------------|--------------------------|------------------------|------------------|
| | Early publication | Independent review | Public consultation | Energy efficiency | Renewable energy sources | Fossil fuels phase-out | Investment needs |
| Latvia | A | B | B | B- | B- | C+ | C+ |
| Romania | C | C | C | B | C | C- | B- |
| Estonia | A | C | C | C | B | D | D |
| Czech Republic | C | C+ | C | B | C | D | B |
| Slovakia | D | B | C | B | C | D | D |
| Hungary | D | B | C | C | C | C | D |
| Bulgaria | C | B | C | C | C | D | D |
| Poland | C | C- | C- | C | C | D | C |

| Public participation | | | Level of ambition | | | |
|--|--|---|---|-----------------------------|--|---|
| Early publication | Independent review | Public consultation | Energy efficiency | Renewable energy sources | Fossil fuels phase-out | Investment needs |
| A | B | B | B- | B- | C+ | C+ |
| Draft available to the public in September 2018, with reasonable time for comments | Discussions among inter-institutional expert groups and parliamentarians with the participation of social partners | Several public hearings and presentations of NECPs to regional and local stakeholders, SEA process will be done but not in parallel with the NECP development | Massive compulsory savings until 2030, lower energy intensity | 45% in final (40% for 2020) | No definite goals to phase out natural gas, only decrease its use in the mix | Mainly EU funds-based, thus not concrete yet, as national level planning has not really begun |

The first draft NECP was made available to the public in September 2018, offering a reasonable amount of time for comments. According to the Ministry of Economy, the strategic environmental assessment (SEA) procedure should begin in the next few months. The SEA will review the draft NECP that was submitted to the Commission in December 2018 and amended version from early 2019.

Several public hearings and presentations of these NECPs to regional and local stakeholders have been held, along with discussions among institutions, expert groups and parliamentarians, together with social partners. Yet the Ministry of Economy has not made any real commitment to publish or respond to comments received during consultations.

The drafting of the NECP has happened alongside a government-led process of cancelling an infeasible feed-in tariff. The outcomes of the discussions between the Ministry of Economy and interest groups are not yet known, but this decision will have a major impact on RES support schemes. Despite progress towards a new low-carbon development policy, Latvia's NECP does not yet provide stable ground for discussing the public benefits of a carbon-neutral society and climate objectives for the common good.

Level of ambition

Latvia aims for a 45 per cent target of renewable energy in final energy consumption by 2030, but it actually lags behind other EU countries, as the current RES growth dynamics for 2020 is

already set at 40 per cent. It is therefore crucial to immediately implement the maximum possible measures to support the growth of RES so that Latvia can achieve the EU's greenhouse gases reduction target for 2050. Even though the proportion of renewable energy in Latvia is relatively high in comparison to other EU countries, this is largely an achievement of the hydropower plants built during Soviet times and not the result of a recent and systematic policy.

In terms of greenhouse gas emissions, Latvia is clearly not on a path to reach its 2030 targets, and the measures for emissions reductions are insufficient, and some of them deserve revision. First, incineration of residential waste should not be categorised in the NECP as a renewable energy. Second, many assumptions underpinning emissions reduction targets rely on the potential for clean and renewable gases without knowing the real costs and benefits of the adjustments needed for existing and planned natural gas infrastructure to deploy biogas or hydrogen for RES electricity. And third, there is no definite goal to phase out natural gas, only a gradual decrease in the final consumption, putting the investment plans in question.

At the same time, current energy efficiency targets are insufficient to reach the compulsory savings for 2030 without a more progressive policy. The assessment of investment needs in Annex 5 of the NECP is provisional and mainly based on the use of EU funds, as national level planning of fund allocation is still to come.

ROMANIA

Lacking coherence and willingness to enforce

| Public participation | | | Level of ambition | | | |
|--|---|--|---|--|---------------------------------|---|
| Early publication | Independent review | Public consultation | Energy efficiency | Renewable energy sources | Fossil fuels phase-out | Investment needs |
| C | C- | C | B | C | C- | B- |
| Draft only available in December, shortly before being submitted to EC | Governmental task-force only composed of ministries and state-actors, no SEA foreseen | Feedback by email, no actual stakeholder meeting | Target in line with 2030 EU objectives, lacks concrete plan | Unambitious 2030 target compared to 2020 | Only very slow decrease of coal | Estimation and measures such as a dedicated fund for EE, but no figures |

The draft NECP was developed by the Ministry of Energy and published on 29 November 2018 for public consultation, with only ten days made available for comments. However the Romanian government recently stated that “due to the complexity of this plan [...] and because many interested parties voiced their interest in having more time available for analysis and suggestions,” it would reopen the consultation on the plan, a positive development in terms of public participation.

In preparation of the NECP, a task force was established in 2017 by the government, led by representatives of different ministries and from the main public energy industries. The Ministry of Energy said that it would organise local and regional consultations after finalising the first version of the NECP, and that the taskforce would then report on the comments and suggestions it received and revise the draft accordingly. It is unclear whether a Strategic Environmental Assessment would be carried out, but there is hope that such a process could follow the extended period for public participation.

Level of ambition

In general, the plan lacks coherence in setting up measures that will help the country reach its targets. The NECP sets a 2030 target for GHG emission reduction at a level of 43.9 per cent in sectors covered by the EU-ETS, and a 2 per cent target for non-ETS emissions. This goal is higher than the one established at the European level, but measures to attain this objective are only inventoried and do not provide a clear perspective of how these actions are complemented by others from different sectors.

According to projections in the draft NECP, Romania will achieve by 2030 a share of **renewable energy** in the gross final consumption of only **27.9 per cent**, well below the European target of 32 per cent. Despite its enormous potential – with a share of 25 per cent RES already achieved in 2016 – and the fact that the performance of wind and solar technologies increases and their costs decrease, the target shows the authorities’ lack of vision and their inability commit to an ambitious energy transition.

In order to meet European and international climate objectives, coal must be phased-out of energy generation before 2030. But the NECP projects that for 2030, there will still be 3.2 GW of installed capacity running on fossil fuels, only a slight decrease from 3.7 GW in 2020.

Based on forecasts for 2030 primary energy consumption, the energy efficiency target for 2030 is estimated to reach a 37.5 per cent, which is higher than the EU-wide target of 32.5 per cent. In addition, an **Energy Efficiency Investment Fund** is planned with private funds, EU funds and possibly from the state budget. This initiative sounds good on paper, but without a proper assessment and willingness to enforce it, this as well will get lost in the sea of measures that the Romanian NECP offers. Unfortunately, the actions listed throughout the plan are lacking in deadlines for implementation and are not provided with necessary funding. The NECP also only estimates the amount of investment needed across all sectors, but does not provide absolute figures nor links to the available and future means of investment.



ESTONIA

Much-needed move away from oil undercut by dubious claims of biomass benefits

| Public participation | | | Level of ambition | | | |
|--|--------------------|---|---|--|---|---|
| Early publication | Independent review | Public consultation | Energy efficiency | Renewable energy sources | Fossil fuels phase-out | Investment needs |
| A | C | C | C | B | D | D |
| Published in September 2018 months before submission to the Commission | Closed door review | Early public consultation with public meetings but unclear if CSO comments will have any impact | 10% between 2012 and 2030 only, low ambition for one of the most energy intensive economy of EU | 42% overall target, but in the transport sector measures and biomass sustainability are of concern | Plans for new oil shale mine and pit production | Explore shale oil investments as long as possible |

In Estonia, the draft NECP was announced to the public on 24 September 2018. However only on 9 October 2018 during the public consultation organised by the government did it become clear that the draft is almost complete and not open for discussions or changes. The draft NECPs is based on two pre-Paris agreements plans: the 2030 Energy Plan (ENMAK 2030) and the 2050 Climate Policy (KPPA), which the government believes precludes the need for an update to the targets at least until 2023. The public was given the opportunity to submit comments on the draft NECP by February 2019, which is positive though there is still a question if the comments will be considered properly and impact the final draft. The plan was developed in cooperation between the Ministry and Energy, Environment and Finance, but whether an independent assessment of the plan is to be carried remains unclear. Estonia also consulted neighbouring countries on the draft NECP before submission to the Commission in December 2018.

Level of ambition

Estonia plans a 43 per cent overall GHG reduction in the energy sector by 2030, which is the most GHG-intensive sector in the country. However an increase of GHG in the transport sector is hidden in the overall figure. The NECP has ambitious targets in RES, with 42 per cent of renewables in final energy consumption one of the highest in central and eastern Europe.

However the level of details about how this target will be achieved is not convincing. In

the transport sector, the plan is to move from 0.4 per cent in 2016 to 14 per cent in 2030 just through biofuels and without consideration of other options like electric vehicles. In the energy sector, a biomass and peat field development is the key component of RES production. There is however a huge question mark about the sustainability of the amount of biomass and peat fields planned, as figures in the NECPs are conflicting, since one of the sources is needed to keep forests as a carbon sink according to the Estonian land use plan. Dubious at best is the claim that peat – instead of oil – can reduce CO₂ emissions.

In the energy sector measures to increase prosumers and energy cooperatives are not among the options, although this is the clear direction of the EU energy package. Estonia plans to reduce primary energy consumption 0.8 per cent total (from 33,8 TWh to 33,5 TWh) and key problems like energy poverty are not mentioned in the assessment.

A red flag is the plan to invest in new oil shale diesel plants and to continue to use shale-oil for electricity production. Investment needs are not clearly assessed, apart from the new shale-oil plants that evidently are a priority for the country, whose exports of CO₂ and cannot be seen as a measure to reduce emissions. The NECP should include a year-by-year reduction plan for emissions in every sector and devise how much funding is needed to meet such a goal.

CZECH REPUBLIC



Little ambition on climate and energy targets and next to no public consultation

| Public participation | | | Level of ambition | | | |
|---|---|---|---|-------------------------------------|--|--|
| Early publication | Independent review | Public consultation | Energy efficiency | Renewable energy sources | Fossil fuels phase-out | Investment needs |
| A | C | C | C | B | D | D |
| Published end 2018 with ten days during to comment. Draft publication not officially announced. | Expert group from EE and RES associations but no real effect. No SEA foreseen | Comments discussed in March, NGOs not invited | Lowest efficiency gain possible, could be twice as high | Target clearly not ambitious enough | No plan for the phase-out of fossil fuels nor any hint in such a direction | Investment needs for the whole NECP left for the final version |

In Czechia, the Ministry of Industry and Trade (MOIT) published the draft on 21 December 2018, allows ten days during the Christmas holidays to comment on over the 300 pages of text.

The ministry did not officially announce the publication of the draft and instead published it on an obscure section of the ministry's website in breach of the the national law on EIA and the Aarhus Convention.

Regarding compliance with existing environmental and planning assessments, the government has said that the plan would pass through an SEA once the final draft of the NECP is published. Public hearings to collect stakeholders' views on the NECPs would be part of the SEA procedure, and the ministry invited some organisations to a meeting in March to discuss comments submitted on the draft proposal, but NGOs were not invited to this meeting.

The internal review process was supported by an expert group from RES and EE associations but not NGOs. Given the final shape of the document, it does not appear that the expert group's models were much reflected.

Level of ambition

The proposed national greenhouse gases reduction target of 30% by 2030 is too low and does not comply with the requirements of the Paris climate agreement. If the EU is to reduce

its GHG emission by 55% by 2030, Czechia would need to reduce its emissions in sectors not covered by the EU ETS by at least 31%. NGOs have asked to increase the target for non-EU ETS sectors to 31%, compared to the currently proposed 14%.

The low ambition in emissions reduction is reflected also in the RES goal of the proposed NECP. The suggested national RES target for 2030 (20.8%) will not help Czechia reach its potential for renewable energy production by 2030, and the MOIT expects another five years of stagnation in RES development. The low target also does not conform to the Commission's calculation methodology and does not take into account the conclusions of the Paris agreement or the EU's Long-Term Strategy. NGOs therefore require an adequate national target of at least 24% and the development of RES immediately after the amendment of the law on the support for renewable sources.

Moreover, in terms of consumption, the NECP is premised on the lowest energy efficiency gains possible. The target for energy efficiency in 2030 of 30% is too low to meet the current EU wide target of 32.5%. Moreover, the most recent and realistic energy efficiency scenario provided to the MOIT by the energy efficiency association shows that twice as much energy savings can be achieved between 2020 and 2030 compared to the MOIT estimates.

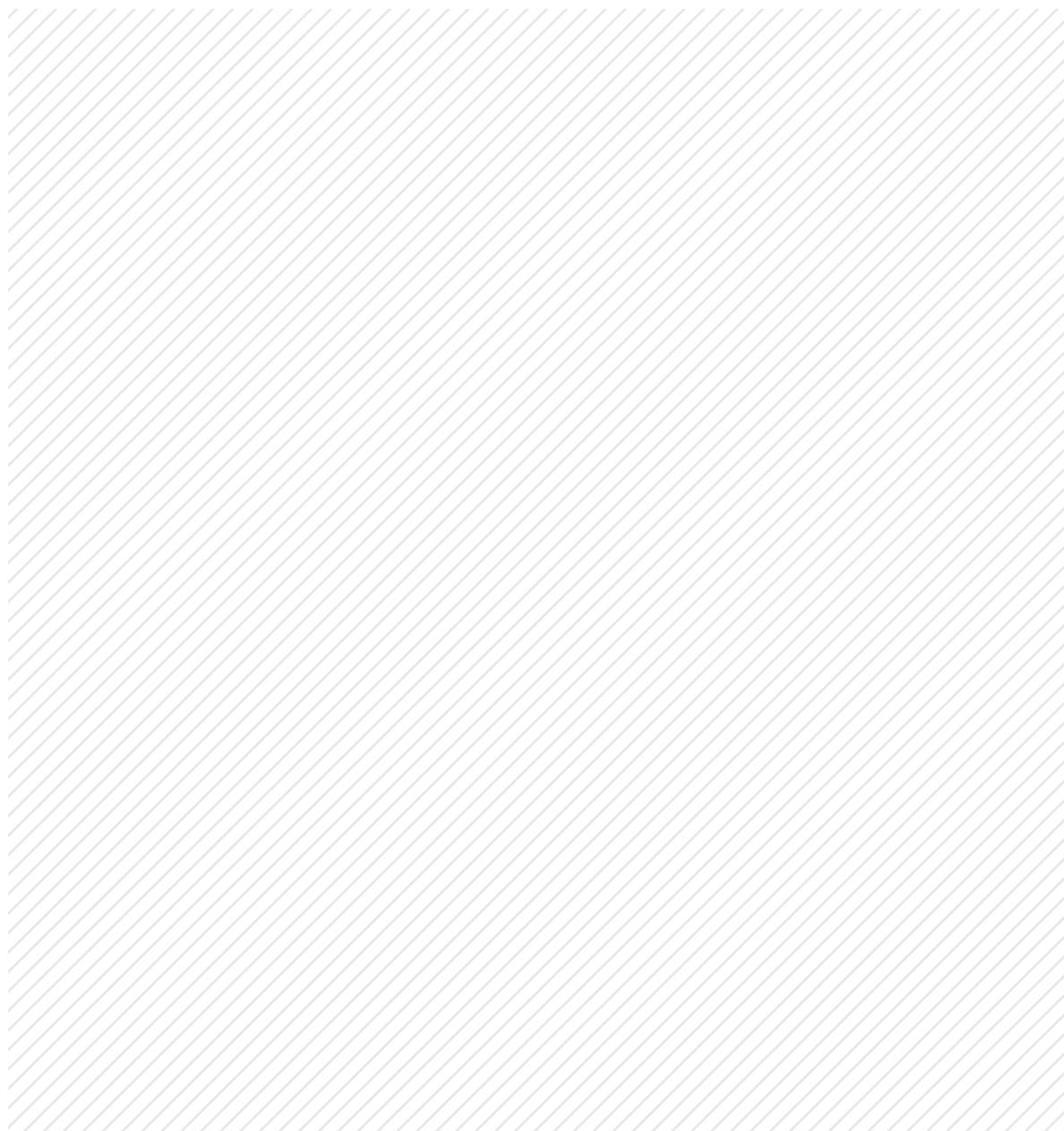
The NECP includes no plan for the phase-out

of fossil fuels nor any hint in such a direction. Even though energy efficiency and renewable investment needs are assessed, the investment needs for the whole NECP are left for the final version, which makes it harder for stakeholders to properly assess this part.

Inconsistencies with existing plans

The document omits measures anchored in the State Energy Strategy of the Czech Republic and the Climate Protection Policy of the Czech

Republic, namely the introduction of a carbon tax, which should have been implemented by the end of 2018. This is a key measure to ensure household emissions reductions. Also, essential measures for the heating industry are completely missing in the document, namely an increase in the energy tax on coal as required by the State Energy Policy of the Czech Republic, which should favor the efficient cogeneration of power from coal. The introduction of the tax is also one of the main goals of the heating strategy.



SLOVAKIA



No follow up on a coal phase and unambitious renewables and efficiency targets

| Public participation | | | Level of ambition | | | |
|---|--|--|--|--|---|------------------|
| Early publication | Independent review | Public consultation | Energy efficiency | Renewable energy sources | Fossil fuels phase-out | Investment needs |
| D | B | C | B | C | D | D |
| Sent to the European Commission in December 2018, published officially only 1 month later | The government is foreseeing a SEA but timeline is not clear | Stakeholders were allowed meetings only a few weeks after the draft was sent | Lower ambitions than Slovakia confirmed by signing the Paris Agreement | Unambitious target; sustainability criteria mentioned only for bio-fuels | Very weak on a coal phase-out and uses outdated information | No mention of it |

The draft of the Slovak national energy and climate plan (NECP) was not properly consulted with the public, having been sent to the European Commission in December 2018 without proper public consultation, and stakeholders were allowed meetings only a few weeks after the draft was sent. Moreover, the draft NECP was published on the website of the Ministry of Economy in February 2019, a month later than sent to the Commission. The draft NECP does not have key parts elaborated: it only includes 32 times this statement: “It will be added to the final version of the national energy and climate plan according to the current state.”, which undermines the possibilities for public consultation in accordance with Article 10 of the governance regulation. Slovakia does however plan a SEA of the NECP.

Level of ambition

The national contribution of Slovakia to the energy efficiency target shows values slightly lower than the EU target of 32.5 per cent, with key sectors for gains including industry and buildings. The NECP has lower ambitions than Slovakia confirmed by signing the Paris Agreement.

The NECP is also very weak on a coal phase-out and uses outdated information. For example, the Slovak government approved an end of electricity subsidies produced from domestic coal on 12 December 2018, a fact that is not reflected in the draft NECP. A few crucial parts like a ‘description of energy subsidies including

subsidies for fossil fuels’ are left for later, and the document does not properly address the issue of Slovakia having the highest energy dependence from all EU countries on gas imports from Russia.

The draft NECP sets an **unambitious target to slightly increase the share of renewable energy sources to 18% of gross final energy consumption** and 25% of electricity, due to the monstrous share of the planned increase in the nuclear capacity and fossil gas. Moreover, sustainability criteria in the draft NECP are mentioned only for biofuels.

On the other hand, the draft NECP mentions few progressive projects, which would improve connections with the Czech and Hungarian electricity grids and thus enable the integration of more RES into the grid. The interconnection of electricity systems is now over 50 per cent and will remain in 2030, thereby overcoming the European target of 15 per cent.

There is a low target for a 12 per cent reduction of greenhouse gas emissions for sectors outside the EU ETS by 2030 in the draft NECP. The draft NECP also suggests using heating infrastructure for waste incinerators, which would undermine the binding waste hierarchy and Slovakia’s position at the lower end of the EU in meeting the recycling goals. The section assessing the investment needs (5.3) is not developed at all. Just like in other parts of the NECP, it is left for a later completion.



HUNGARY

Business as usual for fossil fuels subsidies

| Public participation | | | Level of ambition | | | |
|---|---|--|---|---|---|---|
| Early publication | Independent review | Public consultation | Energy efficiency | Renewable energy sources | Fossil fuels phase-out | Investment needs |
| D | B | C | C | C | C | D |
| Draft NECP and annexes are not yet published on the HU government website | Assessment of impacts is planned as part of SEA but not in parallel with drafting of the NECP | SEA process is planned but timeline and chances to influence the content of HU NECP is not yet clear | No ambitious target (relative 8-10% target is very weak) and no recognition of energy poverty | 20 per cent target. A viable RES target of 6000 MW photovoltaic but without grid-related investments and plans for facilitating prosumers | Coal phase out is on the political agenda but not reflected yet properly with measures in the NECP. No recognition of existing fossil fuels subsidies is a scam | No assessment of transformative measures, nuclear investments proposed as solutions |

The draft NECP has a number of gaps since it is dependent on the ongoing revision of the national energy strategy that is expected in autumn 2019. Stakeholders including energy experts from civil society were asked to provide initial inputs in August 2018, but no feedback was provided by the Ministry of Innovation and Technology. The draft NECP sent to the Commission on 31 January 2019 has not yet been published officially by the government. Instead since February, the NECP - without annexes - has been available on the Commission website.

Public consultations on the NECP and the subsequent SEA process is planned to run between late spring and autumn 2019, but the timeline is not yet clear. On a positive note, the Hungarian government does plan to consult neighbouring countries about its plan.

Level of Ambition

Modest targets for 2030 have been set at 20 per cent for renewables and an eight to ten per cent improvement in energy efficiency levels, relative to the business-as-usual scenario of increasing primary energy consumption. The 40 per cent greenhouse gas reduction target for 2030 (8.2 million tCO_{2e} reduction compared to 1990 levels) is also not ambitious.

Emissions are already 35 per cent lower today than compared to 1990 levels, and almost 80 per cent of the targeted GHG reductions could come from phasing out the lignite and biomass-fired Mátra power plant. But with emissions

on the rise since 2015, this 40 per cent target was deemed 'realistic' in comparison with the business-as-usual scenario (31.7 per cent). It is worth noting that Hungary's GHG emissions are still well below EU averages, both in absolute terms and per capita or in carbon intensity.

The lack of an integrated approach to an energy transition is visible in the mismatch between a viable RES target of 6000 megawatts of installed photovoltaics by 2030 and no plan yet for the development of a flexible and smart energy transmission system that will allow an increase of renewables. Measures for facilitating prosumers and energy cooperatives are also missing. In the same time traditional sources of electricity production such as nuclear energy continue to be pushed at all costs.

The NECP falsely claims that subsidies are not provided for the consumption of fossil fuels in Hungary. The draft NECP does not account for the ongoing political process where the government is exploring how to phase out coal-based electricity by 2025. Annex 1 of the NECP contains a measure for the "phase out of coal-based household heating" but a timeline (and the method) is not defined. In addition, measures to reduce energy poverty are not present in the plan, even though this is a key area that can be addressed through energy efficiency in buildings and is also affected by a full coal phase-out in households.

On a positive note, Hungary has tried to progress in interconnecting its energy system with neighbouring countries.

BULGARIA

An overreliance on outdated and unsafe energy in the name of security

| Public participation | | | Level of ambition | | | |
|--|--------------------------------------|---|--|--|---|------------------|
| Early publication | Independent review | Public consultation | Energy efficiency | Renewable energy sources | Fossil fuels phase-out | Investment needs |
| C | B- | C | C | C | D | D |
| Published in the same time when sent to EC, no Annexes | SEA planned only second half of 2018 | Consultation behind closed door so far, long deadline for submission of comments but no clarity on process of | Not ambitious target, EE for addressing energy poverty is not considered | No increase of RES in energy production in next decade | No plan for coal phase out and plans for expansion of gas lock in | Not assessed |

The draft NECP was made public at the same time that it was presented to the Commission in the middle of January 2019. Meetings with relevant ministries, trade unions and selected stakeholders were held but none were open to the public. An assessment of environmental impacts and consultations with local authorities and relevant stakeholders is planned after the NECP is consulted with the Commission. So although the public has been given ample time for submitting comments (end of April), key information is missing to inform their opinion. Consultation with neighbouring countries is also planned only at a later stage.

The draft NECP is based on only one, business-as-usual energy development. The government plans the misguided strategy of continuing to rely on thermal power plants at Maritza East and the nuclear plants at Kozloduy. A phase-out of coal therefore is not foreseen anytime during the next 60 years, nor nuclear in next 30 years. Energy security is used as the main justification for this scenario, although the coal is responsible for 90 percent of GHG emissions in the energy sector, which is also the most carbon intensive sector of Bulgaria's economy. The Russian nuclear industry is reported as a 'local source' of energy. In addition, the NECP (falsely) points out that there are no fossil fuel subsidies in the country and thus no need for a phase out.

It is not surprise therefore that the NECP lacks clear targets for GHG reductions in ETS sectors and the target for non ETS sectors is zero. For the

transport sector the document admits that while emissions and fuel consumption are growing steadily, emissions reduction targets and the reduction of oil dependency are not clearly pledged nor are sectoral measures set.

At the same time, the uptake of RES is slowing. The transition between 16 per cent in 2020 to 25 per cent in 2030 might look positive, if it were not for the fact that in 2016 Bulgaria already had reached 18.8 per cent RES in final energy consumption. The increase is only planned in the field of renewable heat, while electricity production from RES would stay almost unchanged. Bulgaria has a long list of excuses for stagnation in RES: from being too poor to invest in RES and grids, legislative headaches or the protection of biodiversity. While grid connection for new RES is mentioned as a problem in the electricity chapter of the NECPs, there no projects to address this, but only plans to improve electricity transport from coal power plants.

The main measures to improve energy efficiency is a switch to gas from coal for heating and cooking in households. Investment needs have not so far been assessed and will be prepared only before submission of the final draft, so it appears that this chapter will not be subject to SEA and public consultation.



POLAND

Ensuring a role for old king coal and no assessment of investment needs

| Public participation | | | Level of ambition | | | |
|---|--|---|--|---|--|---|
| Early publication | Independent review | Public consultation | Energy efficiency | Renewable energy sources | Fossil fuels phase-out | Investment needs |
| C | C- | C- | C | C | D | C |
| Published on 15 January 2019, after it had been submitted to the Commission | No SEA or any other expert review, no multi-level dialogue with stakeholders prior to submission, consultations conducted after submission, unclear how comments will be taken into account. | NECP drafted without a wide participatory process, only actors involved in the drafting were government ministries and agencies | Low target (23 per cent) not reflecting EE potential gains | Modest target (21 per cent), relying mainly on biomass, without any sustainability safeguards | Volume of coal consumed expected to remain unchanged | Comprehensive assessment of investment needs, focusing solely on electricity generation |

Poland's draft NECP was published and presented for public consultation on 15 January 2019, after it had been submitted to the Commission. The consultation did not meet the legal requirements of the SEA directive, as no SEA was conducted for the plan. The NECP was drafted without a wide participatory process, as the only actors involved in the drafting were government ministries and agencies. Therefore, the plan fails to reflect the viewpoints and contributions of important stakeholders like businesses, cities, municipalities and civil society.

The NECP does not outline an economy-wide GHG emissions target, and the proposals in the plan are expected to reduce Poland's overall GHG emissions only marginally. According to projections in the NECP, Poland's GHG emissions will decrease from 376.2 million tonnes in 2010 to 366.5 million tonnes in 2030. The draft NECP presents the development of nuclear energy as a key decarbonisation measure, but even in the most optimistic scenario the nuclear power plant will not go online before 2033 and its economic viability is questionable.

The **2030 renewables target is a modest 21 per cent** (27 per cent in the electricity sector), despite a much larger, untapped potential in the onshore wind and photovoltaic sectors, which the draft ignores. Worryingly, the plan seems overly reliant on biomass, including forest roundwood, and 'renewable municipal waste' for renewable energy production (especially in the

heating sector). The plan does not include any sustainability safeguards for biomass.

The energy efficiency target of 23 per cent fails to reflect the sector's large, untapped potential, especially in residential buildings and transport, and the fragmented policies proposed in the NECP may anyway be insufficient to achieve this small target.

Far from establishing a **coal phase-out date**, the draft NECP provides coal with a central position in Poland's energy mix: coal's share in electricity generation is expected to decrease from the current 77 per cent to about 60 per cent in 2030, but the volume of coal generation is expected to remain largely unchanged as total energy demand is projected to increase considerably. That is despite the challenges of growing coal imports and rising emissions costs, which the NECP fails to address. The draft NECP also makes no provisions for a just transition of coal regions.

The draft NECP does not offer a comprehensive assessment of **investment needs**, focusing on investments in electricity generation but leaving out adaptation, energy efficiency in buildings, auxiliary infrastructure needed to enable offshore wind development, mitigation in the non-ETS sectors and research and innovation. As such it cannot provide useful guidance in programming EU funds after 2020.

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