7.3.2024



2024/612

### **COMMISSION RECOMMENDATION (EU) 2024/612**

#### of 18 December 2023

on the draft updated integrated national energy and climate plan of Germany covering the period 2021-2030 and on the consistency of Germany's measures with the Union's climate-neutrality objective and with ensuring progress on adaptation

(Only the German text is authentic)

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 292 thereof,

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 Council (1), and in particular Article 9(2), and Article 14(6), thereof,

Having regard to Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 (2), and in particular Article 7(2) thereof,

#### Whereas:

Recommendation on Germany's draft updated integrated national energy and climate plan (NECP) of covering the period 2021-2030

- (1) Germany submitted its draft updated integrated national energy and climate plan on 3 November 2023.
- Due to the late submission of Germany's draft updated national energy and climate plan, the European Commission (2) has had limited time to draft its assessment in order to adopt this recommendation six months before the final updated national energy and climate plans are due, as required by Article 9(2) of Regulation (EU) 2018/1999.
- Article 3 and Annex I to Regulation (EU) 2018/1999 ('the Governance Regulation') lay down the elements that are to be included in the updated integrated national energy and climate plans. In December 2022, the Commission adopted the Guidance to Member States on the process and scope of preparing the draft and final updated national energy and climate plans (3). The Guidance identified good practices and outlined the implications of recent policy, legal and geopolitical developments in energy and climate policies.
- (4) In connection with the REPowerEU plan (4), and as part of the 2021-2022 and 2022-2023 European Semester cycles, the Commission has put a strong focus on Member States' energy and climate-related reform and investment needs to strengthen energy security and affordability by accelerating the green and fair transition. This is reflected in the 2022 and 2023 Country Reports for Germany (5) and Council Recommendation to Germany (6). Member States should take into account the latest country-specific recommendations in their final updated integrated national energy and climate plans.

<sup>(1)</sup> OJ L 328, 21.12.2018, p. 1.

<sup>(</sup>²) OJ L 243, 9.7.2021, p. 1.

<sup>(3)</sup> Commission Notice on the Guidance to Member States for the update of the 2021–2030 national energy and climate plans (OJ C 495, 29.12.2022, p. 24).

<sup>(4)</sup> COM(2022) 230 final.

<sup>(5)</sup> SWD(2022) 606 final/2, SWD(2023) 605 final.

COM(2022) 606 final Recommendation for a Council Recommendation, SWD(2023) 605 final Recommendation for a Council Recommendation.

(5) The Commission's recommendations with regard to delivery of national targets under the Effort Sharing Regulation (7) (ESR) are based on the likelihood that the Member States will respect the 2030 targets, taking into account the rules for the use of flexibilities under the ESR.

- (6) The Commission's recommendations regarding Carbon Capture, Utilisation and Storage (CCUS) aim at having an overview of the intended deployment of these technologies at the national level, including information about annual volumes of CO<sub>2</sub> planned to be captured by 2030, split by source of CO<sub>2</sub> captured coming from installations covered by Directive 2003/87/EC of the European Parliament and of the Council (8) or from other sources, such as biogenic sources or direct air capture; about planned CO<sub>2</sub> transport infrastructure; and about potential domestic CO<sub>2</sub> storage capacity and injection volumes of CO<sub>2</sub> planned to be available in 2030.
- (7) The Commission's recommendations regarding the performance under Regulation (EU) 2018/841 of the European Parliament and of the Council (°) (Land Use, Land Use Change and Forestry Regulation ('LULUCF Regulation')) address the delivery by the Member State on the 'no debit' rule for the period 2021-2025 (Period 1) and its national target for the period 2026-2030 (Period 2), taking into account the rules governing the use of flexibilities as set out in that Regulation. The Commission's recommendations also take into account that in Period 1 any excess in emissions under the LULUCF Regulation will automatically be transferred to the ESR.
- (8) For climate adaptation to properly support the achievement of energy and climate mitigation objectives, it is essential to identify the potential climate change hazards and analyse climate vulnerabilities and risks that may affect relevant areas, populations and sectors. The Commission's recommendations on adaptation consider the extent to which Germany integrated into its updated NECP adaptation goals that account for climate risks that could prevent Germany from meeting the objectives and targets of the Energy Union. Without specific adaptation policies and measures, planned and implemented, the achievement of objectives in Energy Union dimensions is at risk. Water management in changing climatic conditions requires particular attention due to risks of electricity disruption as floods, heat and drought impact energy production.
- (9) The Commission's recommendations regarding renewable energy ambition are based on the formula set out in Annex II of Regulation (EU) 2018/1999, which is based on objective criteria; and on the main policies and measures missing in Germany's draft updated NECP in a way that enable a timely and cost-effective achievement of Germany's national contribution to the Union's binding renewable energy target of at least 42,5 % in 2030, with the collective endeavour to increase it to 45 % pursuant to Directive (EU) 2018/2001 of the European Parliament and of the Council (10) as regards the promotion of energy from renewable sources. The Commission's recommendations are also based on Germany's contribution to the specific targets of Articles 15a, 22a, 23, 24

(8) Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a scheme for greenhouse gas emission allowance trading within the Community and amending Council Directive 96/61/EC (OJ L 275, 25.10.2003, p. 32).

(10) 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), as amended by Directive (EU) 2023/2413 of the European Parliament and of the Council of 18 October 2023 amending Directive (EU) 2018/2001, Regulation (EU) 2018/1999 and Directive 98/70/EC as regards the promotion of energy from renewable sources, and repealing Council Directive (EU) 2015/652 (OJ L, 2023/2413, 31.10.2023, ELI: http://data.europa.eu/eli/dir/2023/2413/oj).

<sup>(7)</sup> Regulation (EU) 2018/842 of the European Parliament and of the Council of 30 May 2018 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement and amending Regulation (EU) No 525/2013 (OJ L 156, 19.6.2018, p. 26) as amended by Regulation (EU) 2023/857 of the European Parliament and of the Council of 19 April 2023, amending Regulation (EU) 2018/842 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement, and Regulation (EU) 2018/1999 (OJ L 111, 26.4.2023, p. 1).

<sup>(\*)</sup> Regulation (EU) 2018/841 of the European Parliament and of the Council of 30 May 2018 on the inclusion of greenhouse gas emissions and removals from land use, land use change and forestry in the 2030 climate and energy framework and amending Regulation (EU) No 525/2013 and Decision No 529/2013/EU (OJ L 156, 19.6.2018, p. 1), as amended by Regulation (EU) 2023/839 of the European Parliament and of the Council of 19 April 2023 amending Regulation (EU) 2018/841 as regards the scope, simplifying the reporting and compliance rules, and setting out the targets of the Member States for 2030, and Regulation (EU) 2018/1999 as regards improvement in monitoring, reporting, tracking of progress and review (OJ L 107, 21.4.2023, p. 1).

(\*\*O Directive (EU) 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of

OJ L, 7.3.2024 EN

and 25 of that Directive and the related policies and measures to rapidly transpose it and implement it. The recommendations reflect the importance of developing comprehensive long-term planning for the deployment of renewable energy, and in particular wind, to increase visibility for the European manufacturing industry and grid operators in line with the European Wind Power Package (11).

- (10) The Commission's recommendations regarding national contribution to energy efficiency are based on Article 4 of the Directive (EU) 2023/1791 of the European Parliament and of the Council (12) on energy efficiency; and the formula in Annex I to that Directive, and the related policies and measures to implement it.
- (11) The Commission's recommendations pay particular attention to the targets, objectives and contributions and related policies and measures to deliver on the REPowerEU plan in order to rapidly phase out any dependence on Russian fossil fuels. They take into account lessons learnt from the implementation of the 'Save gas for a safe winter' package (13). The recommendations reflect the imperative to make the energy system more resilient in light of the obligations stemming from Regulation (EU) 2019/941 of the European Parliament and of the Council (14) on risk preparedness in the electricity sector and Regulation (EU) 2017/1938 of the European Parliament and of the Council (15) on the security of gas supply in line with the Commission Recommendation on energy storage (16).
- (12) The Commission's recommendations take into account the need to accelerate the integration of the internal energy market to strengthen the role of flexibility and to empower and protect consumers. The Commission's recommendation also considers the importance of assessing the number of households in energy poverty in line with the requirements of Article 3 of Regulation (EU) 2018/1999, and Commission Recommendation (EU) 2023/2407 (17).
- (13) The Commission's recommendations reflect the importance of ensuring sufficient investments in clean energy research and innovation to boost their development and manufacturing capacities, including appropriate policies and measures for energy-intensive industries and other businesses; and the need to upskill the workforce for a netzero industry in order to consolidate a strong, competitive and clean economy within the Union.
- (14) The Commission's recommendations build on the commitments taken under the Paris Agreement to phase down the use of fossil fuels, as well as on the importance of phasing out fossil fuel subsidies.
- (15) The Commission's recommendations on investment needs follow its assessment of whether the draft updated plan provides a general overview of investment needs to achieve the objectives, targets and contributions in the plan for all dimensions of the energy union, indicates the sources of financing, distinguishing private and public sources, and whether it outlines investments consistent with Germany's Recovery and Resilience Plan, Germany's Territorial Just Transition Plans and the 2022-2023 country-specific recommendations issued under the European Semester, and includes a robust macroeconomic assessment of planned policies and measures. The NECP should ensure the transparency and predictability of national policies and measures, to support investment certainty.

<sup>(11)</sup> Communication on European Wind Power Action Plan COM(2023) 669 final, 24.10.2023, and Communication on delivering EU offshore renewable energy ambition, COM(2023) 668 final.

<sup>(12)</sup> Directive (EU) 2023/1791 of the European Parliament and of the Council of 13 September 2023 on energy efficiency and amending Regulation (EU) 2023/955 (OJ L 231, 20.9.2023, p. 1).

<sup>(13)</sup> Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, 'Save gas for a safe winter', COM(2022) 360 final.

<sup>(14)</sup> Regulation (EU) 2019/941 of the European Parliament and of the Council of 5 June 2019 on risk preparedness in the electricity sector and repealing Directive 2005/89/EC (OJ L 158, 14.6.2019, p. 1).

<sup>(15)</sup> Regulation (EU) 2017/1938 of the European Parliament and of the Council of 25 October 2017 concerning measures to safeguard the security of gas supply and repealing Regulation (EU) No 994/2010 (OJ L 280, 28.10.2017, p. 1).

<sup>(16)</sup> Commission Recommendation of 14 March 2023 on Energy Storage – Underpinning a decarbonised and secure EU Energy system (OJ C 103, 20.3.2023, p. 1).

<sup>(17)</sup> Commission Recommendation (EU) 2023/2407 of 20 October on energy poverty (OJ L, 2023/2407, 23.10.2023, ELI: http://data.europa.eu/eli/reco/2023/2407/oj).

(16) The Commission's recommendations reflect the crucial importance of a wide regional consultation, and of ensuring early and inclusive consultation on the plan, including effective public participation with sufficient information and timeframe, in line with the Aarhus convention (18).

- (17) The Commission's recommendations on a just transition reflect the assessment of whether the Germany's plan identifies in sufficient depth the relevant social, employment and skills impacts of the climate and energy transition and outlines adequate accompanying policies and measures to promote a just transition, while contributing to the promotion of both human rights and gender equality.
- (18) The Commission's recommendations to Germany are underpinned by the assessment of its draft updated NECP (19), which is published alongside this Recommendation.
- (19) Germany should take due account of the present recommendations when developing its final updated integrated NECP to be submitted by 30 June 2024.

Recommendations on the consistency with the Union's climate-neutrality objective and with ensuring progress on adaptation

- (20) Pursuant to Regulation (EU) 2021/1119 (the European Climate Law), the Commission is required to assess the consistency of national measures with the climate-neutrality objective and with ensuring progress on adaptation. The Commission assessed the consistency of Germany's measures with these objectives (20). The below recommendations are based on that assessment. Germany should take due account of the present recommendations and follow up on them in accordance with the European Climate Law.
- (21) Various Union funding instruments can be mobilised to fund adaptation. Climate resilience considerations should be put in the forefront when Member States design their national plans under the relevant Union funds. None of the spending should do harm to adaptation, that is, increase vulnerabilities either for the beneficiaries or for others.
- (22) The most vulnerable communities are those with an elevated likelihood of being impacted by climate change. Unequal exposure and vulnerability to climate impacts of different regions and socioeconomic groups worsen pre-existing inequalities and vulnerabilities. Just resilience should reduce the unequal burden of climate risk and ensure equity in the distribution of the benefits of adaptation. The systemic ability to adjust to climate change is a key feature to avoid or moderate potential damage, to take advantage of opportunities and to cope with the consequences. Physical impacts of climate change are evolving at a faster pace than expected. Progress in adaptive capacity is needed at all levels of the government, and in the public and private sectors, and requires increased awareness of vulnerabilities and risks. Private stakeholders are agents of change by providing information, resources, capacities and funding,

HEREBY RECOMMENDS THAT GERMANY TAKES ACTION TO:

## CONCERNING THE DRAFT UPDATED NATIONAL ENERGY AND CLIMATE PLAN UNDER REGULATION (EU) 2018/1999

1. Set out cost-efficient additional policies and measures, including for the agricultural sector, to bridge the projected gap of 15,4 percentage points to meet the national greenhouse gas target of -50 % in 2030 compared to 2005 levels under the ESR. Provide updated projections to show how the existing and planned policies will deliver on the target and if

<sup>(18)</sup> Convention on access to information, Public Participation in Decision-making and Access to Justice in Environmental Matters of 25 June 1998 (the 'Aarhus convention').

<sup>(19)</sup> SWD(2023) 928.

<sup>(20)</sup> COM(2023) 653 final, EU Climate Action Progress Report 2023, and Commission Staff Working Document Assessment of progress on climate adaptation in the individual Member States according to the European Climate Law, SWD(2023) 932.

OJ L, 7.3.2024 EN

necessary, specify how flexibilities available under the ESR will be used to ensure compliance. Complement the information on the policies and measures, clearly spelling out their scope, timeline and, where possible, expected greenhouse gas reduction impact, including for measures in Union funding programmes such as the common agricultural policy.

- 2. Identify the amount of CO<sub>2</sub> emissions that could be captured annually by 2030, including the source. Provide details on how the captured CO<sub>2</sub> will be transported.
- 3. Set out a concrete pathway towards reaching the national LULUCF target as defined in Regulation (EU) 2018/841. Clearly outline how the revised national greenhouse gas inventory is in line with the projections included in the plan. Provide additional detail on the planned measures, including quantifying their expected impact to ensure that greenhouse gas removals are effectively aligned with the 2030 EU net removal target of -310 MtCO<sub>2</sub>eq and with the country-specific removal target of -3751 ktCO<sub>2</sub>eq defined in Regulation (EU) 2018/841. Provide clear information on how public funds (both Union funds, including the common agricultural policy, and State aid) and private financing through carbon farming schemes are consistently and effectively used to achieve the net removal national target. Provide more detailed information on the status and progress to be made in ensuring the enhancements to higher tier levels/geographically explicit datasets for monitoring, reporting and verification, in line with Part 3 of Annex V to Regulation (EU) 2018/1999.
- 4. Provide additional analysis on the relevant climate vulnerabilities and risks regarding the achievement of the national objectives, targets and contributions and the policies and measures in the different dimensions of the Energy Union. Better outline and quantify the link to the specific Energy Union objectives and policies, adaptation policies and measures should support. Set out additional adaptation policies and measures in sufficient detail to support Germany's achievement of national objectives, targets and contributions under the Energy Union.
- 5. Raise the ambition of a share of renewable energy sources to at least 41 % as a contribution to the Union's binding renewable energy target for 2030 laid down in Article 3(1) of Directive (EU) 2018/2001, as amended and in line with the formula in Annex II to Regulation (EU) 2018/1999. Include an indicative trajectory that reaches the reference points for 2025 and 2027 pursuant to Article 4(a)(2) of Regulation (EU) 2018/1999.
- 6. Include estimated trajectories and a long-term deployment plan for renewable energy technologies for the next 10 years, with an outlook to 2040. Include an indicative target for innovative renewable energy technologies by 2030 in line with Directive (EU) 2018/2001 as amended. Include specific targets to contribute to the indicative sub-targets in industry in 2030, and the binding sub-target for renewable fuels of non-biological origins (RFNBOs) in industry for 2030. Confirm that the projections for the renewable energy share included in the draft plan constitute specific targets to contribute to the sub-targets: in buildings and transport sectors for 2030. Confirm that the projections constitute specific targets for renewables in heating and cooling for both 2021-2025 and 2026-2030, an indicative target to achieve the top-ups of Annex IA of the Directive (EU) 2018/2001 and the indicative target in district heating and cooling. Include more information on the trajectory to achieve a sub-target for advanced biofuels and renewable fuels of non-biological origin (RFNBOs) in the transport sector, making sure the minimum level of RFNBOs in 2030 is observed.
- 7. Further develop detailed and quantified policies and measures that enable a timely and cost-effective achievement of Germany's national contribution to the Union's binding renewable energy target of 42,5 % in 2030, with the collective endeavour to increase it to 45 %. Describe in particular the renewable energy technologies for which it plans to designate 'renewables acceleration areas' with faster and simpler procedures. Describe how it aims to accelerate the deployment of renewables via the uptake of renewable power purchase agreements, guarantees of origin and via an enabling framework to promote self-consumption. Specify how it aims to accelerate the deployment of renewables and the phasing out of fossil fuels in the heating and cooling sector, in particular in district heating and cooling. Describe the enabling framework for increasing integration between electricity and heating and cooling networks. Describe how the design of the obligation on fuel suppliers in the transport sector will be covered, will include comparable measures for promoting hydrogen in industry and will prepare the EU for renewable hydrogen trade.

8. Include an assessment of the domestic supply of forest biomass for energy purposes in 2021-2030 in accordance with the strengthened sustainability criteria of Directive (EU) 2018/2001 as amended. Include an assessment of the compatibility of the projected use of forest biomass for energy production with Germany's obligations under the revised LULUCF Regulation, particularly for 2026-2030, together with national measures and policies to ensure such compatibility. Include more detailed measures to promote the sustainable production of biomethane, given Germany's sustainable biogas/biomethane potential and production, profile of natural gas consumption and existing infrastructure, digestate use and biogenic CO<sub>2</sub> applications.

- 9. Provide to the extent possible an expected timeline of the steps leading to the adoption of legislative and non-legislative policies and measures aimed at transposing and implementing the provisions of Directive (EU) 2018/2001 as amended, in particular for the measures mentioned in the previous points.
- 10. Include a national energy efficiency contribution on final energy consumption to the Union's binding final energy consumption target for 2030 in line with Article 4 and Annex I of Directive (EU) 2023/1791, or equal to the corrected indicative national contribution that the Commission will submit to each Member State by 1 March 2024 under Article 4(5) of that Directive. Specify the amount of energy consumption reduction to be achieved by all public bodies disaggregated by sector and the total floor area of heated and/or cooled buildings owned by public bodies to be renovated yearly or corresponding yearly energy savings to be achieved.
- 11. Set out complete policies and measures to achieve the national contribution to energy efficiency, and in particular how the Energy Efficiency First principle will be implemented. Further quantify the expected energy savings and the contribution for each of the reported energy efficiency measures. Specify details on programmes that finance energy efficiency and financial support schemes, are able to mobilise private investments and additional co-financing, and detail the role of the National Energy Efficiency Fund, as defined in Article 30 of Directive (EU) 2023/1791 in helping to deliver the energy efficiency national contributions including the use of financial instruments within the fund.
- 12. Include an updated ambition level to ensure a highly energy efficient and decarbonised national building stock and to transform existing buildings into zero-emission buildings by 2050, including intermediate milestones for 2030 and 2040, and a comparison with the most recent long-term renovation strategy. Support the targets for the decarbonisation of buildings by providing further information on policies, measures including their costs and expected impact in energy savings, for the implementation of a coherent long-term renovation strategy.
- 13. Further explain how Germany will significantly strengthen energy security, in particular by defining clear objectives for diversifying energy sources and for further encouraging gas demand reduction, as well as develop detailed policies and measures to reach these objectives towards 2030. Strengthen the resilience of the energy system, in particular by setting an objective for energy storage deployment and putting forward policies and measures to integrate the imperative of climate adaptation in the energy system. Assess the adequacy of the oil infrastructure (refinery, oil stocks) with the expected decline in oil demand and the move towards lower-carbon alternatives.
- 14. Put forward clear objectives and targets for demand response, to improve the flexibility of the energy system, in light of an assessment of the flexibility needs. Include a timetable with appropriate measures to remove structural congestion in the electricity system and to provide efficient dispatch and locational signals to the market, notably as a basis for further cooperation and coordination with other Member States and in view of the functioning of the internal energy market and increasing cross zonal capacities for trade. Increase the level of consumer empowerment in the retail market by including further information on energy communities, energy sharing and collective purchasing, including on self-consumption.

OJ L, 7.3.2024 EN

15. Further develop the approach to addressing energy poverty by including an assessment of the situation of currently affected households and indicating a specific measurable reduction target as required by Regulation (EU) 2018/1999, taking account of Recommendation (EU) 2023/2407. Provide additional details on existing and potential measures to address energy poverty, and on the dedicated financial resources from the perspective of both social policy (affordability) and structural energy measures, particularly as regards access to energy efficiency, building renovation and renewable energy. Explain how the use of energy efficiency measures under the Energy Efficiency Obligations Scheme to alleviate energy poverty is foreseen to be deployed as required by Regulation (EU) 2018/1999.

- 16. Further clarify national objectives in research, innovation and competitiveness to deploy clean technologies, establishing a pathway for 2030 and 2050 with a view to support the decarbonisation of industry and the transition of businesses towards a net-zero and circular economy. Put forward policies and measures to promote the development of net-zero projects including those relevant for the energy-intensive industries. Describe a predictable and simplified regulatory framework for permitting procedures and how access to national funding will be simplified where needed. Provide detailed policies and measures for the digitalisation of the energy system, the development of clean energy-related skills, and to facilitate open trade for resilient and sustainable supply chains of key net-zero components and equipment.
- 17. Specify the reforms and measures to mobilise the private investments needed to achieve the energy and climate targets. Provide a comprehensive and consistent overview of the public and private investment needs in aggregate and by sector. Complement a top-down economy-wide approach with a bottom-up project-specific assessment along the five dimensions of the Energy Union. Include a breakdown of total investment needs with additional information on the national, regional and Union funding sources as well as private financial sources to be mobilised. Add a short description of the type of financial support scheme chosen to implement the policies and measures, which are financed through the public budget, and the use of blended financial instruments making use of grants, loans, technical assistance and public guarantees, including the role of national promotional banks in the respective schemes and/or how private financing is mobilised. Consider the cost-effective generation of transfers to other Member States under the ESR as a funding source. Provide a robust assessment of the macroeconomic impact of the planned policies and measures.
- 18. Outline how the policies and measures included in the updated plan are consistent with Germany's national recovery and resilience plan, including the REPowerEU Chapter.
- 19. Explain how and by when Germany intends to phase out fossil fuel subsidies. Explain in more detail how Germany plans to phase out solid fossil fuels for power generation by clarifying related commitments and measures.
- 20. Further detail the analytical basis by providing projections under the planned policies and measures on how the energy system will develop with an outlook to 2040.
- 21. Provide more detailed information on the social, employment and skills consequences, or any other distributional impacts, of the climate and energy transition, and on the planned objectives, policies and measures to support a just transition. Specify the form of support, the impact of the initiatives, the target groups and the resources dedicated, taking into account the Council Recommendation on ensuring a fair transition towards climate neutrality (21). Ensure alignment between the coal phase-out timeline outlined in the Territorial Just Transition Plans and the final updated NECP. Include, to the extent possible, more elements to provide an adequate analytical basis for the preparation of a future Social Climate Plan, in accordance with Regulation (EU) 2023/955 of the European Parliament and of the

<sup>(21)</sup> Council Recommendation of 16 June 2022 on ensuring a fair transition towards climate neutrality (OJ C 243, 27.6.2022, p. 35).

Council (22), including indications on how to assess the challenges and social impacts on the most vulnerable of the emissions trading system for fuel combustion in buildings, road transport and additional sectors, and identify potential beneficiaries and a relevant policy framework. Explain how the policy framework identified in the NECP will contribute to the preparation of Germany's Social Climate Plan and how the consistency between the two plans will be ensured.

- 22. Ensure inclusive public participation within a reasonable timeframe and broad participation of local authorities and civil society in the preparation of the plan. Provide a clear overview on how the consultation process will enable broad public participation from all relevant authorities, citizens and stakeholders, including social partners, in the preparation of both the draft and final updated plan. Provide a summary of the views expressed by different actors, and a summary of how the plan integrates the views expressed during the consultations.
- 23. Expand the already good regional cooperation with neighbouring countries, in particular by describing how Germany plans to establish a framework for cooperation with other Member States by 2025, in line with Article 9 of the Directive (EU) 2023/2413. Pursue efforts to sign the seven remaining required bilateral solidarity arrangements for the security of gas supply with its neighbours (Poland, Czechia, Italy, France, Luxembourg, Belgium and the Netherlands).

# CONSISTENCY OF NATIONAL MEASURES WITH THE CLIMATE-NEUTRALITY OBJECTIVE AND WITH ENSURING PROGRESS ON ADAPTATION UNDER REGULATION (EU) 2021/1119

- 1. Put climate resilience considerations more to the forefront in the use of support from the Union funding programmes, such as the common agricultural policy, cohesion policy funding and other relevant Union funds. Union funds should be spent in such a way that they increase climate resilience and do not increase vulnerabilities (i.e., do no significant harm to adaptation).
- 2. Engage stakeholder groups that are particularly vulnerable to the impacts of climate change in Germany's adaptation policy design and implementation. Improve coordination between different levels of governance (national/regional/local) to align planning tools and to help coordinated interventions aimed at 'systemic' transformation. Involve social partners and private sector stakeholders in policy design, implementation and investments. Document the processes and outcomes of relevant consultations.

Done at Brussels, 18 December 2023.

For the Commission Kadri SIMSON Member of the Commission

ELI: http://data.europa.eu/eli/reco/2024/612/oj

<sup>(22)</sup> Regulation (EU) 2023/955 of the European Parliament and of the Council of 10 May 2023 establishing a Social Climate Fund and amending Regulation (EU) 2021/1060 (OJ L 130, 16.5.2023, p. 1).