

ITALY'S DRAFT UPDATED NATIONAL ENERGY AND CLIMATE PLAN





An important step towards the more ambitious 2030 energy and climate objectives under the European Green Deal and REPowerEU Plan



Highlights of the Commission's assessment

The European Green Deal, the fast-evolving geopolitical context and the energy crisis have led the EU and its Member States to **accelerate the energy transition and set more ambitious energy and climate objectives**. These developments are reflected in the legislative and policy framework adopted under both the 'Fit for 55' package and the REPowerEU Plan. Taking this new context into account, **Member States are updating their National Energy and Climate Plans (NECPs) for the first time since 2019**. The European Commission has assessed Italy's draft updated NECP, submitted on 19 July 2023.

Italy's key objectives, targets and contributions

	2030 value submitted in the draft updated NECP	2030 target under EU legislation	Assessment of 2030 ambition level
 GHG emissions in ETS sectors (compared to 2005)	-35% to -37%	-43.7%*	Italy does not reach its target based on projections.
 GHG net removals in LULUCF (Mt CO ₂ eq. net GHG removals)	-34.9	-3.158 (additional removal target) -35.758 (total net removals)**	Italy does not reach its target based on projections.
 Energy Efficiency (Final energy consumption)	94.4 Mtoe	92.1 Mtoe***	Italy's final energy consumption is above the indicated target resulting from EU legislation
 Renewable Energy (Share of renewable energy in gross final consumption)	40.5%	39%****	Italy's contribution to the EU target is slightly above the one resulting from EU legislation.

* under the Effort Sharing Regulation (ESR).

** under the Regulation on Land Use, Land Use Change and Forestry (LULUCF).

*** according to the formula set out in Annex I of the Directive (EU) 2023/1791 on energy efficiency and amending Regulation (EU) 2023/955 ('EED recast').

**** according to the formula set out in Annex II of the Regulation (EU) 2018/1999 on the Governance Regulation of the Energy Union and Climate Action.

Italy's main positive elements and areas for improvement

- ✓ On **renewable energy**, the plan provides, for the most part, a comprehensive list of measures that Italy has adopted or intends to adopt to support the deployment of renewable energy such as designated 'renewable acceleration areas' with faster and simpler procedures for renewable energy technologies.
- ✓ On **energy efficiency**, Italy's plan sets out, for the most part, comprehensive measures addressing most of the relevant sectors, including buildings, energy distribution, transport and business. In particular, Italy has included detailed information on energy savings on public bodies.
- ✓ On **energy security**, the plan sets out high ambition, concrete policies and measures to enhance the security of Italy's energy system, in particular for gas diversification and for reducing gas demand.
- ✓ On the **internal energy market**, the plan sets out convincing measures to ensure non discriminatory participation of new market entrants, and to encourage flexibility services but without clear objectives.
- ✓ On **phasing out fossil fuel subsidies**, the plan explains the mapping exercise and describes the governance structure for their progressive phase-out.

- ✗ On **buildings**, the plan does not include more ambitious targets than those in Italy's 2020 long-term renovation strategy and does not provide estimates of financial needs or funding sources for most of the proposed energy efficiency measures.
- ✗ On **energy poverty**, Italy's draft updated NECP does not contain a target for reducing energy poverty and does not report on the number of households currently affected by energy poverty.
- ✗ On **research, innovation and competitiveness**, the plan does not provide sufficient information on measures and investments to support research and innovation in clean energy technologies, the scale-up of manufacturing capacities for net-zero technologies and to overcome the identified skills gaps.
- ✗ On **adaptation** to climate change, the plan does not assess the relevant climate vulnerabilities and risks for the achievement of Italy's energy and climate objectives, policies and measures. Adaptation policies and measures (to address these risks and vulnerabilities) are not adequately described.
- ✗ On achieving a **just transition**, the plan is not aligned with the commitments taken in the adopted Territorial Just Transition Plans, in particular for Sulcis Power Plant.

Moving forward...

Based on this assessment, the Commission has published country-specific recommendations for each Member State. These recommendations should be taken into account by the Member States when preparing their final updated NECPs, which are due by 30 June 2024.

*Full Commission's assessment and recommendations on Italy's draft updated NECP: [here](#)
More information about the National Energy & Climate Plans: [NECP website](#)*