

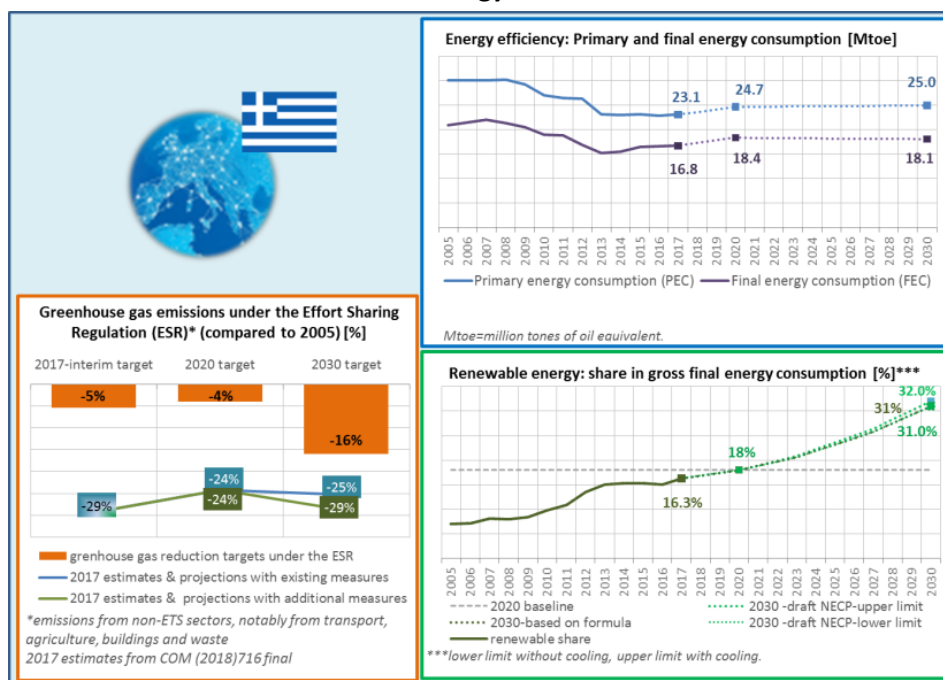


GREECE

Summary of the Commission assessment of the draft National Energy and Climate Plan 2021-2030

The EU has committed itself to a clean energy transition, which will contribute to fulfilling the goals of the Paris Agreement on climate change and provide clean energy to all. To deliver on this commitment, the EU has set binding climate and energy targets for 2030: reducing greenhouse gas emissions by at least 40%, increasing energy efficiency by at least 32.5%, increasing the share of renewable energy to at least 32% of EU energy use and guaranteeing at least 15% electricity inter-connection levels between neighbouring Member States. To ensure that the EU targets are met, EU legislation requires that each Member State drafts a 10-year National Energy and Climate Plan (NECP), setting out how to reach its national targets, including the binding national target for reducing greenhouse gas emissions that are not covered by the EU Emissions Trading System (ETS). The European Commission has analysed each draft NECP. The summary of this assessment for Greece is outlined below. The final NECPs for the period 2021-2030 are due to be submitted by Member States by the end of 2019.

GREECE - National targets and contributions foreseen in the draft National Energy and Climate Plan



Sources: Greece's draft National Energy & Climate Plan, Eurostat (PEC2020-2030, FEC2020-2030 indicators and renewable SHARES), COM (2018) 716 final (2017 GHG estimates)

- The Greek draft integrated National Energy and Climate plan (NECP) is a fairly well-developed strategy that covers the bulk of the important areas and provides a comprehensive narrative of the objectives, policies and measures capturing the positive interactions between the dimensions to a good degree.
- The document states that the greenhouse gas emissions dimension is the first and foremost component of the NECP structure, which will also serve as a basis for an ambitious long-term strategy. Greece's 2030 target for **greenhouse gas (GHG) emissions** not covered by the EU Emissions Trading System (non-ETS), is -14% compared to 2005, as set in the Effort Sharing Regulation (ESR)¹. Based on the existing measures, the Greek NECP estimates it may overachieve this target by 9 percentage points, or by 13 percentage points if additional policies and measures are implemented². These would create opportunities for modernisation of the Greek economy, including through making use of bilateral cooperation on the ESR flexibility to transfer emission allocations to other Member States. The draft plan does not yet include information on how Greece would achieve its commitment³ that **Land Use, Land Use Change and Forestry** (LULUCF) emissions do not exceed removals. Whereas Greece has a National Adaptation strategy, the draft NECP does not specify Greece's adaptation goals and policies.
- In terms of **renewable energy**, the national contribution to the EU target for 2030 is set at a share of 31%, which is in line with the result of the formula in Annex II of the Governance Regulation. The trajectory towards reaching that contribution needs to be made compatible with Article 4 of the Governance Regulation⁴. The final plan would benefit from elaborating further on the policies and measures allowing the achievement of the contribution and on other relevant sectorial measures.
- **In the energy efficiency dimension**, the proposed contribution of Greece for primary energy consumption seems insufficiently ambitious. However, the specific national circumstances, notably relating to the economic situation of the country in the last years, have to be taken into account. The final plan would benefit from further detailing of the relevant policies and measures.
- As regards **energy security**, Greece targets the increased use of domestic sources, both renewable energy and fossil-fuels, and the reduction of import dependency, which is at very high levels. It has also set a target to connect 29 autonomous islands with the synchronised system of mainland Greece by 2030.
- In the **internal market** dimension, the dominant position of the incumbent in the electricity market remains a significant unaddressed issue, in spite of the significant efforts made by Greece in the context of the Economic Support Programme. The implementation of the target model is also lagging behind schedule, with negative consequences for effective competition in retail markets. The draft plan identifies the number of consumers affected by energy poverty and includes specific objectives and milestones to address it.

¹ 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.

² This reduction in percentages is calculated based on the 2005 base year emissions of Greece, which equals 62.6 Mt CO₂eq, [Commission Staff Working Document Accompanying the Document Report from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions: Energy prices and costs in Europe⁴⁵³, Table 4]. It differs from the percentages presented in the Greek draft NECP, where 2005 base year emissions are assumed to be 64.5 Mt CO₂eq.

³ 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.

⁴ Regulation (EU) 2018/1999 on the Governance of the Energy Union and Climate Action.

- Greece aims to reach the **interconnectivity level** of 15% by 2030. Further development of the domestic transmission infrastructure, with priority for interconnections of islands, and of the distribution networks, with emphasis on smart meters implementation, are crucial. In general, more details on the relevant policies and measures and timelines for their implementation would significantly benefit the final plan.
- The objectives on **research and innovation** are unclear for the period after 2020. In terms of **competitiveness**, Greece has set as a target the reduction of energy and carbon intensity and the gradual decoupling of economic development from energy and carbon intensity, the reduction of energy costs for all consumers, and the creation of a circular economy.
- Regarding **investment needs**, the draft plan estimates the funding need for energy policy at EUR 34.7 billion for the decade 2021-2030, annually around 2 % of the current Gross Domestic Product (GDP), of which EUR 9 billion for energy efficiency. Also the main funding sources for the public support of renewable energy and climate action are identified, with a significant role of Union level funds. However, the assessment of the investment needs and expenditures, funding sources and other relevant information remains still partial, especially in view of the ageing of lignite-fired power plants. The draft plan does not yet fully take advantage of the role NECPs can play in providing clarity to investors and attracting additional investments in the clean energy transition.
- The draft plan describes several examples of **regional cooperation** already taking place in some Energy Union dimensions. In addition to cooperation with Germany for renewable energy and with the CESEC countries, Greece is **contributing** actively to the Clean Energy for EU Islands initiative. There is potential to further intensify the already existing regional cooperation arrangements.
- The draft plan takes into account existing **air pollution** reduction commitments and mentions that health impacts from reduced air pollution are calculated by climate and energy measure. Complementing the current analysis on this basis with quantitative information at least on air pollutants emission impacts and more analysis of synergies and trade-off effects would improve the final plan.
- With regard to the **just and fair transition** aspects, the draft plan mentions the national Fair Transition Support Initiative; nevertheless, a more detailed information on the specific projects, the form of support and the impact of the initiatives would be welcome in the final plan. It would be relevant in particular to analyse the social and employment impacts of the transition, with a focus on training and skills. Greece is taking part to the initiative for Coal regions in transition, promoted by the Commission.
- A list of all **energy subsidies** and actions undertaken and planned to phase them out, in particular for fossil fuels, needs to be included in the final plan.
- The holistic policy framework developed by Greece to meet the 2030 share of renewables in the electricity sector, including comprehensive and clearly described policies and measures covering also decentralisation, energy communities and self-consumption, constitute a **good practice**.

Related links:

- [National Energy & Climate Plans](#) – for links to the Commission recommendations and Staff Working Document for Greece and all other Member States, to the Commission Communication assessing all draft NECPs, and to the draft NECPs themselves.
- More information about the [Clean energy for all Europeans package](#)
- More information about the [2030 climate & energy framework](#)