



Shaping EU climate and energy policy: Insights from and questions for the [Ariadne project](#)

Enhancing the EU Governance Mechanism for the 2030 and 2040 targets – how the Governance Regulation should be revised

Date: 5 December 2023, 11:00 – 12:30 am CET, Brussels

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Introduced in 2018, the Governance Regulation acts as the primary mechanism ensuring EU Member States' adherence to renewable energy and energy efficiency objectives. However, recent revisions to the RED and EED have infused governance provisions into sectoral laws, potentially diluting the Governance Regulation's central role. Despite the improvement of energy efficiency governance in the EED and the introduction of sub-targets for renewable energy in various sectors in the RED, ambiguities remain. In the workshop, the opportunities of a revised Governance Regulation for the achievement of the 2030 targets and the challenges to develop a robust framework with a view to the 2040 objectives were discussed.

Main Takeaways

A revision of the Governance Regulation is necessary to provide a coherent energy and climate policy framework by aligning the updated provisions of the sectoral legislation (REDIII, EED and EPBD). The revision needs to prevent a fragmentation of governance provisions in the legislative framework and maintain the function of the Governance Regulation as a central steering instrument.

To bolster the Governance Regulation to transparently and credibly achieve the 2030 and future 2040 targets, more bindingness in combination with increased support for Member States needs to be considered. To achieve the increased 2030 ambitions, binding targets and trajectories can foster target attainment and prevent significant delivery gaps. This should be accompanied by support of the European Union in the form of financing opportunities for Member States and facilitating cooperation among Member States.

The enforcement mechanisms need to be strengthened by introducing cross-policy conditionalities and linkages to the Effort Sharing Regulation. The compliance with the Governance Regulation can be strengthened by linking EU funding with target attainment and the implementation of Commission recommendations to Member States (Art. 34). The blueprint for the enforcement mechanisms could be the conditionality introduced in the Recovery and Resilience Facility. Furthermore, the integration of the corrective action mechanism of the Effort Sharing Regulation (Art. 8) in the Governance Regulation can be used to strengthen enforcement in case of non-sufficient progress.

Additional issues to be included in the NECPs need to be carefully deliberated. The transfer of governance provisions from the Social Climate Fund Regulation to the Governance Regulation provides an opportunity to include the crucial aspect of social cushioning of climate and energy policy measures. But the addition of new provisions should ensure that the Governance Regulation is focused on achieving the European Green Deal objectives and do not cause significant additional administrative burden.

The integration of reporting can reduce administrative burden for Member States. The efficiency of reporting can be achieved by increasing the interoperability between the EU and UNFCCC reporting tools.

The revision of the Governance Regulation should be negotiated as a part of a 2040 energy and climate policy package. The Governance Regulation should be updated to achieve the 2030 targets, but should simultaneously provide an adaptive framework to achieve the 2040 energy and climate targets without needing another revision.