

Transposition and implementation of the Governance Regulation

9th Energy and Climate Technical Working Group

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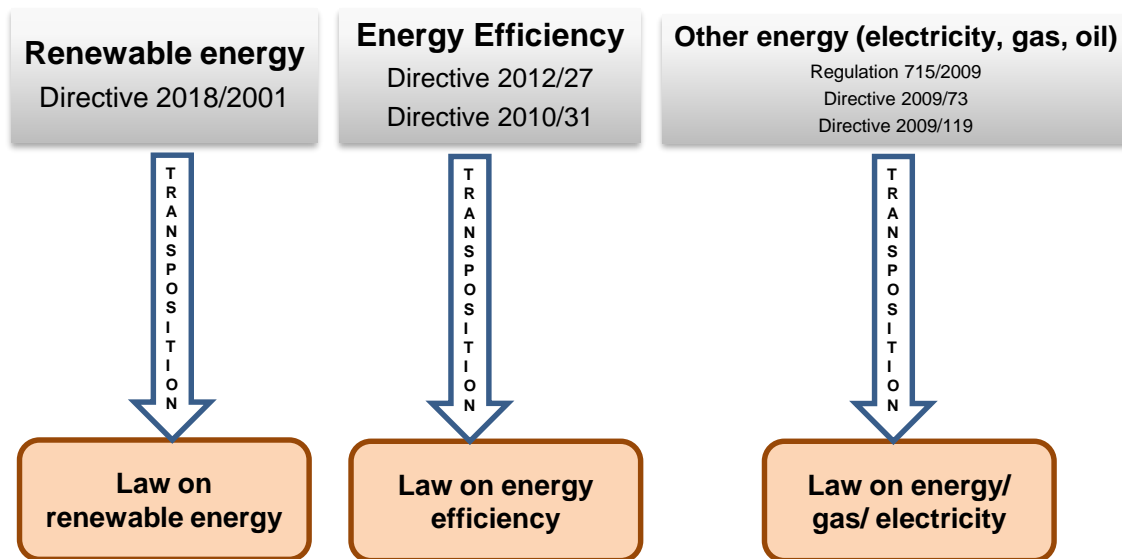
Content

- 1. Transposition**
- 2. Immediate tasks and upcoming issues in 2023**
- 3. Miscellaneous**

Transposition

- General deadline: 31 December 2022;
- Transposition in **multiple dimensions**:
 - In policy areas: climate, energy [energy efficiency, renewable energy, natural gas, electricity, oil stocks];
 - In legal act levels: laws, secondary/implementing acts;
- There is a basis – some elements **already transposed** in some CPs, e.g:
 - Related to GHG inventories, climate adaptation – MMR;
 - NECP – mainly related to the legal basis;
 - Energy-related legislation;
- Transposing sectoral provisions is relatively straightforward (should also be aligned with EED, RED transposition) **BUT** must agree on **cross-sectoral provisions** (e.g. NECP):
 - Which act will transpose;
 - Ensure applicability across the dimensions.

Transposition – sectoral acts



Transposition

Governance Regulation

Regulation 2018/1999

Including provisions on: Renewable energy, Energy Efficiency, Other Energy and Climate

Transposition

Governance Regulation

Regulation 2018/1999

Including provisions on: Renewable energy, Energy Efficiency, Other Energy and Climate

Renewable energy

Directive 2018/2001

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Law on
renewable energy

Energy Efficiency

Directive 2012/27

Directive 2010/31

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Law on energy
efficiency

Other energy (electricity, gas, oil)

Regulation 715/2009

Directive 2009/73

Directive 2009/119

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Law on energy/
gas/ electricity

Climate

Regulation
2018/1999 (in
part)

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Law on climate
change

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Law on
governance (?)

Transposition

- No pre-defined model for transposing the Governance Regulation – discretion of CPs;
- Two models for consideration:
 - a) Model 1 – Direct transposition of the whole Gov. Reg. into a single “Law on Governance”;
 - Pros: clear, easy-to follow, aligned with but decoupled from the transposition of other elements of CEP;
 - Cons: some sectoral provisions be outside the sectoral law, older versions of some provisions may have already been transposed in the sectoral law, climate – Gov. Reg. itself is the sectoral act for transposition.
 - b) Model 2 – Transposing sectoral provisions into relevant sectoral laws and the remaining cross-sectoral articles into a “Law on Governance” or equivalent.
 - Pros: sectoral provisions transposed in the most relevant sectoral laws;
 - Cons: Gov. Reg. “chopped up”, the original spirit of streamlined approach is abandoned, must transpose everything together in the sectoral laws (e.g. for RES the RED and related Gov. Reg. provisions together) + still need to put cross-sectoral provisions of the Gov. Reg. somewhere.
- Question: How to ensure that cross-sectoral provisions are recognized by each relevant Ministry?

Transposition – Model 1

Governance Regulation

Regulation 2018/1999

Including provisions on: Renewable energy, Energy Efficiency, Other Energy and Climate

Renewable energy

Directive 2018/2001

TRANSPOSITION

Law on renewable energy

Energy Efficiency

Directive 2012/27
Directive 2010/31

TRANSPOSITION

Law on energy efficiency

Other energy (electricity, gas, oil)

Regulation 715/2009
Directive 2009/73
Directive 2009/119

TRANSPOSITION

Law on energy/
gas/ electricity

Climate

Regulation 2018/1999 in part

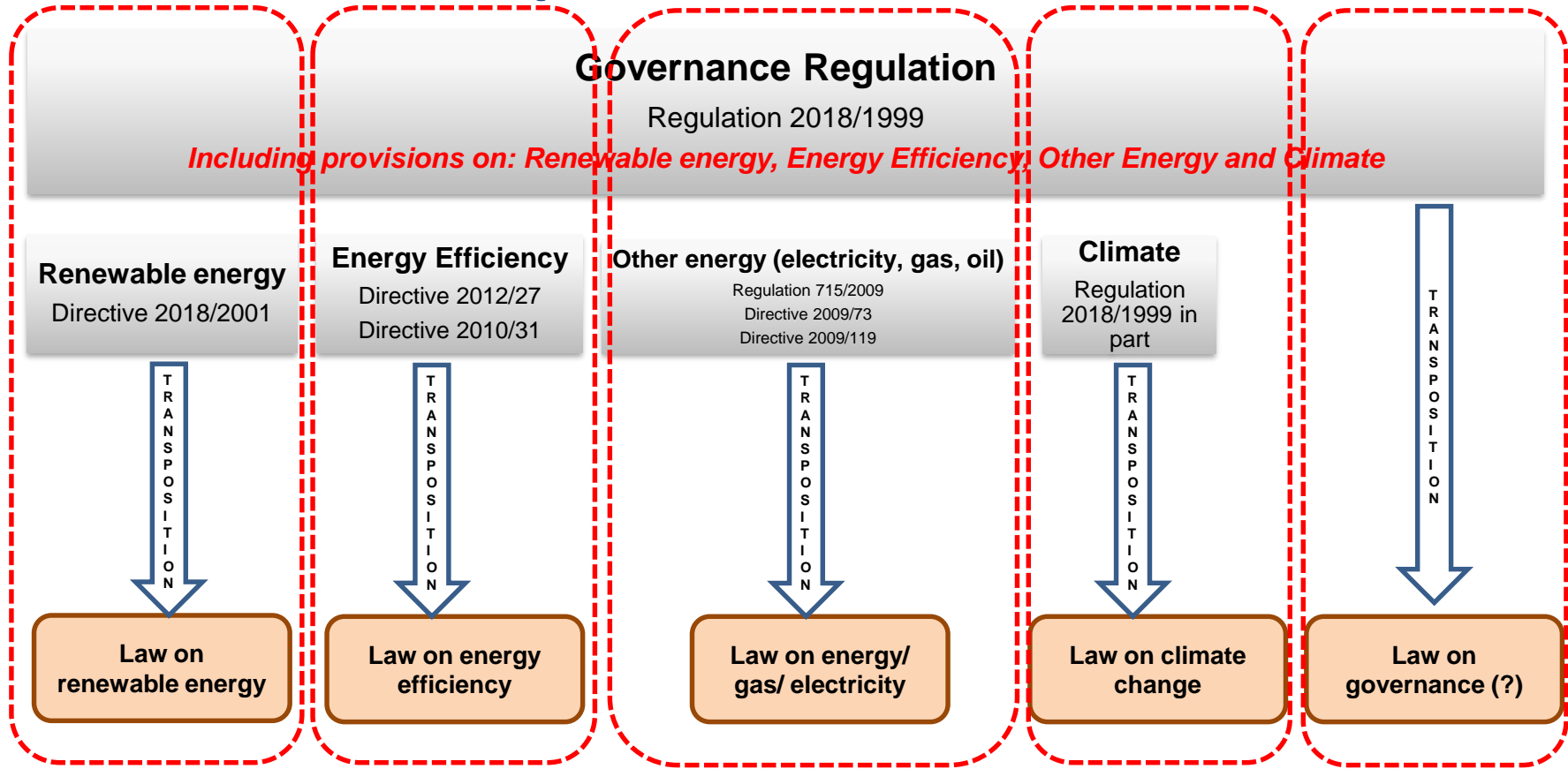
TRANSPOSITION

Law on climate change

TRANSPOSITION

Law on governance

Transposition – Model 2



Transposition map – Model 2

Energy Efficiency

| | |
|---|------------|
| Art. 2. | Art. 53. |
| Art. 4. | Art. 54. |
| Art. 6. | Annex III. |
| Art. 21. | Annex IX. |
| Art. 27. – <i>no explicit transposition</i> | |
| Art. 32. | |

Energy (ele., gas, oil)

| | |
|----------|----------|
| Art. 2. | Art. 26. |
| Art. 4. | Art. 32. |
| Art. 16. | Art. 50. |
| Art. 22. | Art. 51. |
| Art. 23. | Art. 52. |
| Art. 24. | |

Cross-sectoral

NECP related

Art. 2.
 Art. 3.
 Art. 7.
 Art. 8.
 Art. 9.
 Art. 10.
 Art. 11.
 Art. 12.
 Art. 14.
 Art. 17.
 Annex I.

Renewables

| | |
|---|-----------|
| Art. 2. | Annex IX. |
| Art. 4. | Annex XI. |
| Art. 5. | |
| Art. 20. | |
| Art. 27. – <i>no explicit transposition</i> | |
| Art. 32. | |

Art. 25. Art. 34. Art. 41.

Climate

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|----------|------------|-------------|
| Art. 2. | Art. 37. | Annex VIII. |
| Art. 4. | Art. 39. | Annex X. |
| Art. 15. | Annex IV. | Annex XII. |
| Art. 18. | | |
| Art. 19. | | |
| Art. 26. | | |
| | Annex V. | |
| | Annex VI. | |
| | Annex VII. | |

Transposition

Key takeaways:

- Transposition deadline approaching fast, must start asap;
- Must have a clear concept for transposition to avoid “double-transposition” or “gaps”;
- Must coordinate between ministries and authorities responsible for energy and climate, attention to cross-sectoral provisions.

Immediate tasks and upcoming issues in 2023

- **Long-term Strategies – 2021;**
- **E-Platform – 2023;**
- **Reporting – 2023;**
- **GHG Inventories – 2023;**
- **NECP – 2023.**

- EnCS obliged to put in place until 1 January 2023;
- Aim:
 - Communication between the EnCS & CPs;
 - Promotion of cooperation among CPs;
 - Gateway to submit reports under the Gov. Reg.;
 - Publication of NECPs, LTSs etc.
- Concept currently developed.

Reporting

- The Gov. Reg. streamlines all existing reporting obligations in:

- Renewable energy;
- Energy efficiency;
- Gas, electricity, oil stocks (internal market, energy security);
- Energy poverty

Energy

- GHG PaMs, projections;
- National climate change adaptation planning and strategies;
- Carbon price revenues;
- GHG inventories (approximated inventories, preliminary and final inventory data)

Climate

- Research, development and competitiveness

Miscellaneous

- Reporting on the achievement of the 2020 targets;
- Transposition of the related implementing and delegated acts of the Gov.
Reg.:
 - Commission Delegated Regulation (EU) 2020/1044 of 8 May 2020 supplementing Regulation (EU) 2018/1999 of the European Parliament and of the Council with regard to values for global warming potentials and the inventory guidelines and with regard to the Union inventory system;
 - Commission Implementing Regulation (EU) 2020/1208 of 7 August 2020 on structure, format, submission processes and review of information reported by Member States pursuant to Regulation (EU) 2018/1999.

GHG Inventories

- CPs to *establish, operate and seek to continuously improve* national GHG inventory systems by 1 January 2023;
- EU or EnC GHG inventory system including CPs → QA/QC, checking data accuracy, estimations in the case of missing data;
- First report by CPs on GHG inventories is 2025 BUT the information includes data from 2022 (Annex V) → data collection must be in place NOW;
- EnCS comprehensive review of national GHG inventory data in 2027 and 2032;
- Challenges:
 - Issue of project-based inventory compilation in some CPs;
 - Missing competent authorities in some CPs;

Long-term Strategies (LTS)

- Scope: LTS covering 30 years → consistency with the EnC climate-neutrality objective;
- Consistent with the NECP;
- Update: every 5 years (*where necessary*);
- First submission to EnCS: “By the time this Regulation comes into force” – i.e. 1 Dec 2021 → next submission 1 January 2029;
- Published on the EnCS E-Platform;
- EnCS to support CPs in the preparation;
- EnCS to assess adequacy of LTSs to achieve the EnC targets.

Long-term Strategies (LTS)

Long-term Strategies
Gov. Reg.

**Low-carbon
development strategies**
MMR

**Long-term low greenhouse gas
emission development strategies**
Paris Agreement

- Submitted to UNFCCC: North Macedonia (2021) and Ukraine (2018);
- Waiting for adoption: Bosnia and Herzegovina (2022), Serbia;
- Under development: Georgia

Long-term Strategies (LTS)

Key takeaways:

- For the adopted LTSs → review and update if necessary (national targets, compliance with Gov. Reg. Art. 15 & Annex IV);
- For LTSs waiting for adoption → adopt and submit to EnCS (check compliance with Gov. Reg. Art. 15 & Annex IV);
- For LTSs being developed → EnCS ready to liaise with CPs;
- For CPs with nothing in place → start as soon as possible!
- Alignment with the EnC 2030 targets.

National Energy and Climate Plans (NECPs)

- Deadlines:
 - Draft NECP submission to the EnCS: by 30 June 2023 (2nd iteration: 1 Jan. 2028);
 - Adopted NECP submission to the EnCS: 30 June 2024 (2nd iteration: 1 Jan. 2029);
 - EnCS recommendations on the draft NECPs: by 31 December 2023 latest;
 - First update of NECPs: 1 January 2033 (+ every 10 years).
- CPs' presentation of the NECPs in the ECC between June 2023 and June 2024;
- CPs to accommodate the EnCS Recommendations in their adopted NECPs – if not, reasoning must be published.

National Energy and Climate Plans (NECPs)

- Current issues:
 - Public consultations – draft NECP must be published, consultation preferably on the *draft* NECP*;
 - Strategic Environmental Assessment (SEA);
 - Concreteness of PaMs – “elephant in the room” must be addressed e.g. coal phase-out;
 - Targets, objectives ~ EnC 2030 targets + alignment with NDCs;
 - Overall coherence and consistency across dimensions vs. “to-do list” approach.

* For the first NECP, the Gov. Reg. makes consultation possible in the preparation of the *final* NECP well before its adoption.



THANK YOU
FOR YOUR ATTENTION

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