



Brussels, 18.6.2019
C(2019) 4419 final

COMMISSION RECOMMENDATION

of 18.6.2019

**on the draft integrated National Energy and Climate Plan of the Netherlands covering
the period 2021-2030**

{SWD(2019) 227 final}

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THE EUROPEAN COMMISSION,

Having regard to Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action, amending Regulations (EC) No 663/2009 and (EC) No 715/2009 of the European Parliament and of the Council, Directives 94/22/EC, 98/70/EC, 2009/31/EC, 2009/73/EC, 2010/31/EU, 2012/27/EU and 2013/30/EU of the European Parliament and of the Council, Council Directives 2009/119/EC and (EU) 2015/652 and repealing Regulation (EU) No 525/2013 of the European Parliament and of the Council¹, and in particular Article 9(2) thereof,

Whereas:

- (1) Pursuant to Regulation (EU) 2018/1999, each Member State is required to submit to the Commission a draft of its integrated national energy and climate plan covering the period from 2021 to 2030 in accordance with Article 3(1) and Annex I of that Regulation. The first drafts of integrated national energy and climate plans had to be submitted by 31 December 2018.
- (2) The Netherlands submitted their draft integrated national energy and climate plan on 20 December 2018. The submission of this draft plan represents the basis and first step of the iterative process between the Commission and Member States for the purpose of the finalisation of the integrated national energy and climate plans and their subsequent implementation.
- (3) Pursuant to Regulation (EU) 2018/1999, the Commission is required to assess the draft integrated national energy and climate plans. The Commission made a comprehensive assessment of the Dutch draft integrated national energy and climate plan, taking into consideration the relevant elements of Regulation (EU) 2018/1999. This assessment² is published alongside the present recommendation. The below recommendations are based on that assessment.
- (4) In particular, the Commission's recommendations may address (i) the level of ambition of objectives, targets and contributions with a view to collectively achieving the Energy Union objectives and, in particular, the Union's 2030 targets for renewable energy and energy efficiency as well as the level of electricity interconnectivity that the Member State aims for in 2030; (ii) policies and measures relating to Member State- and Union-level objectives and other policies and measures of potential cross-border relevance; (iii) any additional policies and measures that might be required in the integrated national energy and climate plans; (iv) interactions between and consistency of existing and planned policies and measures included in the integrated

¹ OJ L 328, 21.12.2018, p. 1.

² SWD(2019) 227.

national energy and climate plan within one dimension and among different dimensions of the Energy Union.

- (5) In developing its recommendations, the Commission considered, on the one hand, the need to add up certain quantified planned contributions of all Member States in order to assess the ambition at Union level, and, on the other hand, the need to provide adequate time for the Member State concerned to take due consideration of the Commission's recommendations before finalising its national plan.
- (6) The Commission's recommendations with regard to the Member States' renewable ambitions are based on a formula set out in Annex II of Regulation (EU) 2018/1999 which is based on objective criteria.
- (7) With regard to energy efficiency, the Commission's recommendations are based on the assessment of the national level of ambition put forward in the draft integrated national energy and climate plan, compared to the collective level of efforts needed to reach the Union's targets, taking into account the information provided on specific national circumstances, where relevant. The final national contributions in the area of energy efficiency should reflect the cost-effective potential for energy savings and be supported with a robust long-term building renovation strategy and measures to implement the energy savings obligation stemming from Article 7 Directive 2012/27/EU of the European Parliament and of the Council³. Member States should also demonstrate that they have properly taken into account the energy efficiency first principle, by explaining notably how energy efficiency contributes to the cost-effective delivery of the national goals of a competitive low-carbon economy, security of energy supply and to address energy poverty.
- (8) The Governance Regulation requires Member States to provide a general overview of the investment needed to achieve the objectives, targets and contributions set out in the integrated national energy and climate plan, as well as a general assessment on the sources of that investment. The national energy and climate plans should ensure the transparency and predictability of national policies and measures in order to ensure investment certainty.
- (9) In parallel, as part of the 2018-2019 European Semester cycle, the Commission has put a strong focus on Member States' energy and climate related investment needs. This is reflected in the 2019 Country Report for the Netherlands⁴ and in the Commission's recommendation for a Council Recommendation to the Netherlands⁵, as part of the European Semester process. The Commission took into account the latest European Semester findings and recommendations in its assessment of the draft integrated national energy and climate plans. The Commission's recommendations are complementary to the latest country-specific recommendations issued in the context of the European Semester. Member States should also ensure that their integrated national energy and climate plans take into consideration the latest country-specific recommendations issued in the context of the European Semester.
- (10) In addition, the Governance Regulation requires each Member State to take due account of any recommendations from the Commission to its draft integrated national

³ Directive 2012/27/EU of the European Parliament and of the Council of 25 October 2012 on energy efficiency, amending Directives 2009/125/EC and 2010/30/EU and repealing Directives 2004/8/EC and 2006/32/EC (OJ L 315, 14.11.2012, p. 1).

⁴ SWD (2019) 1018 final.

⁵ COM (2019) 519 final of 5.6.2019.

energy and climate plan to be submitted by 31 December 2019 and, if the Member State concerned does not address a recommendation or a substantial part thereof, that Member State should provide and make public its reasons.

- (11) Where applicable, Member States should report the same data in their integrated national energy and climate plans and updates in later years as they report to Eurostat or the European Environment Agency. The use of the same source and, where available, of European statistics, is also essential to calculate the baseline for modelling and projections. Using European statistics will allow for a better comparability of the data and the projections used in the integrated national energy and climate plans.
- (12) All elements of Annex I of the Regulation (EU) 2018/1999 are to be included in the final integrated national energy and climate plan. In this context, the macroeconomic and, to the extent feasible, the health, environmental, employment and education, skills and social impacts of the planned policies and measures should be assessed. The public and other stakeholders are to be engaged in the preparation of the final integrated national energy and climate plan. These and other elements are described in detail in the staff working document published alongside this Recommendation⁶.
- (13) The draft plan is based mainly on existing policy of the Netherlands, notably the 2017 Coalition Agreement and the 2013 Energy Agreement (Energieakkoord). Several elements should be added across the Energy Union dimensions, related both to the level of ambition proposed and the accompanying policies and measures, as well as the associated impact assessment. Specific attention is needed on managing interlinkages between the decarbonisation and energy efficiency dimensions and the other dimensions, notably by presenting more concrete and quantifiable objectives related to energy security, internal market and research, innovation and competitiveness, and how these will support the achievement of the decarbonisation, renewables and energy efficiency ambitions. It should be better explained how the energy efficiency first principle was taken into account. Similarly, the objectives under the research, innovation and competitiveness dimension need to underpin the efforts planned for the other Energy Union dimensions.
- (14) The final integrated national energy and climate plan would benefit from expanding on competitiveness aspects, to cover specifically the low-carbon technologies sector, including for decarbonising energy and carbon-intensive industrial sectors. Measurable objectives for the future defined on that basis would be beneficial, together with policies and measures to achieve them, making appropriate links to enterprise and industrial policy.
- (15) The Commission's recommendations to Netherlands are underpinned by the assessment of Netherlands's draft integrated national energy and climate plan which is published alongside this Recommendation⁷.

HEREBY RECOMMENDS THE NETHERLANDS TAKES ACTION TO:

⁶ SWD(2019) 227.

⁷ SWD(2019) 227.

1. Underpin the welcome level of ambition of a 27-35 % renewable energy share for 2030 as the Netherlands' contribution to the Union's 2030 target for renewable energy by detailed and quantified policies and measures that are in line with the obligations of Directive (EU) 2018/2001 of the European Parliament and Council⁸ in a way that enables a timely and cost-effective achievement of this contribution. Include an indicative trajectory that reaches all the reference points pursuant to Article 4(a)(2) of Regulation (EU) 2018/1999. Ensure that the renewable energy target for 2020 set out in Annex I of Directive 2009/28/EC of the European Parliament and of the Council⁹ is fully met and maintained as a baseline from 2021 onwards, and explain how it intends to meet and maintain such baseline share. Put forward trajectories and corresponding measures in the heating and cooling sector and the transport sector to meet the indicative target included in Article 23 of Directive (EU) 2018/2001 and the transport target in Article 25 of Directive (EU) 2018/2001. Provide additional details on simplification of administrative procedures on the enabling framework for renewable self-consumption renewable energy communities, in line with Articles 21 and 22 of Directive (EU) 2018/2001.
2. Review its final energy consumption contribution in view of the need to increase the level of efforts to reach the Union's 2030 energy efficiency target, and identify additional policies and measures that could deliver further energy savings by 2030. List additional policies and measures to the ones already in place for the purposes of achieving the Netherlands' 2020 energy efficiency targets. The expected impact in terms of energy savings, their implementation period and the targeted sectors are required in the final integrated national energy and climate plan. Continue efforts regarding the energy saving obligation schemes beyond 2020, taking into account that the energy savings obligation in 2021-2030 is more ambitious than the current one.
3. Specify the measures supporting the energy security objectives on diversification and reduction of energy dependency, including measures ensuring flexibility and electricity generation adequacy in light of the ambitious renewables target.
4. Clarify the national objectives and funding targets research, innovation and competitiveness, specifically related to the Energy Union, to be achieved between 2021 and 2030, so that they are readily measurable and fit for purpose to support the implementation of targets in the other dimensions of the integrated national energy and climate plan. Underpin such objectives with specific and adequate policies and measures, including those to be developed in cooperation with other Member States, such as the Strategic Energy Technology Plan.

⁸ Directive (EU) 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources (OJ L 328, 21.12.2018, p. 82–209).

⁹ Directive 2009/28/EC of the European Parliament and of the Council of 23 April 2009 on the promotion of the use of energy from renewable sources and amending and subsequently repealing Directives 2001/77/EC and 2003/30/EC (OJ L 140, 5.6.2009, p. 16–62).

5. Intensify the already excellent regional cooperation arrangements within the Pentalateral Energy Forum based on the political declaration of 4 March 2019 to extend this regional cooperation to specifically include the development and monitoring of the national energy and climate plans in particular as regards relevant issues for cross-border cooperation.
6. Provide a general overview of the investment needs to achieve the climate and energy objectives, and a general assessment of the sources of that investment, including appropriate financing at national and regional level.
7. List all energy subsidies, including in particular for fossil fuels, and actions undertaken as well as plans to phase them out.
8. Complement the analysis of the interactions with air quality and air emissions policy with more quantitative information, at least including the required information about the projected air pollutants emissions under the planned policies and measures.
9. Integrate just and fair transition aspects better, notably by providing more details on social, employment and skills impacts of planned objectives, policies and measures. Include a dedicated assessment of energy poverty issues, along with related objectives or specific policies or measures as required by the Regulation (EU) 2018/1999.

Done at Brussels, 18.6.2019

*For the Commission
Miguel Arias Cañete
Member of the Commission*