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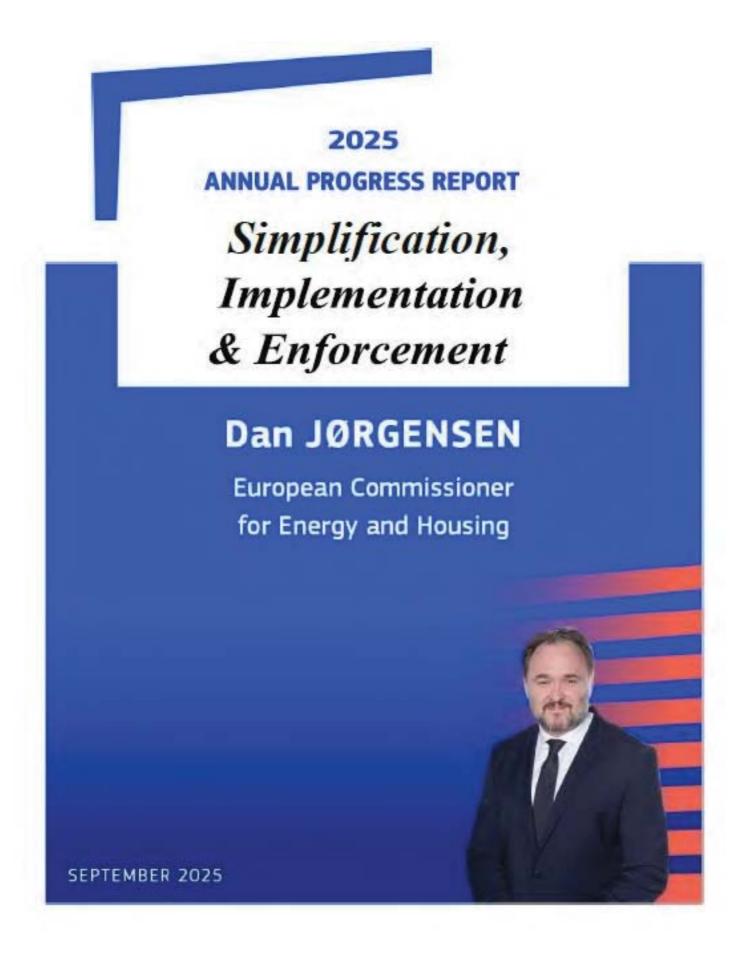
Brussels, 14 October 2025 (OR. en)

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NOTE

From:	General Secretariat of the Council
To:	Delegations
Subject:	AOB for the meeting of the Transport, Telecommunications and Energy Council on 20 October 2025
	2025 Annual progress report on Simplification, Implementation and Enforcement
	- Information from the Commission



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1. Introduction

This report covers progress on key policy objectives and simplification, implementation and enforcement made in the field of energy, Euratom and housing during the period 1 January - 31 July 2025.

In the energy field, a number of important legislative initiatives were agreed in 2023 and 2024: the <u>recast Energy Efficiency Directive</u> ('EED'), the <u>amendment of the Renewable Energy Directive</u> (RED III), the <u>Electricity Market Design package</u>, the <u>recast Energy Performance of Buildings Directive</u> ('EPBD') and the <u>Hydrogen</u> and <u>Decarbonised Gas Markets</u> package, as well as Regulations on <u>Remit, Methane</u> and <u>Net-Zero Industry</u>. This has led to a strong focus on implementation by the Member States, the States of the European Economic Area and the Contracting Parties of the Energy Community in 2025.

In her State of the European Union speech, the President highlighted the issue of housing affordability. The high cost of housing is a crisis which tears at Europe's social fabric, weakens our cohesion, and threatens competitiveness. This is why the Commission established in February 2025 a Task Force to support me in preparing the first-ever European Affordable Housing Action Plan. This will help make housing more affordable, sustainable and of better quality.

2. Executive Summary

The production and use of energy account for more than 75% of the EU's greenhouse gas emissions. Decarbonising the EU's energy system is therefore critical to reach our 2030 climate objectives and pursue the EU's long-term strategy of achieving carbon neutrality by 2050. The clean energy transition and completing the Energy Union will help reduce greenhouse gas emissions, increase the EU's competitiveness, strengthen energy security and independence and enhance the quality of life of our citizens. It is based on the key principles of ensuring a secure and affordable EU energy supply, developing a fully integrated, interconnected and digitalised EU energy market, prioritising energy efficiency, improving the energy performance of buildings and developing a power sector based largely on renewable sources. As a baseline, these overarching goals can only be achieved by ensuring simple and clear legislation that is adequately implemented on the ground. Providing support to Member States, stakeholders and economic operators in the implementation of the EU energy and Euratom acquis is key. Detailed and specific implementation support has therefore been provided and simplification possibilities identified.

As guardian of the Treaties, the Commission pursues a resolute enforcement action to ensure that Member States comply with their legal obligations, focusing on addressing breaches that have the most significant impact on Europeans and the achievement of the Union's climate and energy goals.

3. Delivering results: Key Measures

A. Simplification and Stress tests

The Commission's Work Programme for 2025 and the <u>Political Guidelines for 2024-2029</u> show a strong focus on implementing and streamlining EU legislation, as well as on simplification to achieve the agreed targets and objectives and to complete the Energy Union swiftly¹. In the energy field, this work already started with the simplification and speeding up of permitting procedures for renewable energy installations by the <u>amendments</u> to the Renewable Energy Directive which had to be transposed by the Member States by 1 July 2024. My services have been following up closely with the Member States to ensure that these amendments are transposed and implemented.

In addition, it is envisaged to continue assessing and addressing barriers for the effective implementation of existing EU energy legislation and the achievement of energy targets and objectives in ongoing initiatives including, but not limited to:

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¹ Simplification - European Commission

- The new European grids package, which will include legislative and non-legislative measures to, among
 others, ensure cross-border integrated planning and delivery of projects, and streamline the permitting
 procedures for energy infrastructure, including grids, renewable generation assets and energy storage;
- The Citizens Energy Package, which will strengthen consumers' participation in the clean energy transition, improve digitalisation of energy services and address any remaining barriers for lowering energy bills, decarbonisation and active participation in the energy market at household level.

Stress-testing the acquis

My services started screening all the energy legislation in place to identify complexities or overlaps that may hinder effective implementation and to identify possibilities to reduce costs and administrative burden for all, including SMEs. Particular attention is given to areas covered by the work streams mentioned above (III.A). In addition, the Commission will take advantage of review processes established in recently adopted regulations and directives to assess their effectiveness². Those processes will evaluate whether the legislation is efficiently delivering on its objectives and could be simplified, while not undermining those objectives or lowering the ambition, therefore contributing to the *stress test* of our *acquis*.

As mentioned in my Mission letter and in the Affordable Energy Action Plan, the revision of the Governance Regulation will build on an evaluation completed in 2024. Similarly, the first step in the review process of the security of supply framework, included in my Mission letter, and planned for adoption in early 2026, has been undertaken with the fitness check to be finalised in 2025, as well as a public consultation.

Reality Checks

My services have sought detailed feedback from those implementing the energy acquis, or affected by it, in a series of consultation exercises and reality checks held regularly during the reporting period. For example, the <u>Gas</u> and <u>Electricity</u> Regulatory Fora bring together network users, gas suppliers, transmission system operators and other stakeholders, while the Working Group on energy consumers enables discussion with distribution system operators and energy retailers. This feeds into the on-going work on how to improve the organisation of EU energy markets to meet our decarbonisation objectives. In the nuclear energy field, my services, with Nuclear Transparency Watch, organised in January 2025 the <u>Aarhus Convention and Nuclear Roundtable</u> on the 'Implementation of the Nuclear Safety Directive: transparency, public participation, and the role of civil society in independent nuclear regulation'. This event gathered over 70 representatives of civil society and Member States' nuclear safety regulators, with participants' views contributing to our work on improving transparency and public participation in nuclear safety.

The following specific reality checks are planned for 2025:

 Regular meetings of permanent Group of Experts established under the Euratom Treaty (article 31 EA on the implementation of the basic safety standards, June 2025, and article 37 EA in relation to releases of radioactive substances).

Screening of delegated and implementing acts

My services screened 141 empowerments for the adoption of delegated and implementing acts in order to prioritise adoption procedures. Around 120 acts were considered as essential to achieving energy policy objectives. Approximately 15 acts were considered for de-prioritisation. Three of those acts are nevertheless legally required within a given timeframe and amendments to the empowerments in the basic act would therefore be needed. For example, among those 3, the Commission is still required to adopt implementing acts detailing interoperability requirements and non-discriminatory and transparent procedures for access to data of building systems under the EPBD. However, in the meantime and after the adoption of the EPBD, the Commission adopted the <u>Data Act</u> setting out rules on data access and use. As these rules are also applicable to the buildings sector, the adoption of another act on procedures for access to data of building systems could be considered redundant.

The addition of empowerments has been and will continue to be carefully considered in light of the simplification objective, as happened during the recent trilogue negotiations on the extension of the storage provisions in the Security of Gas Supply Regulation. My services have been in favour of removing the empowerment for the implementing acts on gas storage filling trajectories, since the amendments proposed by the co-legislators to remove the mandatory nature of the filling trajectories make these implementing acts redundant.

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² Tyre labelling, Energy Labelling and EMD in 2025, EED in 2027, EPBD in 2028, RED in 2032.

B. Implementation

The key implementation issues faced are incomplete transposition of directives by the Member States or incorrect transposition. My services have therefore put in place a large number of actions to help the Member States transpose recent energy legislation on time and correctly and to help reduce the number of infringement procedures for non-transposition or incorrect transposition.

Implementation Support

Member States have been assisted with discussions in the Energy Working Party (once under each Presidency, the last in April 2025), on how to improve the transposition, implementation and enforcement of the energy acquis and in topic specific committee meetings. The 'Concerted actions' established, for example, for the implementation of RED, EED and EPBD, allow the national authorities to exchange experiences and best practices with the support of the Commission in a confidential framework that encourages openness, participate in a cross-learning process and develop common approaches. Detailed implementation strategies have been prepared (Energy Efficiency, Methane, Renewable Energy, Energy Performance of Buildings, etc.) and bilateral meetings held with Member States to discuss on-going infringement proceedings ('package' meetings)³. My services have also provided the Member States with model correlation tables per Directive and guidance on how to use them. Detailed guidance and recommendations on energy efficiency, renewable energy and renewable acceleration areas, energy performance of buildings and the electricity market and network tariffs have been prepared and adopted, following discussions with the Member States. These have been developed and tailored to support the transposition process, for example by providing answers to specific questions from Member States or promoting best practices.

New online consultation tools have been developed where Member States can submit questions on the Renewable Energy Directive as well as on the new rules for the hydrogen market set out in Directive (EU) 2024/1788 and Regulation (EU) 2024/1789 and my services can reply directly online. Member States also frequently contact my services bilaterally with specific questions on their transposition and implementation work.

An example of how early guidance can help reduce the risk of breaching EU law relates to Article 17(15) of the recast Energy Performance of Buildings Directive, which requires Member States to end financial incentives for the installation of stand-alone boilers powered by fossil fuels by 1 January 2025. Several Member States had contacted my services for help on how to transpose this obligation and an explanation of what was required was therefore sent to all Member States, as well as a <u>Guidance Note</u>. As a result, by the 1 January 2025 deadline, 18 Member States declared full transposition of Article 17(15) and 16 Member States used a template provided by my services.

Technical support and funding

The <u>Technical Support Instrument</u> provides assistance to Member States to design and implement reforms including in the area of Green Transition. Under the Flagship Technical support project on <u>Accelerating permitting for renewable energy</u>, nine Member States (Croatia, Cyprus, Finland, Ireland, Italy, Lithuania, the Netherlands, Romania and Slovakia) have been helped with streamlining administrative procedures for renewable energy permitting, as required under the Renewable Energy Directive, and with ensuring public engagement and acceptance. The Commission further supports the implementation of EU energy policy and legislation through the use of EU funds such as the Recovery and Resilience Facility or the European Regional Development Fund (ERDF). The current allocation of funds for energy efficiency exceeds EUR 100 billion, with funding for example improving the energy performance of <u>buildings in France</u>. The LIFE Clean Energy Transition sub-programme, which has a budget of nearly EUR 1 billion over the period of 2021-2027 also supports the Member States' implementation of the energy legislation, see for example the project <u>EPBD.wise</u>. A recent <u>call</u> for proposals for this kind of support was opened in April 2025 under the title 'Towards an effective implementation of key legislation in the field of sustainable energy'.

Implementation dialogues

Implementation dialogues aim to identify, with business, practitioners and authorities, ways of ensuring the rules achieve their aims in the least burdensome way. My first Implementation Dialogue was held on June 11 2025 as part of European Sustainable Energy Week and brought together stakeholders to discuss practical implementation of the rules on permitting procedures for renewable energy projects and related infrastructure. Energy developers, renewable energy installers, system operators, public authorities, industry associations and civil society

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³ Between 1 January to 31 July 2025, package meetings held with Romania, Belgium, Bulgaria, Poland, Austria, The Netherlands, Sweden, Luxembourg, Croatia and Slovenia.

organisations discussed the main obstacles and recommended that the Commission and Member States should take the following actions:

- support implementation of the revised RED and monitor progress to streamline and accelerate procedures within the existing legal framework;
- further simplify permitting rules and procedures to reduce the regulatory burden, including for small-scale projects, storage and repowering;
- support upskilling and staffing of permitting authorities;
- support the digitalisation of permitting processes and improving data availability;
- encourage public participation and benefit-sharing with local communities;
- introduce targeted exemptions from EU environmental legislation (i.e. Water Framework Directive);
- extend the scope of the overriding public interest principle to cover energy infrastructure;
- further foster the exchange of best practices among Member States.

My services intend to follow up by continuing to promote the sharing of best practices through fora such as the Concerted Action on the Renewable Energy Directive, the permitting expert group and the online Q&A tool and is considering additional studies and providing future guidance. They are also exploring how to further support the capacity building of permitting authorities including via the Technical Support Instrument and through EU funding. These conclusions will also feed into the European grids package planned for Q4 2025.

C. Enforcement

Full, correct and timely transposition of the EU energy acquis by all Member States is essential to achieve the Union's 2030 energy and climate targets and to deliver on key policy objectives such as competitiveness, security of energy supply, affordability and a clean and just energy transition, as well as to allow citizens and businesses to fully benefit from the <u>Clean Energy</u> and <u>Fit-for-55</u> legislative packages. Swift enforcement action to tackle incomplete transposition of directives is crucial, with 75% of infringements on non-transposition or incomplete transposition. In line with the Commission's 2022 enforcement strategy⁴, I consider this to be a priority. In the period covered by this report, the Commission launched 73 infringement cases in the energy field and 55 cases were closed⁵ including those related to Euratom legislation (Radioactive Waste and Basic Safety Standards Directives).

Renewable energy

In the first half of 2025, the Commission continued to pursue infringement cases by sending reasoned opinions to 14 Member States for incomplete transposition of the permitting provisions of Directive (EU) 2023/2413), which is key for accelerating permitting procedures for renewable energy projects and for the infrastructure projects. In July 2025, 26 letters of formal notice were sent to Member States to follow-up the transposition deadline of 21 May 2025 of the same Directive, which, amongst other matters, increases the level of the binding Union renewable energy target for 2030 to 42.5%, introduces or reinforces existing targets in sectors such as buildings, industry, heating and cooling and transport and includes horizontal measures to promote the deployment of renewables.

Internal Energy Market rules

Following reasoned opinions addressed to five Member States in 2024, the Commission sent reasoned opinions to Hungary and Poland in the first half of 2025 for the lack of full transposition of Directive (EU) 2019/944 on common rules for the internal market for electricity. This Directive is key to ensure active participation of consumers in the energy market, grid stability, participation in ancillary services and lowering of energy bills. That Directive was amended by the 2024 Electricity Market Design Directive, which had to be transposed by 17 January 2025. As only one Member State had declared complete transposition by that date, 26 infringements were launched in March 2025.

My services also ensure that Member States act in conformity with the essential rules of the internal energy market, such as fair access to grids, open borders, absence of wholesale price regulation or independence of regulators. In

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⁴ See also Implementing EU law - European Commission

⁵ See https://ec.europa.eu/implementing-eu-law/home/en .This Europa webpage on infringements, EU Pilot dialogues and transposition provides up-to-date statistical information on the Commission's enforcement activities and Member States' compliance with EU and Euratom law, including trends per policy area, topic and Member State

May 2025, the Commission sent a <u>reasoned opinion</u> on the restriction of the freedom of gas producers to determine their wholesale prices of gas in Romania. My services take also care of complaints and petitions⁶.

Energy efficient products

During the period covered by this report, the Commission sent letters of formal notice to <u>Portugal and Romania</u> for not ensuring effective compliance with the <u>EU regulations on ecodesign and energy labelling of products</u>. Member States are responsible for effective market surveillance to ensure that only products that comply with all the applicable rules are placed on the market. This obligation is key for showing the energy savings potential and supports consistent demands from businesses who do comply with the rules for more effective market surveillance of efficient products, allowing consumers to make informed decisions and to support business, ultimately strengthening the competitiveness of European manufacturers.

Governance of the Energy Union and Climate Action

My services frequently use pre-infringement dialogues with the Member States to resolve potential breaches of EU law, avoiding the need for infringement proceedings pursuant to the <u>Governance Regulation</u>. For example, 20 Member States failed to submit their final updated National Energy and Climate Plans (NECPs) by the deadline. Pre-infringement dialogues resulted in immediate submissions of missing plans from seven Member States. An additional 11 were submitted after opening formal infringement procedures. Currently two Member States still fail to comply and the respective infringements are being further pursued.

4. Way forward

After a period of intense legislative activity in the energy sector, Member States' administrations and the business community, including industry, have highlighted the market's need for regulatory certainty and stressed the importance of fully implementing the current framework⁷.

Work on improving, streamlining and simplifying the implementation of existing legislation will continue with, among others but not limited to, the following initiatives:

- The Electrification Action Plan and Heating and Cooling Strategy planned for Q1 2026 which will address
 the key barriers to improve electrification of important sectors and energy system integration and to
 accelerate decarbonisation and energy security of our economy, with the Heating and Cooling Strategy also
 looking at potential regulatory complexity with the aim of simplifying and streamlining requirements;
- Roadmap for artificial intelligence and digitalisation for energy for Q1 2026
- Simplification of ecodesign and energy labelling product legislation for Q2 2026, which would have simplification benefits along the whole supply and value chain, including for SMEs and consumers;
- A revision of the Governance Regulation to simplify, strengthen and modernise the Governance of the Energy Union;
- An evaluation of the Radioactive Waste Directive and of the Shipment Directive planned for 2026;
- A review of the security of supply framework, planned for adoption in 2026.

In preparation of the upcoming products simplification package, a reality check will be held in Q4 2025 back-to-back with a meeting of the <u>Ecodesign and Energy Labelling Consultation Forum</u> on the transition from the Ecodesign Directive to the Ecodesign for Sustainable Products (ESPR) Regulation, tyre labelling and the digitalisation of energy labels.

A second Implementation Dialogue is planned for 14 October 2025 on the topic of EU energy related product legislation, to gather feedback from manufacturers, retailers and consumers, as well as national market surveillance authorities, on how to improve practical implementation of ecodesign and energy and tyre labelling requirements. This will link with the simplification initiative on products planned for Q2 2026.

In addition, as part of the evaluation of the nuclear legislation, a stress test is planned for Q4 2025 with the support of the European Nuclear Safety Regulators Group (ENSREG).

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⁶ For example petition No 0442/2023

⁷ Joint letter from 23 European industry associations, ares(2025)3191065, 19/04/2025

My services will continue to assist the Member States as much as possible with the correct and timely transposition and implementation of the energy-related and Euratom provisions and the implementation of Regulations. In line with the <u>Communication on implementation and simplification</u>, infringement cases will be proposed as a final resort where cooperation fails to bring timely implementation of agreed rules. Mutual cooperation and close stakeholder involvement as well as citizen involvement are essential to achieve our 2030 energy and climate targets, for ownership, our competitiveness, affordability, energy security, clean and just transition policy objectives with tangible benefits for our citizens and industries.

Annex - Examples

1. Simplification of permitting rules for renewable energy

In many EU countries, long and complex permitting processes can be an obstacle to renewable energy projects. To address this issue, the Renewable Energy Directive, amended in 2023, includes provisions that simplify permitting processes to help set renewable energy projects in motion, while taking into account legitimate concerns of citizens and respecting environmental standards. Most of the new rules had to be transposed by all Member States by 1 July 2024, while some on them (specifically on renewable acceleration areas) had a later deadline of 21 May 2025.

<u>New Recommendations and Guidance</u> on speeding up permit-granting procedures for renewable energy and related infrastructure projects have been adopted. In addition, a Flagship Technical Support Project under the <u>Technical Support Instrument</u> allowing Member States to apply for support for example for improving the administrative framework for permitting, setting-up or improving digital one-stop shops for project developers and identifying and sharing best practices.

2. Renewable Energy Directive Q&A tool

This online tool was set up to support Member States in the transposition of Directive (EU) 2023/2413 amending the Renewable Energy Directive (EU) 2018/2001. Member States are able to upload practical questions related to their implementation of the different provisions of the revised Renewable Energy Directive and the Commission services post a reply. This Q&A online tool has proved very successful and has now been extended, since January 2025, to questions related to hydrogen under Directive (EU) 2024/1788 and Regulation (EU) 2024/1789, and also to questions related to the Methane Regulation.

3. The European Product Registry for Energy Labelling

(EPREL Public website) is a database set up and operated by the European Commission aimed at making available information about the energy performance of different models of household appliances, as required by the EU Energy Labelling Framework Regulation. EPREL consists of a "public" part and a "compliance" part. The public part of the information is to help consumers when they are looking to buy household appliances, making it easier to get an overview of which models exist, and compare the energy efficiency of different models (plus the other information displayed on the energy label). The purpose of EPREL is to provide EU consumers with important energy efficiency information, allowing them to easily compare products before purchase. It improves market surveillance and the enforcement of regulations.

4. One-stop shops

Under the 2023 Energy Efficiency Directive Member States need to establish 'one-stop shops' to provide technical, administrative and financial advice and assistance on energy efficiency to households, SMEs, microenterprises and public bodies, by the transposition deadline of 11 October 2025.

The 2024 Energy Performance of Buildings Directive also requires Member States to provide technical assistance for homeowners and administrative, financial and economic actors, such as SMEs, including microenterprises, involved in building renovations. As a simplification measure, Member States may designate the one-stop shop established under the Energy Efficiency Directive to also be the provider of advice on building renovation. My services have prepared specific practical Guidance to help the Member States on setting up and operating one-stop shops, which will be adopted later in 2025. In the meantime, a number of Member States have already set up one-stop shops so that building owners can have all the information they need in one place, for example the 'Hauskunft' in Vienna, which also facilitates connections between property owners and qualified renovation specialists. Pilot one-stop shops have also been set up in the Netherlands (Rotterdam) and Spain (Bilbao).

5. Making energy affordable

On 26 February 2025 the Commission adopted the <u>Affordable Energy Action Plan</u>, which sets out concrete short-term and structural measures to provide competitiveness, affordability, security and sustainability for citizens and businesses. These measures cover the following four areas:

- Lowering energy costs for all
- Completing the Energy Union
- Attracting investments and ensuring delivery
- Being ready for potential energy crises

The actions announced are designed to reduce energy costs and help build a genuine Energy Union that delivers competitiveness, security, decarbonisation and a just transition, passing on to end users the benefits of cheaper energy. These actions will improve implementation of the energy acquis and some will simplify information provision, such as the Citizen Energy Advisory Hub which has been set up to help citizens and communities become active participants in, and beneficiaries of, the clean energy transition. The Citizens' energy package, the public consultation for which is ongoing, will address all key consumer right provisions, including those enshrined in the recently revised electricity and gas market acquis.