



RE:FORM

A rehash or an idea for the future?

Evaluation of Poland's
National Energy and Climate Plan
three years after adoption

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Introduction

This paper analyses Poland's National Energy and Climate Plan (NECP). The NECP should act as one of the country's main planning documents, an important reference point for national strategies and programmes concerning broadly understood energy transition and climate protection. Three years after its adoption, the NECP is about to be updated. This is a good time for a critical analysis of its content and drafting process. Has it really served as a benchmark for government action? Did it define the crucial dilemmas faced by the Polish energy sector in the current decade? What should we pay attention to when updating it?

The first section provides background information on the NECP's drafting process. Section two discusses the energy-related provisions of the Plan, while in the third section, we present the key elements that are missing from the document. Finally, we discuss the upcoming NECP revision and provide recommendations for this process. We hope that this publication will contribute to the improved quality and ambition of the revised document.

Poland's NECP – basic information

Under Regulation (EU) 2018/1999 on the Governance of the Energy Union and Climate Action, to achieve the European Union's 2030 energy and climate targets, Member States were required to prepare integrated 10-year national energy and climate plans (NECPs) for 2021–2030. The NECPs set out the Member States' contribution to achieving the EU's binding energy and climate targets and Energy Union objectives for ten years. Each NECP should describe the planned energy and climate measures, actions, and policies to be implemented over this period to achieve the proposed national targets supporting the achievement of the EU targets. The NECPs should provide a basis to ensure coherence between national policies and programmes.

According to the regulation, Member States had to submit their draft national energy and climate plans for 2021–2030 to the Commission by 31 December 2018. These were then analysed by the Commission, which published an overall assessment and country-specific recommendations in June 2019. Member States were subsequently required to submit their final NECPs, taking into account the recommendations, by 31 December 2019. Member States had to consult citizens, businesses and regional authorities in the development and finalisation process.

In September 2020, the Commission published a detailed EU-wide assessment of the final NECPs. Subsequently, the EC also published individual assessments of each national plan, which should serve as guidelines for revision. In addition, each country must submit a progress report every two years in line with the structure, format, technical details and process set out in the implementing regulation. The deadline for publication of the first reports was 15 March 2023.

Some areas covered by the NECP are energy efficiency, renewable energy sources, reduction of greenhouse gas emissions, and electricity grids. Such an approach requires the coordination of objectives across all government departments and appropriate alignment with other strategic national documents, such as the Energy Policy of Poland until 2040 (EPP2040). This approach could provide a level of planning that facilitates public and private investment. The fact that all EU Member States follow a similar template means they can work together to increase efficiency across borders.

It is worth noting that apart from national plans, EU Member States were also obliged to present long-term climate strategies by 1 January 2020. These documents should set out a vision for the energy and climate transition up to 2050. The NECPs and long-term strategies must be mutually coherent, so actions planned up to 2030 should be seen as part of a long-term pathway to achieve the targets by the mid-21st century. This avoids the implementation of half-measures that achieve the 2030 targets but are not coherent with the desired shape of the energy system by 2050. As of the end of January 2023, of the 27 Member States, only Poland, Romania and Ireland had not yet presented their long-term strategies.

Energy provisions of the NECP – rehashing the lack of ambition

The initial text of the NECP was developed without public participation or a broad participatory process, as the only actors involved in the drafting were government ministries and agencies. Poland's draft NECP was published and presented for public consultation on 15 January 2019, i.e. after it had already been submitted to the European Commission. The consultation results had a limited impact on the document's final version.

NECP targets for 2030

The Polish NECP outlines five key climate and energy targets for 2030. Three of these are directly derived from EU-wide legislation, which is binding on Poland. Poland could independently define only two targets – in both cases, the chosen indicators are rather unambitious.

Area	Objective	Comment
Emissions reduction	Reduce CO2 emissions in non-ETS sectors by 7% by 2030 compared to 2005	Objectives directly derived from EU regulations
RES	14% RES share in transport in 2030	
	Annual average RES growth in heating and cooling of 1.1 pp. per year	Targets set at the national level – assessed by the EC as unambitious relatively to potential
	21-23% RES in gross final energy consumption in 2030. A higher target conditional on obtaining support for transformation	
Energy efficiency	Increase in energy efficiency by 23% by 2030 (relative to estimates from 2007)	

The RES target for 2030, even taking into account the conditionally indicated higher value of 23%, is still 2 pp. below the 25% value suggested by the European Commission.¹ For individual technologies, only values for 2020, 2025 and 2030 are presented, leaving out the potential for onshore wind energy development and giving insufficient consideration to that of solar energy. It is also worrying that the plan relies excessively on biomass and 'renewable municipal waste', especially in the heating sector. At the same time, it does not include any safeguards for the sustainable use of biomass.

The 23% energy efficiency target does not reflect the untapped potential for improvement in this area, particularly in housing and transport. Despite the lack of ambition, the piecemeal policies proposed in the NECP may not be sufficient to achieve this target anyway. Although the positive impact of energy efficiency on competitiveness and reducing GHG emissions is acknowledged, the 'energy efficiency first' principle is not reflected in the plan.

¹ The formula for calculating the suggested national RES contributions to the EU target is included in Annex II of the Regulation on Governance of the Energy Union and Climate Action (EU/2018/1999).

Phasing out coal and a just transition

The NECP does not set a date for phasing out coal. On the contrary, it envisages maintaining the key role of coal in the energy mix. The share of coal is not forecast to fall below 50% until the 2030s, after the first nuclear power plant is to be commissioned in Poland. In addition, the NECP does not take into account the challenges of rising coal imports and prices, nor the rising cost of emissions. There are also no provisions for a just transition in coal regions.

Grid development

NECP provisions focus primarily on investments in transmission networks and cross-border interconnections (the Plan is required to identify the impact on neighbouring countries). The document almost completely ignores the need to adapt the grid to a rapid increase in RES generation: there is but one short descriptive paragraph on this topic, citing data on the number of connected micro-installations in 2019 and declaring 'an increase in the dynamics of RES micro-installation development throughout 2020–2030'. Even in annexes to the NECP, specific information on development plans is only presented for the transmission grid and cross-border connections.

Strategic and policy coherence

In numerous cases, the NECP does not provide detailed information on planned policies and measures to achieve the presented objectives and effects. To a large extent, the Plan is a compilation of 1) existing sectoral policies and 2) binding targets under EU legislation, without demonstrating whether current national policies are sufficient to achieve the indicated targets and, if not, what measures will be taken and when to achieve them. The annexes containing forecasts for climate and energy indicators present two resultant scenarios (baseline and NECP implementation). However, they do not make it possible to determine to what extent individual actions envisaged in the Plan translate into the final shape of the Polish energy and fuel system. There is also no information on new planned initiatives or programmes. While the NECP contains a table with information on planned (or already used) support measures in the field of energy, including subsidies (national and non-national measures), this information remains at a very general level, with no indication as to how these measures will contribute to the achievement of the NECP goals.

Implementation status of actions announced in the NECP

As indicated above, the NECP is formulated at a very general level. The section on policies and actions mostly describes instruments and policies that were already in place when the plan was drafted. There is much less information on planned, specific and new policies, instruments or actions. The table below presents the energy production and energy efficiency measures, instruments and policies announced in the NECP and their implementation status as of January 2023.

Action announced	Implementation status – January 2023
Developing a policy to reduce greenhouse gas emissions from non-ETS sectors in 2020	Not implemented
Developing a 'Strategy for managing the national cap' of emissions from non-ETS sectors by 2022	Not implemented
Developing a strategy to renovate the national building stock in 2020	Implemented late (2022)
Developing a plan to restructure hard coal and lignite mining regions using EU funds in 2020	Not implemented (only regional territorial plans developed as part of access to the Just Transformation Fund)
Developing a policy to reduce energy poverty	Not implemented (only ad hoc measures taken)
Establishing the national fund to support the modernisation of energy sector	Not implemented (the Energy Transition Fund remains a draft legal act)
Introducing regulatory changes to facilitate solar power development on post-mining, reclamation, degraded or mine waste sites.	Not implemented
Providing support related to offshore wind energy development	Implemented
Supporting the transformation of the heating sector: changing the heat market model and tariff policy, developing smart grid infrastructure, regulating the purchase of heat from RES, increasing the use of district cooling	Not implemented
Amendments to legislation supporting the use of agricultural biomass for energy purposes	Not implemented
Support for companies active in the field of energy efficiency and RES with a preference for companies that are energy service providers (operating under the ESCO formula)	Partially implemented (pilot ESCO support project funded by the Modernisation Fund)
Selecting the technology for the nuclear power plant by 2021	Implemented late (2022)
Expansion of gas import infrastructure: <ul style="list-style-type: none"> by 2022: Poland is connected to the deposits on the Norwegian Continental Shelf via Denmark using a functioning, bi-directional connection by 2021: a functioning, expanded LNG terminal in Świnoujście by 2025: construction of the FSRU project in the Gulf of Gdańsk 	Mostly implemented (FSRU project ongoing)

<p>Increasing gas import and export capacity by building and expanding connections :</p> <ul style="list-style-type: none"> • with Slovakia by 2021 • with Lithuania by 2021 • with Czechia by 2022 • with Ukraine by 2022 	<p>Partially implemented (connections to Lithuania and Slovakia launched late, connections with Czechia and Ukraine not implemented)</p>
<p>Drafting legislation to encourage prosumer activity, including detailed regulations concerning technical requirements, grid connection conditions and cooperation of RES micro-installations with the electricity system</p>	<p>Not implemented</p>
<p>Follow-up of publicly funded (including EU-funded) programmes financing energy efficiency retrofitting measures, with a possible adaptation to the needs of customers suffering from energy poverty</p>	<p>Partially implemented (no adequate adaptation to the needs of poor recipients)</p>

As seen in the table above, the NECP includes few (given the size and scope of the document) specific measures, instruments and policies related to the energy sector and energy efficiency, which, for the most part, have not been implemented. Among the few implemented measures, those related to gas infrastructure development are particularly noteworthy. Prioritising this area while failing to make satisfactory progress in developing net-zero energy sources and improving energy efficiency raises concerns about the risk of the Polish economy becoming overly dependent on another fossil fuel in the form of natural gas.

A future that is already here but was not part of the Plan

The previous section outlined the NECP's low information value: the Plan largely repeats binding EU targets and national policies that existed in 2019. Consequently, the quality of this document may be more accurately assessed based on what it omits rather than what it contains. Below is a list of crucial energy and climate dilemmas faced by the Polish government over the past three years, which have not been adequately reflected in the NECP.

Key energy and climate dilemmas in 2020–2022	Evaluation
Designing a pathway for phasing out coal mining	Insufficiently addressed
Managing the exit from coal assets	Not addressed
The gas trap – managing the risk of switching from coal dependence to gas dependence	Not addressed
Photovoltaic boom and the need to prepare the grid for rapid RES development	Insufficiently addressed
Clean Air Programme – ensuring the required scale and quality of investments	Insufficiently addressed
Hydrogen strategy – the need to ensure a carbon-neutral gaseous fuel in the long term	Not addressed
Establishing the role of CCS in achieving long-term climate goals	Not addressed

Designing a pathway for phasing out coal mining

The NECP lacks information on the effects of transformation in mining and carbon-intensive regions. There is also no concrete plan or goals presented for a just transition process in Poland.

According to the NECP, a plan for restructuring coal and lignite mining regions using EU funds, with an in-depth analysis of the impact of transforming mining regions on regional economic development, society, employment and skills, should be drawn up in 2020. At the end of January 2023, no such plan or analysis had been presented. Territorial just transition plans prepared by regions to access financing from the Just Transition Fund are not tantamount to the abovementioned plan for restructuring mining regions. These territorial plans were only approved in 2022; they are regional transformation plans that cover matters related to reducing mining output and employment. However, not all regional plans (e.g. the Turów region) fulfilled the conditions necessary to be accepted by the Commission and receive financing from the Just Transition Fund, if only because of the lack of a timetable for the transition away from coal in the region.

In addition, the NECP features no specific timetables for phasing out fossil fuel (including coal) subsidies. At the same time, except for the Just Transition Fund, it does not indicate the specific funds to be allocated to ensure a just transition. Moreover, the NECP is not detailed enough in terms of the Fund's implementation in Poland. There is no detailed information on individual coal mining regions, especially on how the plan will be adapted to the needs of each of these regions, depending on the progress of decarbonisation and energy transition.

At the same time, the NECP stresses that the amount allocated to Poland under the Just Transition Fund will be crucial in determining the country's ability to achieve its target share of renewable energy sources. It should be noted that there is no direct link between these issues. The Just Transition Fund is primarily aimed at pro-social measures mitigating the local impacts of transition. On the other hand, increasing Poland's ambition to increase energy production from RES is needed not only because of EU obligations and regardless of the pace of restructuring in mining regions, if only because of the growing energy demand and the need to phase out obsolete coal units.

Managing the exit from coal assets

The NECP does not set a date for phasing out coal-fired power generation. There is also no information on the plan to restructure lignite and hard coal assets. In 2021, the government officially announced launching work on the unbundling of coal assets in the form of the National Energy Security Agency (NABE). The NECP features neither the plan of working on NABE nor the problem it addresses. It contains no reflection on the need to prepare a timetable for phasing out specific coal units and the impact of plant closures on the local economy and employment structure. There is also no information about potential funding sources for the coal power restructuring process.

The gas trap

The NECP presents forecasts for the planned increase in the role of gas. From the 2.6 GW of natural gas capacity forecast for 2020, the NECP assumes an increase to more than 7 GW of installed capacity in 2035 and further growth in the run-up to 2040. The plan also refers to replacing coal-fired thermal power plants with new natural gas units. In addition, the Plan points to investments in new pipelines to supply gas from sources other than the Eastern direction, maintaining domestic gas production, investments in the Baltic Pipeline and liquefied natural gas terminals. In this context, there is little reflection on the role and investment needs for decarbonised gases such as biogas and green hydrogen. Furthermore, the NECP in no way addresses the need to move away from natural gas combustion on the path to climate neutrality. In particular, given the current economic outlook for gas-fired power generation and the scaled-up projects for planned new gas units in Poland, there is a risk of a gas trap. On the one hand, it entails the Polish energy system's dependence on expensive and emission-intensive gas energy and, on the other, the risk of financing investments that will never pay off, turning into stranded assets. Taking into account current knowledge on the life-cycle emission-intensity of natural gas, the commitments of EU Member States to achieve climate neutrality by 2050 at the latest, as well as changes in the gas market in recent years, the revised NECP should include a time horizon for reducing gas dependency in Poland.

Photovoltaic boom and grid unpreparedness for rapid RES development – the need to take into account rapid wind and solar expansion in the mix

The NECP is highly inadequate in terms of the projected increase in the share of RES in energy mix and production, particularly when it comes to solar energy. The NECP's solar power targets for the 2030s have already been met. The Plan forecasts an increase in PV capacity to approx. 7.3 GW in 2030 and ap-

prox. 16 GW in 2040, while at the end of 2022, installed PV capacity already amounted to approx. 12 GW. The erroneous forecasts for RES development in Poland not only translate into the unambitious RES target presented in the NECP but also contribute to inadequate planning of the electricity grid development. This leads to slowing down solar power development in Poland despite the economic potential for its further dynamic growth.

The NECP points to the link between the stagnation of RES development and the adoption of the Wind Power Investment Act of 20 May 2016 (which introduced the so-called 10H rule). Despite this, and the inclusion of the liberalisation of the 10H rule in the list of milestones for accessing funds under the National Recovery Plan, parliamentary work on amendments to this rule did not start until the end of 2022.

The NECP addresses the need to upgrade and develop the grid to enable RES development. However, there are no details concerning the schedule for implementing the planned measures. Considering the analyses indicating increasing problems with connecting new RES installations to the grid, it should be pointed out that actions taken so far are highly insufficient. Poland's RES development targets included in strategic documents impact the process of planning the power grid development. Inadequate and unambitious expectations in terms of installed RES capacities thus act as self-fulfilling prophecies, delaying the expansion of renewable energy through negligence on the part of the grid infrastructure.

Clean Air Programme – ensuring the required scale and quality of investments

The Clean Air Programme which focuses on replacing heat sources and renovation of single-family buildings is one of the largest instruments supporting energy transition in Poland, both in terms of the scale of funding and the impact on the volume of energy consumed, pollutant emissions or the daily lives of citizens. From the outset, it was evident that the programme would have to be aligned with a comprehensive set of goals: rapid replacement of old 'soot-spewing' furnaces, combating energy poverty, improving energy efficiency, and investment in zero-emission sources independent of fossil fuels. Despite this, the NECP's provisions for changes to the programme were perfunctory and ignored the need to adjust the scope of support, including moving away from subsidising fossil fuels.

Meanwhile, since the adoption of the NECP, the Clean Air Programme has undergone several reforms adapting it to an environment that is changing in line with long-term trends and energy transition goals, further reinforced by the 2022 energy crisis. The changes encompassed the supported technology mix (withdrawal of support for coal-fired boilers, reduction of the target share of gas in the programme to 40%) and the importance of investments in energy efficiency (including a leap in support enabling comprehensive renovations in late 2022).

Hydrogen strategy – the need to ensure a carbon-neutral gaseous fuel in the long term

The NECP points to the growing demand for gas over the next few years while overlooking the need to provide a carbon-neutral gaseous fuel. In 2021, the government published its Hydrogen Strategy, which sets a target of installing 2 GW of low-carbon hydrogen generation capacity by 2030. The Hydrogen Strategy and its targets were not announced in the NECP, which treated hydrogen fuel as an R&D area,

not an implementation one. This results, among other things, in that the NECP overlooks the additional renewable electricity requirement for the production of green hydrogen.

Establishing the role of CCS in achieving long-term climate goals

The NECP completely ignores CCS (carbon capture and storage) technologies when discussing short-term measures as well as preparing the infrastructure and developing technologies for long-term targets. Meanwhile, the European Commission's 2018 vision for building a climate-neutral economy (COM(2018) 773) already identified the need to use CCS to eliminate residual emissions after the remaining investments in low-carbon technologies had been implemented. At the same time, the Commission indicated that CCS would play a significantly reduced role compared to earlier forecasts and that priority would be given to deploying this technology to reduce process emissions in industries with no technological alternatives, such as cement plants.

The increase in emission allowance prices in the following years and the growing understanding by European industry of the necessity to achieve climate neutrality by 2050 have led to several initiatives, including in Poland (the Innovation Fund granting support for the installation of CO₂ capture in a cement plant in Poland; a terminal in Gdańsk allowing to send the captured CO₂ to storage sites on the North Sea is included on the PCI list). Nevertheless, issues such as the role of CCS technology in the power sector, in hydrogen production or the CO₂ storage location (in Poland or exported to the North Sea) remain unresolved at the strategic level.

National Recovery and Resilience Plan (NRRP) and the NECP

The National Recovery and Resilience Plan (NRRP) is a document required to apply for support from the European Recovery and Resilience Facility (RRF) established by Regulation (EU) 2021/241 of the European Parliament and the Council. The NRRP is a development plan that sets out the reforms and investments to be implemented by the end of 2026. Poland's NRP consists of 54 investments and 48 reforms. Under the NRRP, Poland is to receive EUR 35.4 billion from the EU, including EUR 23.9 billion in subsidies and EUR 11.5 billion in preferential loans.

The draft Polish NRRP was developed in December 2020 and adopted by the Council of Ministers on 30 April 2021. In June 2022, the European Commission approved the NRRP in its final form. The process of adopting the Plan in consultation with the Commission and linking its implementation to the disbursement of funds made the reforms contained therein much more specific than in the NECP, both in terms of the logic and scope of the changes and the timetable for their implementation. Therefore, comparing the content of the NRRP and the NECP adopted only a dozen or so months earlier makes it possible to assess to what extent the latter document could serve as a reference point for energy and climate reforms in Poland.

Below is a summary of the key reforms in energy production and use contained in the NRRP, with an assessment of consistency with the NECP. It shows that the vast majority of the areas prioritised in the NRRP did not appear in the NECP or were mentioned there only in passing, without indicating the need for further reforms. The only provisions of the NECP that were reflected in specific actions within the NRRP concern RES in the electricity sector. It should be noted, however, that even in this case, these are only selected initiatives and not a comprehensive package of green reforms for the Polish energy system.

Area	Key reforms under the NRRP	Is the issue mentioned in the NECP?
Green electricity supply	Greater flexibility when applying the 10H rule	No, NECP assumes limited onshore wind development.
	RES auction plan to 2027	In part, NECP emphasises the importance of auctions as a tool to ensure RES development but does not include provisions to further strengthen the predictability of this instrument.
	New rules for energy clusters, collective prosumers, and energy communities	Yes, NECP includes a commitment to strengthen provisions for increasing the activity of household customers, including collective activity.
	Balancing market reform to facilitate the integration of offshore wind power (OWP)	Yes, NECP indicates the need to develop a balancing market and the integration of OWP.
	Central Energy Market Information System (OIRE/CSIRE)	Yes, NECP announces several specific measures for the development of smart grids, including the establishment of a metering information operator.

Decarbonisation of industry	Facilitating the implementation of the energy-saving obligation	In part, a general statement about the functioning of the white certificate system, without identifying areas for improvement.
	Support scheme for investments in RES and energy efficiency in enterprises	In part, NECP mentions European funds under the previous financial perspective but does not indicate the desired directions of support in the 2020s.
Modernisation of buildings	Higher support for investment in energy-efficient housing for low- and middle-income earners	No, no information on planned investment support for fuel poverty reduction.
	Inclusion of higher income households in Clean Air Programme (including loans + grants)	In part, a general statement about streamlining support instruments, with no indication of directions for change.
	Include limits on the share of gas in building retrofits (up to 40% in Clean Air Programme)	No, the role of Clean Air Programme reduced only to replacing old heating sources.
Green gases	Regulatory framework for the biomethane market	No, biomethane mentioned only as one of the alternative fuels for transport, with no indication of development targets, support tools or need for regulatory changes.
	Regulatory framework for the hydrogen market	In part, hydrogen identified as a promising technology in the long term, with no indication of development targets, support tools or need for regulatory changes.

Note: the assessment only addresses issues related to the production and efficient use of energy carriers

NECP revision as an opportunity for a new approach to planning Poland's energy transition

On 15 November 2022, the European Commission published guidance for Member States on the forthcoming review of their National Energy and Climate Plans for 2021-2030. Member States are required to submit draft updated NECPs by June 2023 and their final versions by June 2024. The document contains a set of guidelines and good practices for Member States to take into account when aligning their plans with new EU climate legislation.

The Commission's guidance touches on most of the relevant elements that Member States should consider when revising their NECPs. In terms of climate ambition, future energy and climate plans should be more far-reaching than current ones, and they must comply with EU climate law and other relevant EU legislation. NECP revision should be a tool to accelerate the implementation of the European Green Deal and the transition to carbon-neutral energy sources, as well as to enable a complete shift away from Russian fossil fuel imports and the implementation of the REPowerEU plan.

In particular, the updated NECP should be adapted to:

- **EU climate law targets (-55% by 2030; climate neutral by 2050),**

As the EU's greenhouse gas reduction target is increased from 40% to 55% by 2030, national targets will also need to be increased. In addition, the long-term goal of climate neutrality for the entire economy by 2050 should be kept in mind when planning actions up to 2030.

- **directives and regulations from the 'Fit for 55' package, which entail the need to update current national targets, and the policies and measures to achieve them,**

This will include, for example, higher targets under the Energy Efficiency Directive or the Renewable Energy Directive. Although the Fit for 55 package has not yet been finalised, we can already expect the EU's RES target for 2030 to be increased from 32% to 40-45%. This means a significant increase in ambition, which will of course have to be reflected in national targets. We can expect an equally significant increase in ambition for energy efficiency.

- **The REPowerEU plan.**

The REPowerEU plan aims to completely phase out EU imports of Russian fossil fuels by the end of the decade, in particular by increasing energy efficiency, RES production and diversifying fossil fuel supplies. In addition to proposals related to increasing the EU's 2030 targets, key elements of the REPowerEU plan include provisions on:

- the obligation to simplify procedures, with a view to issuing permits faster,
- identification of RES 'go-to areas',

- adapting grid development plans to accelerated transformation.
- a systemic tariff reform that will provide incentives for the development of distributed energy and efficient financing of the grid
- compulsory PV installations as standard in the retrofitting and construction of new buildings (solar rooftops).

To support the achievement of these targets, an additional EUR 20 billion in subsidies will be distributed among the Member States under the REPowerEU plan. Of this, 8 billion will come from the early auctioning of national ETS allowances and 12 billion from the Innovation Fund. Member States will also be able to use some of the unused funds from the Cohesion Fund. However, to benefit from the additional funding to meet the REPowerEU plan's objectives, Member States will have to revise their NRPs to include additional measures for energy saving, RES production and diversification of fossil fuel supplies.

The Commission also expects a **comprehensive review of investment needs** and public and private funding sources for each of the policies and measures presented in the revised NRPs. In addition, the updated NRPs should take into account the **use of revenues from the Social Climate Fund**. This fund will be launched in 2026 and will provide the Polish state with more than EUR 11 billion for investments to reduce energy poverty and transport exclusion, as well as protective measures in these areas.

Summary and recommendations

Achieving the EU's ambitious targets through revised national contributions and ensuring a rapid transition away from fossil fuels to address the current energy crisis will require a significant mobilisation of investment directed towards climate and energy transition. Given the crucial contribution of EU funds to public investment, the extent to which the revised NECP will be consistent with the National Resilience and Recovery Plan (NRRP), Partnership Agreements and Cohesion Policy programmes (which detail how Member States will spend EU funds) will be key to ensuring the achievement of more ambitious climate and energy targets. Therefore, although the NECPs are planning documents and have no direct regulatory impact, they should be an important reference point for government strategies and programmes, particularly those related to the implementation of the Fit for 55 commitments.

Guiding recommendations for the process of preparing the NECP update:

- Adopting a vision to achieve climate neutrality by 2050 and, on this basis, developing sectoral pathways consistent with the EU's 2030 targets.
- Presenting a coherent set of national measures to ensure emissions reductions in all sectors, in a manner complementary to EU-wide instruments such as the EU ETS, ETS2 and zero-emission standards for buildings and vehicles.
- Adopting an ambitious national renewable energy target, developing and presenting effective policies and measures to achieve it.
- Reviewing the objectives and provisions of the NECP in terms of the 'energy efficiency first' principle.
- Improving public participation and stakeholder involvement in the NECP drafting process. Poland should increase public participation in the NECP review process in line with the guidelines adopted during the development of EU funding programmes.



Biographical notes

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