

Management plan 2023

DG ENER

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Introduction

"Our mission is to ensure access to affordable, secure, reliable and clean energy for all Europeans; to promote efficient production and use of energy; and to drive the process of becoming the first climate-neutral continent while contributing to Europe's sustainable growth and job creation."

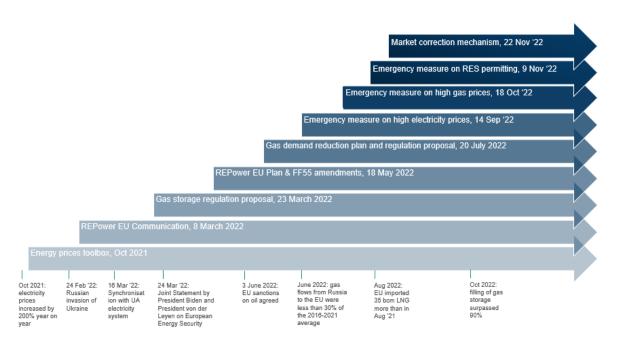
With the **European Green Deal** in its third year of implementation, Europe over the last year has established a united and decisive response to the global energy crisis. At the same time, Europe is still **recovering** from the **COVID-19 pandemic**, which has deeply disrupted the life of the citizens, the economies in the European Union (EU) and the energy sector. Russia's unprovoked and unjustified military aggression against Ukraine in February 2022 and Russia's weaponization of energy have upended energy markets, triggering price volatility and energy insecurity across the world with significant impacts and repercussions for the EU's energy system. The EU and its Member States have responded decisively to the crisis and set the target to reduce dependence on Russian fossil energy and phase out Russian energy imports well before 2030¹. This includes a reduction of energy consumption through energy efficiency and savings, an acceleration of the shift to renewable sources of energy and intensified actions to receive needed gas supplies from alternative trusted suppliers. **Record-high energy prices** have been exacerbated by Russia's weaponisation of energy supplies, and heavily impacted by the record-high temperatures and droughts in the 2022 summer period as well as by the sanctions inflicted on Russia. It is imperative to accelerate the transition to clean energy and end **dependence on Russian energy** as soon as possible and well before the end of this decade.

The core framework in the European policy response to this unprecedented situation is the **REPowerEU Plan** together with the full implementation of the European Green Deal. The plan includes actions to **save energy**, **enhance energy efficiency measures**, **diversify and secure energy supplies**, **boost renewable energy deployment** and **smartly combine investments and reforms**. DG ENER has identified 124 follow up actions to the Plan and will also implement the **Gas Storage Regulation** and the **five emergency crisis regulations** adopted by the Council **on the basis of Article 122 of the Treaty on the Functioning of the European Union (TFEU)²**. This includes various assessments and reports on the functioning of aspects of the Regulations as well as reviews and possible proposals for extension or prolongation of emergency measures. With the crisis

REPowerEU Plan

Regulation on gas demand reduction (August 2022)
Regulation to address high electricity prices (October 2022)
Regulation on high gas prices and solidarity (December 2022)
Regulation on accelerating the deployment of renewable energy (December 2022)
Regulation on a market correction mechanism for gas (December 2022)

ongoing, it is possible that further proposals for emergency measures to address high prices and possible shortages of gas supply will have to be adopted, in particular for the



preparedness for the 2023-2024 winter.

DG ENER's strategic vision for the period 2020-24, and the strongest response to the energy crisis, remains the European Green Deal and the energy transition, supported by the **REPowerEU Plan** to **reduce the EU's dependence on fossil fuels** while **contributing** to **economic recovery, green investments and jobs and a just transition**.

To secure energy supplies for the EU, the Commission and the Member States have established the **EU Energy Platform**. The **new Task Force within DG ENER** will work towards demand aggregation while also managing outreach to international partners. Furthermore, the Task Force will engage with Member States and Energy Community countries to deliver the REPowerEU Plan. The **dedicated unit responsible for the relations with Member States** will ensure an overall coordination of activities relating to the European Semester, implementation of the National Recovery and Resilience Plans (RRPs) and co-lead the negotiations of the dedicated REPowerEU chapters in the RRPs together with SG-RECOVER and ECFIN.

At the same time, engagement with Ukraine will remain high on the agenda, following the emergency synchronisation of the electricity grids between Ukraine, Moldova and Continental European Network on 16 March 2022; and the ongoing efforts to support Ukraine with its reconstruction efforts, including of critical energy infrastructure and equipment.

With the production and use of energy across economic sectors accounting for 75% of the EU's greenhouse gas emissions, further **decarbonising the energy system is critical to**

reaching the EU's energy and climate objectives for 2030 and achieving climate neutrality by 2050.

In line with the European Green Deal Communication of December 2019 and <u>DG ENER Strategic Plan 2020-24</u>, the **following specific objectives** have been defined to meet the European Green Deal overarching ambitions while ensuring a just transition:

- (i) **Energy is clean, affordable and secure** by fostering a decarbonised and renewable energy production and use in the EU that contributes to economic recovery and increased climate ambition. It also relies on a well-functioning, integrated and secure internal energy market, fit for decarbonisation where progress is monitored through the Energy Union Governance.
- (ii) **Buildings and renovations** are performed in an energy and resource efficient way and the **Energy Efficiency First** principle is applied in energy investment decisions in the Union.
- (iii) **Research is mobilised and innovation fostered** by designing a modern EU energy system that relies on clean energy technologies and digitalisation.
- (iv) All stakeholders are involved and a Just transition is ensured by enabling energy consumers being at the heart of the clean energy transition, ensuring that no one is left behind, building on the European Climate Pact.
- (v) **The EU acts as energy global leader** by contributing to an increased ambition for clean energy produced and used in third countries.

DG ENER Management Plan 2023 presents the main outputs and activities planned in 2023 and illustrates how they contribute to the achievement of the specific objectives also taking into account the emergency responses needed.

High-level priorities, general and specific objectives, and short-term actions have been set in a coherent way to ensure that all actions contribute to the achievement of these objectives and of the high-level priorities.

In this document, the icon refers to initiatives featured in the Commission's Work Programme.

PART 1. Delivering on the Commission's priorities: main outputs for 2023

In 2023, DG ENER will continue to take all necessary actions to counter the rising and volatile energy prices, reduce our fossil fuel dependency and ensure diversified and secure energy supplies. DG ENER will also ensure appropriate follow up to the **REPowerEU Plan**, which includes initiatives to save energy, diversify and secure energy supplies, boost renewable energy deployment and smartly combine investments.

The **EU Energy Platform**, initiated in response to the need to quickly diversify away from Russian gas, will support all Member States in securing gas supplies for the winter 2023/2024. The objective of the Platform is to strengthen the EU's role on global energy markets and secure energy supplies from reliable partners at fair prices for EU citizens and industry, by exploiting the EU's political and market weight. It covers demand aggregation and joint purchasing; optimisation of infrastructure use, including of EU LNG terminals; engagement with Member States and industry; and international outreach. The immediate priority of the Platform is to support storage filling ahead of the winter 2023/24 by demand aggregation and joint purchase, with the intention to have a first round of tenders taking place in the beginning of 2023.

2023 will be a crucial year to conclude interinstitutional negotiations on the Fit for 55 legislative proposals aimed at contributing to the climate target of at least 55% greenhouse gas emissions reduction by 2030 and the increased renewable and energy efficiency targets in the REPowerEU. As part of the Green Deal legislative package and the REPowerEU Plan, DG ENER has proposed a revision of the **Renewable Energy**, the **Energy** Efficiency and the Energy Performance of Buildings Directives. The Fit for 55 package also comprises a legislative proposal to reduce methane emissions and the Hydrogen and decarbonised gas market package to facilitate take-up of renewable and low-carbon gases, including hydrogen, and to reinforce energy security and protect and empower consumers. The 2022 Gas Storage Regulation as well as five emergency crisis regulations (a Regulation on gas demand reduction, a Regulation to address high electricity prices, a Regulation on high gas prices and solidarity, a Regulation on accelerating the deployment of renewable energy as well as a Regulation on a market correction mechanism for gas) include a number of follow-up actions for DG ENER. With the crisis ongoing, it is possible that further proposals for emergency measures to address high prices and possible shortages of gas supply will have to be adopted, in particular for the preparedness for the 2023-2024 winter.

DG ENER will also undertake a series of new actions to accelerate the green and digital transition in line with the **Commission Work Programme 2023**. In this regard, a reform of the **Electricity Market Design** and the establishment of a **Hydrogen Bank** are planned.

The sections below detail how DG ENER interventions contribute to achieving its five specific objectives and how these contribute to the European Green Deal. To support those, DG ENER is developing external communication and outreach actions. DG ENER will

continue working closely with European Commission Representations in the Member States and organise a series of stakeholder dialogues on specific topics, as well as other types of actions responding to the needs emerging from the evolving crisis context. These activities are in line with DG ENER 2020-2024 Communication strategy. The links between the general objective, specific objectives and result indicators are further detailed in the DG ENER 2020-2024 Strategic Plan.

Specific Objective 1: **Energy is clean, affordable and secure** by fostering a decarbonised energy production and use in the EU that contributes to economic recovery and increased climate ambition. It relies on a well-functioning, integrated and secure internal energy market, fit for decarbonisation where progress is monitored through the Energy Union Governance

The COVID-19 crisis and the Russian military invasion of Ukraine have a significant impact on the overall economy, including on investments in the energy sector. Negative impacts are likely to continue well into the next years and there is a risk that the clean energy transition slows down without an appropriate response. Several initiatives are planned for 2023 to contribute to the achievement of specific objective 1.

Clean energy

Clean energy is at the heart of the energy transition. As part of the Green Deal package, the Commission proposed a revision of Renewable Energy Directive (REDII) to increase the 2030 renewable energy target to at least 40% and boost the cost-efficient contribution of renewables to achieving 55% GHG emissions reduction by 2030. With the REPowerEU package, a further increase of the 2030 renewable energy target to 45% was proposed to accelerate the phase-out of Russian fossil fuels and achieve independence. In 2023, DG ENER will support the work of the Parliament and the Council in order to conclude interinstitutional negotiations.

The **revision of REDII** includes measures and sub-targets across sectors such as transport, buildings and industry as well as further measures to facilitate planning and permitting of renewables, which underpin the overall target. To support the implementation of REDII and remove barriers to renewables' deployment, the Commission has issued a **Recommendation on accelerating permitting processes** for renewable energy, accompanied by a guidance to tackle administrative barriers to projects. To monitor the implementation of the Recommendation, the Commission will set up an informal expert group in 2023, which will allow Member States to exchange good practices and to discuss the implementation of the provisions on planning and permitting of renewable energy projects in the revised RED II, once adopted.

In response to the energy crisis and to the call made by EU leaders, on 9 November 2022 the Commission put forward a **Proposal for a Council Regulation laying down a framework to accelerate the deployment of renewable energy**. This emergency Regulation, with a limited duration, includes targeted measures to accelerate the permitgranting process of specific renewable energy technologies and projects which have the highest potential for quick deployment. It was adopted on 22 December 2022. In 2023, DG ENER will monitor that the legislation is correctly implemented and support Member States as necessary.

In line with the Commission Work Programme 2023, DG ENER has set up an inter-departmental taskforce to develop the **European Hydrogen Bank** with the aim of preparing a proposal for the implementation of the Bank by the second quarter 2023. The

first activities of the Hydrogen Bank are expected by the end of 2023. DG ENER will also continue supporting **HyENet** (Hydrogen Energy Network meetings), an informal network of experts from Energy Ministries, with the aim to support Member States in exploiting the opportunities offered by hydrogen and sharing information and best practices.

As part of the measures proposed under the REPowerEU Plan to accelerate the roll-out of hydrogen, DG ENER, in cooperation with DG GROW, will prepare a **mandate for the development of harmonised standards for the quality of hydrogen**. The Commission aims moreover to provide further guidance on applicable rules and procedures for the construction and operation of hydrogen production, storage and transportation infrastructure, as well as setting up the **European Network of Hydrogen Network Operators** during 2023. The REPowerEU's **Action Plan on Biomethane** has started with the official launch the **Bio-methane Industrial Partnership (BIP)** that will produce reports and recommendations on implementation.

To achieve the EU's climate targets and keep the pathway towards climate neutrality by 2050, enabling the deployment of **Carbon Capture and Storage (CCS) and Carbon Capture and Utilisation (CCU)** will be essential. DG ENER will present a Communication on the role CCS and CCU can play in decarbonising the EU economy by 2050. The Communication will set out options, explain trade-offs and costs in order to support and inform future policy discussions and the development of EU-wide CO2 infrastructure and a robust regulatory framework on CO2 transport and storage infrastructure.

Implementation of the **REPowerEU Plan** will continue in 2023. One of the key objectives is to bring the total renewable energy generation capacities to 1,236 GW by 2030, in comparison to the 1,067 GW by 2030, envisaged under Fit for 55 for 2030. The EU Solar **Energy Strategy** will boost the roll-out of photovoltaic energy. As part of the REPowerEU plan, this strategy aims to bring online over 320 GW of solar photovoltaic newly installed by 2025, over twice today's level, and almost 600 GW by 2030. These frontloaded additional capacities displace the consumption of 9 bcm of natural gas annually by 2027. DG ENER will also monitor and advance the implementation of the flagship initiatives presented in the **EU Solar Energy Strategy**, such as the European Solar Rooftops Initiative aiming at accelerating the vast and underutilised potential of rooftops to produce clean energy. DG ENER also aims to publish guidance for Member States to eliminate existing barriers to renewables self-consumption and to innovative forms of solar energy deployment. DG ENER will start preparatory work to set up the Energy Communities Facility in 2024 as announced in the Solar Strategy: by 2024 to provide cascade funding to energy communities and help them procure technical and financial assistance to develop and implement renewable energy projects.

Affordable energy

Empowering consumers to engage in renewable energy and energy efficiency is key to ensuring consumer access to more affordable energy, including low-income consumers. DG ENER will continue its work on energy poverty, building on the 2020 **Recommendation on**

energy poverty and the work of the **Coordination Group on Energy Poor and Vulnerable Consumers**, allowing Member States to share best practices and providing guidance to help Member States step up their assessment of energy poverty and their policy response. DG ENER, together with DG JUST and other Commission services, will also update the existing Recommendation on energy poverty and provide additional guidance on supporting consumers in the current crisis, while ensuring that consumers remain engaged in the green energy transition.

Ensuring access to affordable energy will also highly depend on reaping the benefits of the world's largest cross-border electricity and gas market. Hence, further developing cross-border energy trade remains a core priority for 2023. Enhancing the **internal electricity** and gas markets represents the most cost-effective way to ensure secure and affordable electricity supplies to EU citizens and meet the European Green Deal objectives. The aim is to ensure a functioning market with fair market access, a high level of consumer participation and protection, high shares of fully integrated renewable electricity production, as well as adequate levels of gas and electricity interconnection and flexible generation capacity.

On the **regulatory framework**, the temporary emergency crisis measures adopted in 2022 will be followed up with longer term reforms of the electricity market. In this regard, DG ENER will prepare a **legislative proposal for a targeted reform of the electricity market design** and facilitate its swift adoption by providing support to the colegislators. The main objective of this reform will be to bring the benefits of lower cost renewables and low carbon generation to end-consumers, to reduce the impact of gas prices on electricity bills, and to better protect consumers.

In parallel, DG ENER will continue to support Member States in mitigating the impact of high energy prices on consumers, in particular through the implementation of Council **Regulation (EU) 2022/1854 on an emergency intervention to address high energy prices**. New initiatives will be put forward as appropriate to address the energy price crisis beyond the monitoring, implementation and possible development of the initiatives presented and adopted since October 2021. DG ENER will also continue to closely monitor the price developments and impacts on consumers, publishing weekly electricity, gas and oil products prices, monthly analyses on LNG and key energy indicators, and an annual overview of energy statistics.

DG ENER's work to ensure the correct implementation of the EU legislation on the internal markets for electricity and gas remains especially important in the current crisis, since Member States may react by taking national measures with negative impact on other Member States or the entire EU. DG ENER's work on ensuring compliance with EU legislation includes ascertaining that there are no undue restrictions put on cross-border trade of electricity or gas, that the EU rules on unbundling of network operators are upheld, that exemptions from internal energy market rules granted for new infrastructures by Member State regulatory authorities do not harm competition or security of supply, and that those regulatory authorities are independent.

On **infrastructure**, DG ENER will continue **implementing the revised TEN-E Regulation**. It will closely involve stakeholders in identification of new energy infrastructure priorities. The **first Union list of Projects of Common Interest (PCIs) and Projects of Mutual Interest**, planned for November 2023, will set out priority projects. The Commission will also launch another call under the Connecting Europe Facility – Energy for projects on the fifth list of PCIs currently in force.

In March 2023, the Commission will identify preliminary **hydrogen infrastructure** needs. Through the implementation of the <u>EU Offshore Renewable Energy Strategy</u> and the dedicated chapter on offshore grids for renewable integration in the revised TEN-E Regulation, DG ENER will continue promoting the deployment of offshore renewable energy. Moreover, DG ENER will continue using the established High-Level Groups (3) to monitor and accelerate the implementation of key infrastructure projects, including those identified through the REPowerEU Plan. Finally, DG ENER will also continue the implementation of the **EU renewable energy financing mechanism** and will initiate a second call for expression of interest by Member States.

Secure energy

The **European Green Deal** and the **REPowerEU Plan** continue to be the reference framework for DG ENER's action in the area of energy security and safety. In response to Russia's invasion of Ukraine, and weaponisation of energy, the EU has committed to speed up its transition towards a decarbonised, decentralised, electricity-based energy system.

Concerning **preparedness** and **crisis management**, DG ENER will continue to work closely with Member States, in particular in the context of the **sectoral European coordination groups** (for electricity, gas, oil and offshore safety) to ensure the exchange of information and **coordination of measures at national and EU level**.

The operationalisation of the **EU Energy Platform** is critical to jointly purchase gas at affordable prices and well in time for the winter 2023/2024. This will include the selection of a **Service Provider** who will organise the **demand aggregation process**, including **organisation of tenders** and **publication of their results to support the storage filling**. An ad hoc Steering Board, composed of Member States representatives, will be established to facilitate the coordination of gas demand and joint purchasing. At the technical level, the work of the Platform will be supported by the EU gas industry in the framework of the Industry Advisory Group. Finally, based on the new emergency legal framework¹, the Commission will improve transparency and congestion management and will introduce new rules on usage and transparency of LNG terminals and gas pipelines. For LNG and storage, there will be a transparent and non-discriminatory booking platform for unused capacity of LNG terminals and storage. For pipelines, clear rules will be established

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Central and South-Eastern European Energy Connectivity (CESEC) Initiative, the North Sea Energy Cooperation (NSEC), the Baltic Energy Market Interconnection Plan (BEMIP), and the High-Level Group on Interconnections for South-West Europe (HLG SWE).

for Transmission System Operators (TSOs) to return underutilised capacities to the market via auctions.

To ensure a successful implementation of the recent **initiatives** to strengthen energy security⁴ a **close follow-up and monitoring work is planned for 2023.**

With regard to the **Gas Storage Regulation**, DG ENER is expected to deliver around **100 opinions** on Member States' draft certifications of gas storage sites. DG ENER must also report on the functioning of the Regulation and measures taken by Member States by 23 February 2023. DG ENER will continue to closely monitor the level of gas storage in each Member State and, in case of deviation, issue **recommendations** and, if necessary, adopt **directly applicable measures** to refill the storage in the Member State at risk. The aim is to refill gas storage to at least 90% by November 2023.

Following the adoption of the <u>Save Gas for a Safe Winter Communication</u> and the <u>Regulation on Gas Demand Reduction</u>, DG ENER will continue monitoring whether and how Member States reduce their gas demand by 15% between 1 August 2022 and 31 March 2023. Furthermore, DG ENER will assess the need to extend the demand reduction target beyond March 2023 by means of a new legislative proposal.

DG ENER will **monitor** Member States' implementation of the new provisions on solidarity. This will include *inter alia* the development of tools like the **Gas Coordination Group guidelines on the essential and non-essential consumption of protected customers, the assessment of critical gas volume and possibly the development and installation of an on-line platform** to ensure real time transmission of solidarity requests and responses.

DG ENER will also review and issue **reasoned opinions** on the recent and upcoming updates of Member States' **Preventive Action and Emergency Plans**⁵ and **risk-preparedness plans in the electricity sector**⁶. DG ENER will submit a **report** by 1 September 2023 on the **Gas Security of Supply Regulation**, including where necessary legislative proposals to amend the Regulation. To contribute to the security of oil supply, DG ENER will work on measures for the **replenishment of emergency oil stocks** and other possible measures to improve EU resilience in this area.

Energy security needs are also necessarily addressed through internal market legislation. The revision of this legislation will still ensure that the regulated market framework creates the right incentives both for regulators and system operators to have adequate generation capacity, and to have the right market signals or regulated support regimes (such as capacity mechanisms), to ensure generation adequacy.

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⁴ Gas Storage Regulation, the Gas Demand Reduction Regulation, the Gas Regulation on Solidarity and the Recommendation on oil strategic stocks and savings

⁵ Implementation of the <u>Gas Security of Supply Regulation</u>

⁶ Implementation of the <u>Regulation on the Risk Preparedness in the Electricity Sector</u>

The clean energy transition entails a paradigm shift in energy security with regard to raw materials and supply chains. DG ENER will continue **supporting the work done by DG GROW on the European Critical Raw Materials Act**, which is planned for adoption in March 2023. DG ENER will also continue to participate in the Mineral Security Partnership, and represent together with DG GROW the European Commission at the IEA Critical Minerals Working Group.

In the field of **nuclear energy**, the Commission will continue to pursue work to promote the **highest safety standards** for the use of this low-carbon energy source in the EU Member States as well as beyond the EU's borders. To this end, DG ENER will maintain its close cooperation with Member States' regulatory authorities within the European Nuclear Safety Regulators Group (**ENSREG**). Focus areas of this cooperation in 2023 will include the follow-up of the implementation of the post-Fukushima **Stress Tests** and the **second Topical Peer Review** under the Nuclear Safety Directive on the topic of 'fire-protection' at nuclear installations. Another main focus of this cooperation, in the present circumstances, is to **support Ukraine** and ensure the safety of Ukrainian nuclear installations⁷.

Enhancing preparedness and response in case of a radiological or nuclear emergency is particularly relevant in this context. DG ENER provides rapid alert and continuous exchange of information and radiation monitoring data among the EU and neighbouring countries through the European Community Urgent Radiological Information Exchange (ECURIE) and the European Urgent Radiological Data Exchange Platform (EURDEP)

The dependence of certain EU Member States on Russia for the **supply of nuclear fuel and nuclear fuel cycle services** poses a risk to the stability of the EU electricity market⁸. DG ENER will continue to work, in cooperation with relevant stakeholders, on a set of measures aiming at **diversification** of supply sources across the nuclear fuel production chain, in the interest of EU's strategic autonomy, energy security of supply, and in line with the objectives of the REPowerEU Plan.

DG ENER will also continue to monitor the **implementation of the Euratom Directives**, and will follow up on the findings of the related Commission **Reports**⁹.

DG ENER together with ENSREG is supporting the work by the European nuclear safety regulators in the Western European Nuclear Regulators Association (WENRA) on assessment of risks and accident scenarios related to the Russian war of aggression against Ukraine. In addition, DG ENER participates in activities of the Heads of the European Radiological Protection Competent Authorities (HERCA) and regulatory authorities in Ukraine and its neighbouring countries to better prepare for any potential radiological or nuclear emergency.

There is currently a critical dependence (100%) on Russia for nuclear fuel supply to VVER reactors operated in five Member States (Bulgaria, Czechia, Finland, Hungary and Slovakia) and, to a lower degree (around 25%), a dependence of a number of Member States on Russia as regards nuclear fuel-cycle services (notably uranium conversion and enrichment). The risks inherent to such dependence go well beyond the EU nuclear sector and may affect the EU electricity market as a whole. Considering that nuclear power currently represents around 25% of the electricity production in the EU, any disruption affecting the nuclear fuel supply chain will have critical consequences on the overall supply of electricity in the EU.

Second Commission Report to the Council and the European Parliament on the implementation of the Nuclear Safety Directive (NSD) of 21 April 2022 (COM/2022/173 final); third Commission Report to the European Parliament and

Under the **Nuclear Decommissioning Assistance Programmes** (NDAP), the focus will continue to be on the reduction of nuclear and radiation risks in the concerned reactors, recycling materials wherever possible, and making full use of synergies and **knowledge sharing**. DG ENER and the Joint Research Centre will strengthen initiatives to share decommissioning expertise gained by NDAP operators with all EU stakeholders. DG ENER will also continue the work in the newly established **NuBAFA** expert group to address the challenges facing the EU and its Member States with regard to financial aspects of the back-end of the nuclear fuel cycle.

Several Member States are deciding on new **investments in nuclear energy**, including in new nuclear power plants, to support their decarbonisation efforts and to ensure energy security. The Commission will assess those projects against the objectives of the Euratom Treaty (¹⁰).

In the area of innovative nuclear technologies, DG ENER follows the actions among relevant stakeholders with a view to the deployment of **Small Modular Reactors** (SMRs) in the EU by the early 2030s. In 2023, DG ENER will continue its collaboration with the stakeholders preparing the launch of a European SMR Partnership, federating industrial stakeholders, nuclear regulatory authorities and research organisations, in view of ensuring the highest possible level of nuclear safety of future SMR installations and supporting coordinated regulatory processes in and among the EU Member States to this effect.

In the field of Euratom safeguards, the Commission will continue to ensure that civil nuclear materials in the EU are not diverted from their intended uses and that particular safeguards obligations assumed under international agreements are fulfilled. In 2023, DG ENER will prepare a Euratom Safeguards Report of the year 2022, and come forward with a proposal to revise Regulation 302/2005 on the application of Euratom safeguards.

Energy strategy and implementation

In 2023, **strategic energy policy planning, development** and **foresight** will continue to play a central role in the successful delivery on the clean energy transition goals as outlined in the European Green Deal, but also in advancing recovery and enhanced resilience following the outbreak of the COVID-19 pandemic and the energy crisis following Russia's invasion of Ukraine. DG ENER will continue to engage in active planning and policy coordination and ensure close relations with the European institutions, notably the Council and the European Parliament, to ensure that specific objectives are achieved swiftly.

Work will continue, with DG CLIMA, on the implementation of the Regulation on the **Governance of the Energy Union,** notably the assessment of the **first ever integrated progress reports** on the implementation of the **National Energy and Climate Plans**

the Council on the Radioactive Waste Directive; fourth Commission Report to the European Parliament, the Council and the European Economic and Social Committee on the Shipment Directive.

¹⁰ In line with the procedure laid down in Articles 41-44 of the Euratom Treaty.

(NECPs) to be submitted by Member States in March 2023 and the **updated draft NECPs** by June 2023. DG ENER will continue supporting Member States concerning reporting obligations and in updating their NECPs and will engage at technical level to define overarching strategies to phase out Russian fossil fuels as soon as possible.

In the light of the new 2030 climate and energy targets, the Commission will start the **evaluation of the Energy Union Governance Regulation** with the aim of proposing a potential revision to adapt the legal provisions to the Fit for 55 legislative acts and changed geopolitical environment.

Progress made on meeting the objectives of the 2030 Energy and Climate Policy Framework will be further assessed in the context of the 2023 State of the Energy Union Report.

Following the formal adoption of the REPowerEU Regulation, Member States are expected to update their Recovery and Resilience Plans (RRPs) by integrating a dedicated chapter of investments and reforms that support the REPowerEU objectives, the REPowerEU chapter. The measures included in the REPowerEU chapter must support the ambition of the REPowerEU Plan of eliminating Europe's dependency on Russian fossil fuels. Cooperation with DG REFORM will continue with regard to the implementation of the Technical Support Instrument (TSI) to assist those Member States that have requested in preparing the REPowerEU chapter.

DG ENER will assess, in close collaboration with SG RECOVER and DG ECFIN, the updated RRPs, including the REPowerEU chapters, which Member States will start submitting beginning of 2023. Overall, DG ENER will establish close contacts with Member States and other EU Institutions on the delivery of the REPowerEU Plan and the EU Energy Platform in line with the European Green Deal objectives. DG ENER will also continue monitoring the implementation of milestones and targets of the Recovery and Resilience Plans (RRPs) and coordinate input for the European Semester on energy policy country-specific surveillance.

DG ENER will support Member States in their **transposition** and **implementation of the existing energy** – including the Clean Energy package – **and Euratom 'acquis'** so that they deploy all their potential on the ground. Therefore, work will be carried out in particular as regards:

analysis of the measures taken by Member States to transpose the existing acquis, notably the 2018 Renewable Energy Directive, the 2019 Internal Market for Electricity Directive, the 2018 amendments to the Energy Efficiency Directive and the Energy Performance of Buildings Directive, and the Basic Safety Standards Directive. This work will also include new legal acts adopted as part of the Green Deal package that will enter into force before the end of 2023, in particular the proposals for a recast Energy Efficiency Directive, an amendment to the Renewable Energy Directive and Hydrogen and decarbonised gas market package.

- (ii) monitoring of **enforcement of directly applicable regulations** in the Member States. These include the **Security of Gas Supply Regulation**, the **Regulations on the internal market for electricity and gas**, the network codes and, importantly, the newly adopted **emergency measures** based on Article 122 TFEU.
- (iii) informal as well as structured dialogue through workshops, ad hoc meetings, the **'Concerted Action' programmes**, and **package meetings** on open complaints, **EU PILOTs**, and **infringements**; as regards the latter, DG ENER will aim at having comprehensive package meetings with at least two thirds of the Member States by the end 2023 to discuss and move forward on infringements.
- (iv) work on the **enforcement of energy acquis**, if necessary, through formal infringement procedures; in this context, DG ENER will closely follow up on the SG-led Coherence Exercise on infringements, and on the action plan developed as follow-up of the 2021 audit exercise on implementation of the energy acquis.
- (v) shaping the interpretation of the energy acquis through contributions to **preliminary rulings requests** by national courts to the Court of Justice, which is a key tool in the application of the acquis on the ground across the Union.

General objective: European Green Deal

Specific objective: Supplying clean, affordable and secure energy

Related to spending programme(s): Recovery and Resilience Facility, European Structural and Investment Funds, InvestEU, Horizon Europe, Connecting Europe Facility, LIFE,
Renewable Financing Mechanism

Main outputs in 2023:

Main datpats in 2023.		
New policy initiatives		
Output	Indicator	Target
Revision of the EU's electricity market design	Adoption	Q1 2023
Proposal for the implementation of the European Hydrogen Bank	Adoption	Q2 2023
Communication on a strategic vision for carbon capture utilisation and storage deployment in the EU	Adoption	Q4 2023
New legislative proposal to extend the demand reduction target beyond March 2023 (potential)	Adoption	Q1 2023
2024 gas filling trajectories for the EU Member States	Adoption	Q4 2023
Proposal for a Council Decision approving a Commission	Adoption	Q1 2023

Regulation (Euratom) on the		
application of Euratom safeguards		
Evaluations and fitness cho	ecks	
Output	Indicator	Target
Evaluation of the nuclear decommissioning assistance programme (2014-2020)	Adoption	Q3 2023
Public consultations		
Public consultation "Revision of the EU's electricity market design"	Publication	Q1 2023
External communication ac	tions	
Output	Indicator	Target
Event on the update of the National Energy and Climate Plans	Number of attendees	200
Other important outputs		
Output	Indicator	Target
Renewable Energy Directive and REPowerEU	Political agreement by co- legislator	Q2 2023
Gas and Hydrogen Directive and Regulation	Opening of interinstitutional negotiations following EP report & mandate and Council general approach	Q2 2023
Methane leakage in the energy sector – Legislative act	Opening of interinstitutional negotiations following EP report & mandate and Council general approach	Q2 2023
Revision of the EU's electricity market design	1. Explanatory meetings to the colegislators (i.e. ITRE, Coreper I and EWP), in view of EP report & mandate and Council general approach (dates tbd) 2. Possible start of interinstitutional negotiations following EP mandate and Council	Q2 2023
Implementation of the EU solar energy strategy - solar rooftops initiative	Adoption of the revised EPBD including the solar obligation	Q2 2023
Report on the State of the Energy Union, including assessment of progress in 2022 (Governance Regulation)	Adoption	Q4 2023
Assessment of submitted draft updates of the National Energy and Climate Plans and recommendations, taking into	Communication + 27 SWDs + 27 recommendations (Governance Regulation)	Q4 2023

account the actual progress on implementation		
Expert group on speeding up permit-granting procedures for renewable energy projects to follow up on the Commission Recommendation C(2022) 3219 final [Register of Expert groups]	Creation of the group	Q1 2023
Commission Implementing Regulation (EU) No/ establishing a guideline on capacity allocation and congestion management (recast) and amending Commission Regulation (EU) 2017/1485 of 2 August 2017 establishing a guideline on electricity transmission system operation	Adoption	Q3 2023
TEN-E: First Union list of Projects of Common Interest and Projects of Mutual Interest	Adoption	November 2023
TEN-E: Communication from the Commission on accelerating project implementation	Communication	November 2023
Commission implementing decision on the selection and award of grants for actions contributing to Projects of Common Interest under the Connecting Europe Facility in the field of trans-European energy infrastructure (call for proposals in 2023)	Adoption	Q3 2023
+/- 100 Opinions on Member State's draft certifications of gas storage sites	Adoption	Q1/2/3/4 2023
Report on the functioning of the Gas Storage Regulation and measures taken by Member States	Adoption	23 March 2023
27 Opinions on Member States Preventive Action and Emergency Plans	Adoption	Q3-Q4 2023
Interinstitutional examination of the Amendments to the Regulation on Security of Gas Supply adopted via 2022 Crisis Regulations	Submission of a Report	1st September 2023
Delegated Regulation on sector- specific rules for cybersecurity	Adoption	Q2 2023

aspects of cross-border electricity flows		
Ad hoc Steering Board following Council Regulation (EU) 2022/549 final on enhancing solidarity through better coordination of gas purchases, exchanges of gas across borders and reliable price benchmarks	Establishment	January 2023
Joint Purchasing (IT) Platform following Council Regulation (EU) 2022/549 final on enhancing solidarity through better coordination of gas purchases, exchanges of gas across borders and reliable price benchmarks	Launch	Q1 2023

Specific Objective 2: **Buildings and renovations** are performed in an energy and resource efficient way and the **Energy Efficiency First** principle is applied in energy investment decisions in the Union

Prioritising energy efficiency in all stages of the energy value chain from generation to final consumption contributes to the decarbonisation of the whole energy system in a cost-effective way, which is a key prerequisite for reaching the Union's climate objectives. It also helps improving access to affordable, secure, reliable and clean energy. Several initiatives are planned for 2023 to achieve specific objective 2 with a focus on the building sector, which is the largest single energy consumer in Europe, responsible for about 40% of EU's total energy consumption.

Energy efficiency

The Commission will support the Council and the European Parliament to finalise the negotiations on the legislative proposal for a recast of **the Energy Efficiency Directive** (**EED**). The revision of the EED contributes to the achievement of the higher climate target of at least 55% greenhouse gas emissions reduction by 2030 and the REPowerEU objective to phase-out EU dependency on Russian fossil fuels imports by 2027. The Commission is exploring the possibility to release guidance documents on the key articles of the EED to support Member States in the implementation of the recast EED. Furthermore, a delegated act on energy efficiency in data centres will be prepared.

DG ENER will follow up the work on the **Energy Efficiency First principle** and will also explore the opportunity of preparing sector-specific guidelines on the concrete implementation and operationalisation of the energy efficiency first principle in different energy end-use sectors.

In view of the central role of energy savings in our response to the current energy crisis and the European Green Deal delivery, DG ENER will aim at increasing energy saving and stepping up energy efficiency investments in Europe. As per the EU Save Energy Communication, the Commission will set up a high-level **European Energy Efficiency Financing Coalition** with the financial sector and Member States to mobilise private financing for energy efficiency.

DG ENER will continue supporting the development of dedicated financing products and advisory services, notably under **InvestEU**. The Commission will reinforce project development assistance under **ELENA (European Local Energy Assistance)** to support project aggregation and the development of a strong pipeline of investment projects in energy efficiency, with a dedicated component for building renovation.

On the implementation of the **LIFE Clean Energy Transition** sub-programme, DG ENER will continue to support regulatory measures, market uptake and finance mobilisation activities to upscale energy efficiency and local/on-site renewables deployment, including through the LIFE CET Call 2023. DG ENER will also continue working on the implementation

of the **European Energy Efficiency Fund (EEEF)**, including through the increase of its portfolio of investments and by attracting new investors.

DG ENER is also vice chair of the International Energy Agency's **Energy Efficiency HUB**, a platform of voluntary collaboration among 16 governments to strengthen international collaboration on energy efficiency and avoid duplication of work streams among international organisations. DG ENER has supported, among other activities under the platform, the creation of the ENERGY EFFICIENCY in BUILDINGS (EEB) task group which will start the operations in 2023 and will be led together with Germany.

Buildings and products

As part of the Fit for 55 package and delivering on the Renovation Wave action plan, the Commission will keep supporting a comprehensive set of actions to break down existing barriers to **renovation and decarbonisation of buildings**, including through dedicated stakeholder fora. The Commission will support the co-legislators to initiate and successfully carry out negotiations on the legislative proposal for a recast **Energy Performance of Buildings Directive (EPBD)**, at the core, together with the EED, of the EU's REPowerEU response.

As part of the Sustainable Product Initiative, DG ENER will continue its work on the implementation of the **Ecodesign and energy labelling working plan 2022-2024**. This Working Plan covers new energy-related products and focuses on updating and increasing the ambition of approximately 20 priority products that are already regulated bringing significant energy and cost savings to citizens.

DG ENER will keep revising **ecodesign and energy labelling regulations on heating and cooling products** to double the current deployment rate of individual heat pumps, and to the Renovation Wave efforts. DG ENER will examine a reform of the energy label to better inform consumers and help citizens reduce energy consumption.

To deliver on the REPowerEU targets for heat pumps uptake and its increased ambition on energy efficiency and renewables, and on the European Green Deal, DG ENER will prepare in 2023 an operational **Action Plan on accelerating Heat Pumps market and deployment**. DG ENER will prepare this Action Plan in close consultation with Member States, industry and other stakeholders. The Action Plan will tackle the need for accelerating deployment and scaling up of the EU's manufacturing capacity, upskilling and reskilling the workforce in all parts of the value chain to ensure sufficient numbers of highly qualified installers, next to a favourable regulatory and policy framework and a mapping and prioritisation of financing possibilities.

Given the large **investment needs in the buildings sector** to deliver on EU climate and energy targets, DG ENER will keep analysing and steering building-related components across operational programmes for Cohesion Policy funds, mainstreaming support for building renovation into regional and local projects and in REPowerEU chapters in the Recovery and Resilience Plans. DG ENER will also keep working with Member States and

stakeholders on the **EU Save Energy Plan** and national energy efficiency and saving measures on buildings and products to tackle the energy crisis at its root.

The Commission will continue developing the **European Product Registration Database for Energy Labelling's (EPREL) public interface**, launched together with REPowerEU. DG ENER will prepare a new EPREL implementing regulation for stricter supplier identify verification requirements. The Commission will also step up its **support to market surveillance in the field of ecodesign and energy labelling.** The development and revision of product-related regulations will be accompanied by standardisation work and stakeholder involvement.

Efforts will continue on the **international** side. DG ENER will launch a new building specific work stream of the Energy Efficiency Hub of the International Energy Agency (IEA). As part of its efforts to improve **reliability and comparability of data in particular towards financial institutions**, DG ENER will launch the preparation of an implementing act on the transfer of information to the EU Building Stock Observatory.

Specific objective: Building and renovating in an energy and resource efficient way

Related to spending programme(s): Recovery and Resilience Facility, European Structural and Investment Funds, InvestEU, Horizon Europe, LIFE, European Energy Efficiency Fund

Main outputs in 2023:

New policy initiatives

Output	Indicator	Target
Communication: Action plan on accelerating Heat Pumps market	Adoption	Q4 2023
and deployment		

Initiatives linked to regulatory simplification and burden reduction

Output	Indicator	Target
Delegated Regulation supplementing Regulation 2020/740 on the retreating of tyres and other necessary adaptations (to Annexes I and II).	Adoption	Q1 2023
Review of Ecodesign and energy labelling requirements of household tumble dryers	Adoption	Q2 2023
Review of ecodesign requirements for standby and off mode electric power consumption	Adoption	Q3 2023

Output	Indicator	Target
Review of ecodesign requirements for industrial fans	Adoption	Q3 2023
Review of ecodesign requirements and rescaling of energy label for local space heaters	Adoption	Q3 2023
Review of Ecodesign and review/rescaling of energy labelling requirements for air-to-air conditioners, air-to-air heat pumps and comfort fans (review)	Adoption	Q4 2023
Review of Ecodesign and review/rescaling of energy labelling requirements for space and combination heaters (review/rescaling)	Adoption	Q4 2023
Review of Ecodesign and review/rescaling of energy labelling requirements for water heaters and tanks	Adoption	Q4 2023
Review of Ecodesign and review/rescaling of energy labelling requirements for vacuum cleaners	Adoption	Q4 2023
Review of ecodesign and information requirements for external power supplies (EPS)	Adoption	Q3 2023
Review of Ecodesign requirements for water pumps	Adoption	Q4 2023
Public consultations		
Output	Indicator	Target
Stakeholder consultation for the preparation of the Heat Pumps action plan (call for evidence in February 2023, public consultation in March-May 2023)	Public consultation stage and targeted workshops	Q2-Q3 2023
Public consultations on product- specific regulations e.g. cooking appliances and solid fuel boilers	Public consultations open	Q4 2023
Other important outputs		
Output	Indicator	Target
Energy Efficiency Directive	Political agreement by co- legislator	Q2 2023

Output	Indicator	Target
Energy Performance of Buildings Directive	Opening of interinstitutional negotiations following EP report & mandate and Council general approach	Q2 2023
Report to Council and Parliament on the potential contribution of a Union building policy to the promotion of electromobility (mandatory reporting obligation under the Energy Performance of Buildings Directive)	Adoption	Q1 2023
Delegated Act on the reporting obligation of data centres	Adoption	Q4 2023
European Energy Efficiency Financing Coalition	Creation	Q3 2023
COMMISSION IMPLEMENTING REGULATION laying down operational details for the European Product Registry for Energy Labelling (EPREL)	Adoption	Q2 2023

Specific Objective 3: **Research is mobilised and innovation fostered** by designing a modern EU energy system that relies on clean energy technologies and digitalisation

Accelerating the energy transition is key, both as a means to tackle the climate crisis but also to reduce our dependencies and boost our competitiveness as called for by Leaders in December 2022. In this regard, as half of the greenhouse gas emissions reductions to be achieved by 2050 will come from technologies that have not yet reached the market, it is important to step up our research and innovation efforts. It is also important – as the Commission's 2022 Strategic Foresight report underlined – to accelerate the green and digital transitions in tandem. The Commission will therefore take measures to unlock the potential of innovative digital solutions in the energy sector, thus responding to both the Green Deal and Europe Fit for the Digital Age priorities.

Enhancing the competitiveness of clean energy technologies

Plan¹¹ to foster the use of digital solutions for a greener, more affordable, and more secure EU energy system. In particular, it will establish a **Smart Energy Expert Group** with key public and private stakeholders. It will also strengthen the coordination at EU level on data exchanges for the energy sector. This will be the first concrete step towards establishing a common European energy data space, as announced in the Action Plan.

As part of the Plan, DG ENER will prepare a **delegated act establishing a Network Code on the cybersecurity** of the cross-border electricity flows. At the same time, DG ENER will prepare the ground for a new set of interoperability rules for access to data required for demand response and supplier switching, to further facilitate the role of active consumers, and as provided for in the recast 2019 Electricity Directive. In accordance with the requirements of the Governance Regulation 2018/1999, DG ENER will publish the fourth annual **progress report on the competitiveness of clean energy technologies** as part of the State of the Energy Union report, planned for autumn 2023. The report will assess the state of play and the competitiveness of the main clean energy technologies, and will analyse the impact of the war in Ukraine on the EU clean energy value chains. It will also address the shortage of skills and the issue of raw materials.

As regards **Horizon Europe**, DG ENER will contribute to the definition of the future Strategic Plan (2025-27) and implement the second bi-annual Work Programme (2023-24). DG ENER will contribute to the implementation of the Horizon Europe Missions, and in particular the "Climate-Neutral and Smart Cities Mission. DG ENER will also steer the work of the EU Clean Hydrogen Joint Undertaking, whilst also participating in the work of the Clean Hydrogen Alliance.

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^{11 &}lt;u>COM2022(552)</u>

In parallel, DG ENER, together with DG RTD and DG JRC, will continue supporting the **Strategic Energy Technology Plan** (SET Plan). They will prepare a Communication proposing measures to reinforce the SET Plan, building on the Call for evidence launched in 2022. These measures will be presented at the annual SET Plan conference on 23-24 October 2023.

DG ENER will continue **informing the energy policy definition and implementation** based on scientific evidence and knowledge of technology developments. To this end, DG ENER will continue enhancing its collaboration with the **Climate, Innovation, and Networks Executive Agency (CINEA)**. It will also enhance collaboration between projects on smart grids, energy storage, islands, and digitalisation, through the renewed **BRIDGE initiative**.

DG ENER will continue engaging **with international initiatives and institutions** in order to accelerate research, innovation and deployment of clean energy technologies and to contribute to the implementation of the EU External Energy Strategy¹². In particular, it will represent the European Commission in various work streams of the International Energy Agency; in the Steering Committee and various work streams of the Clean Energy Ministerial (CEM); and in Mission Innovation (MI). Key milestones of the year 2023 will include the 14th meeting of the Clean Energy Ministerial, the G20 energy ministerial, and the launching of the UNFCCC COP's Breakthrough Agenda as a joint CEM-MI project.

radiation technology in order to maximise their benefits, whilst providing high standards of quality and safety to European citizens, strengthening the security of supply of medical radioisotopes¹³ and ensuring coordination of research and innovation in this area. To these ends, the Commission will continue implementing the key actions foreseen in the **Strategic Agenda for Medical Ionising Radiation Applications (SAMIRA)** Action Plan. Activities on the supply of medical radioisotopes will include a focus on dependencies from Russia in the supply of certain isotopes. The SAMIRA actions are delivered in synergy with other EU initiatives and programmes in the areas of health and research, under the umbrella of the 'Europe's Beating Cancer Plan' initiative.

Developing nuclear fusion energy technologies (ITER)

The European investment in **ITER** is a major effort towards proving that fusion technology can become a sustainable source of energy in the future, contributing to energy security and supporting industrial innovation and competiveness.

During 2023, the EU with the other partners in the project will assess the unexpectedly slow project construction progress and consider actions to improve the project performance and optimise the schedule and control cost in the context of the project's baselining. A

¹² JOIN(2022) 23 final

With contributions from the Euratom Supply Agency

thorough reflection about the scientific objectives of ITER will be conducted to support these efforts and to take into account the latest scientific developments in the field of fusion energy research.

In addition, during 2023, DG ENER will work towards **re-structuring the project**, its governance and management towards a **closer integration of the Domestic Agencies with the ITER Organisation (IO),** to streamline project management and increase efficiencies

As follow-up to the IAS audit of 2022, DG ENER will revise in 2023 its supervision strategy for ITER, which should also include the conclusion of an amendment to the Agreement between the Commission and Fusion for Energy (F4E).

To support effective expenditure of the resources dedicated to European participation in the ITER project, DG ENER will initiate the preparatory work for the **mid-term review of the ITER Programme** under the current Multiannual Financial Framework (2021-2027).

DG ENER will continue assessing and supporting the public and private fusion initiatives and in particular will support the construction of a materials test facility (DONES) and the preparatory work for the development of a future fusion demonstration device (DEMO). Interaction with key international partners in the global development of fusion will focus in particular on the strategic collaboration with Japan under EU-Japan Broader Approach under which concrete collaborative projects will continue in 2023.

DG ENER in collaboration with DG RTD will continue preparatory activities for a **fusion regulatory framework** capable of attracting future investments in fusion and providing legal certainty for safe development and operation of fusion installations.

General objective: Euro	pean Green Deal	
Specific objective: Mobi	Mobilising research and fostering innovation Related to spending programme(s): Horizon Europe, LIFE, ITER	
Main outputs in 2023:	. 3. 3	
New policy initiatives		
Output	Indicator	Target
Communication on SET Plan	Adoption	Q2 2023
External communication actions		
Output	Indicator	Target
SET Plan Annual Conference – October 2023	Number of participants	200-300
BRIDGE General Assembly – Marc 2023	h Number of participants	60-80
Event on the new SET Plan	Number of participants	100

Other important outputs		
Output	Indicator	Target
Commission Decision on approval of the conclusion of an amendment to the agreement between the European Commission and the European Joint Undertaking for ITER and the development of fusion energy on the financial participation of the European Atomic Energy Community in the European Joint Undertaking for ITER and the development of the fusion energy and related matters	Adoption	Q2 2023
Progress report on the competitiveness of clean energy technologies	Adoption	Q4 2023

Specific Objective 4: **All stakeholders are involved and a Just transition is ensured** by enabling energy consumers being at the heart of the clean energy transition and ensuring that no one is left behind, building on the European Climate Pact

As recognised under the Just Transition pillar of the European Green Deal, the green energy transition needs to be fair and not leave anyone behind. The impact of the ongoing energy crisis on all consumers, and particularly on the vulnerable and energy poor reinforces this, as recognised in the RepowerEU plan.

Green Deal and works closely with DG REGIO on supporting Member States and their regions in designing ambitious just transition strategies, with focus on coal regions in transition and including peat and oil shale regions. Particular attention is paid to the needs of those who will be most affected by addressing distributional impacts of coal phase out and addressing energy poverty. Bottom-up, local initiatives have a clear potential to accelerate the uptake of clean energy technologies and test new approaches to efficiently implement the clean energy transition on the ground. Delivering the European Green Deal requires not only legislation but also an enabling framework to accelerate the uptake of EU legislation at local and regional levels.

The Fit for 55 legislative package will introduce a strong legislative framework to tackle energy poverty, which will include an EU level definition of energy poverty in the Energy Efficiency Directive, dedicated funding through a newly established Social Climate Fund and prioritisation of energy efficiency and building renovation measures and investments targeting these groups.

In 2023, DG ENER will continue exchanging knowledge with Member States on vulnerable consumers and the energy poor through the **Energy Poverty and Vulnerable Consumers Coordination group**. The Commission will also update the existing **Recommendation on energy poverty** to further assist Member States in assessing the energy poverty problem and designing effective mitigation policies in their NECP updates. This will also include guidance to Member States on empowering and protecting vulnerable consumers to engage in the energy transition and untying their reliance on fossil fuels. At the same time, the Commission will use the planned **review of the Electricity Market Design** in order to better protect and empower consumers.

The Commission will develop **guidance on consumer empowerment, prosumers and energy communities**, exploring enabling conditions for innovative developments such as energy trading platforms, as well as intensifying cooperation between energy communities and key interlocutors such as the financial actors, local energy agencies and local authorities by levering existing local initiatives, projects and institutions.

As regards other local initiatives to speed up the transition and engage actors on the ground, key work streams of 2023 include the following:

The **Covenant of Mayors** (CoM) for Climate and Energy is the flagship movement of EU local authorities committed to reduce emissions, adapt to climate change and tackle energy poverty, from 2022 onwards with a renewed commitment for 2050. In 2023, a **new service contract** for the CoM Office will be put in place, considering a streamlining of services and creating multiple incentives for signing up under the upgraded 2050 targets. The Covenant of Mayors will also extend its **Cities Energy Saving Sprint**, which was launched in 2022, directly supporting the REPowerEU Energy Savings plan of the European Commission and supported by a comprehensive toolkit with concrete examples.

The <u>Smart Cities Marketplace</u> will strengthen and further streamline its <u>Explore-Shape-Deal Matchmaking</u> process by means of an expanded and renewed set of tools and a <u>stronger go-local approach</u>, to continue triggering the implementation, replication and upscaling of Smart City projects in close collaboration with other European City initiatives such as the Covenant of Mayors, specifically <u>targeting small and mid-sized cities</u>.

The 2-year pilot project **Covenant of Companies** (previously "Corporate Covenant") kicked-off in 2022, encouraging companies – with a focus on SMEs – to step up their contributions to a clean energy transition and climate action. In 2023, the initiative will launch a second **call for technical assistance**.

The Commission will continue to support energy transition on the EU islands, guiding them through different stages of transition and covering regulatory, technological, economic, financial and social aspects of this process. In 2023 the new phase of the **Clean energy for EU islands secretariat** will be launched with an ambition to support, deliver and show-case **at least 30 100% renewable islands by 2030.**

The **European Sustainable Energy Week** (EUSEW) will continue to promote sustainable energy across Europe through an annual conference, which is the biggest event dedicated to clean energy sources and efficient energy use in Europe.

DG ENER will also continue supporting the **Energy and Managing Authorities (EMA)** network, in cooperation with DG REGIO, to make the best possible use of Cohesion Policy funding to promote energy efficiency, renewable energy and smart energy infrastructure, as well as energy-related research and innovation.

General objective: European Green Deal

Specific objective: Involving the public and all stakeholders and ensuring a Just

transition

Related to spending programme(s): Recovery and Resilience Facility, Just Transition Mechanism

Main outputs in 2023:

External communication actions			
Output	Indicator	Target	
European Sustainable Energy Week	Number of participants	3000	
Stakeholder dialogues in the Member States	Number of participants	400 in total	
Citizens' Energy Forum	Number of participants	400-500 (on site+online)	
Other important outputs			
Output	Indicator	Target	
Clean Energy 4EU Islands	Signature of contract	Q1 2023	
Covenant of Mayors renewal of contract	Call for tender and signature of the contract	Q4 2023	
Updated recommendation on energy poverty	Commission recommendation adopted	Q1 2023	

Specific Objective 5: **The EU acts as energy global leader** by contributing to an increased ambition for clean energy to be produced and used in third countries

DG ENER will contribute to diversifying the EU's energy supplies to make Europe independent from Russian fossil fuels well before 2030 as outlined in REPowerEU. In line with the EU External Energy Engagement Strategy¹⁴, DG ENER will further contribute to developing and implementing the external dimension of the European Green Deal in energy via continued close cooperation with EU's key international partners at bilateral, regional and multilateral level using the **Team Europe approach**. Under the EU Energy Platform, outreach activities with third countries (such as United States, Algeria, Norway) will continue with the aim to replace Russian gas supplies in the short term. The Service Provider and demand aggregation will provide an opportunity for suppliers to respond to EU tenders. In the longer term, the Platform could help to ensure access to renewable hydrogen imports from non-EU sources.

DG ENER will continue supporting **Ukraine** to keep its energy system and infrastructure operational and ensure security of supplies amid the war waged by Russia, including after the successful emergency synchronisation of the electricity grids between Ukraine, Moldova and Continental European Network on 16 March 2022. DG ENER will also follow up on its bilateral energy cooperation under the Memorandum of Understanding on Strategic Energy Partnership and the Association Agreement. Such cooperation channels might be affected by Ukraine's integration in the enlargement process in 2023 following the granting of candidate status in 2022. In 2023, the reconstruction of Ukraine will also gain prominence, including for critical energy infrastructure. ENER will cooperate with other DGs (especially NEAR, EEAS and GROW), the Energy Community Secretariat and other donors to ensure reconstruction efforts are anchored to the European Green Deal and decarbonisation objectives and the 'build-back-better principle'. DG ENER will also pursue the work on the EU-Ukraine High-Level Working Group on energy market integration, where a roadmap for needed measures and reforms was endorsed. Ukraine will also be integrated in the EU Energy Platform for voluntary gas purchases.

For **Moldova**, DG ENER will follow up on the latest High-Level Energy Dialogue held in June 2022 and its bilateral energy cooperation under the Association Agreement. DG ENER will also support Moldova's security of supply by progressing on the implementation of the energy market reform, developing renewable energy and energy efficiency, strengthen electricity interconnections with Romania and Ukraine and looking at alternative gas supply routes.

DG ENER will continue strengthening the trans-Atlantic energy co-operation via the **EU-US Energy Council** and the **EU-Canada High Level Dialogue on Energy**. In parallel, DG ENER will continue cooperation on energy security through the Presidential **EU-US Energy Security Task Force** focusing on attracting additional LNG supplies and working on

¹⁴ JOIN(2022) 23 Final

demand reduction. DG ENER will also continue its close cooperation with the US and Canada in the area of LNG trade and nuclear energy, including on the safety of innovative nuclear technologies like Small Modular Reactors (SMRs).

Given the projected strong increase in Asia's energy demand, and its impacts on overall security of global energy supplies, DG ENER will further develop its dialogue with **Asia**'s main energy consuming countries and regions in view of supporting their energy transition, in particular in the field of renewables deployment and energy efficiency improvements.

In line with the EU-Japan Green Alliance adopted in May 2021, the EU will pursue active cooperation towards climate neutrality by 2050 under the **EU-Japan energy dialogue**, including on innovations for the clean energy transition, such as offshore wind energy, LNG and hydrogen.

DG ENER will engage with **China** on clean energy policies and energy security under the annual high-level Energy Dialogue and the Energy Cooperation Platform. Next to the deployment and system integration of renewable energy, the **EU-India Clean Energy and Climate Partnership** will also include cooperation on renewable hydrogen and just transition. DG ENER will also work with India closely to deliver a successful collective outcome of the G20 process in 2023 under India's G20 presidency.

In Latin America, DG ENER will pursue bilateral co-operation with **Brazil**, **Argentina**, **Mexico**, **Chile** and **Cuba**, and at multilateral level, through participation as a Permanent Observer at Organización Latinoamericana de Energía (OLADE).

In the wake of the global energy market disruption caused by Russia's invasion of Ukraine, energy relations with partner countries in the **Southern Neighbourhood** have gained new momentum. EU cooperation with those countries will aim at promoting the clean energy transition, including via the nascent renewable hydrogen sector.

The implementation of the trilateral Memorandum of Understanding on Cooperation related to Trade, Transport and Export of Natural Gas with **Israel** and **Egypt** will be advanced as a key contribution to regional energy cooperation and diversification, shared prosperity and geopolitical stability.

As an observer at the **East Mediterranean Gas Forum (EMGF)**, the EU will continue to underpin regional energy cooperation to facilitate sustainable gas exports from the East Mediterranean. DG ENER will also step-up strategic cooperation with **Egypt** via the implementation of the Memorandum of Understanding on a Renewable Hydrogen Partnership.

The strategic energy partnership with **Algeria** is gaining momentum and will be further developed. DG ENER will also contribute to advance the energy priorities in the "Green Partnership" with **Morocco**. DG ENER will engage with **Türkiye** in line with the Council decisions.

DG ENER will stand ready to engage on strategic energy cooperation with **Iran** once the **Joint Comprehensive Plan of Action (JCPOA)** is in force again. This cooperation entails supporting continued civil nuclear cooperation as per Annex III of JCPoA, resuming energy trade, and enhancing clean energy cooperation.

By continuing to support the implementation of the **Africa-EU Green Energy Initiative**, DG ENER will continue to develop energy cooperation with the **African Union**, notably through the development of the Africa Single Electricity Market. Bilateral cooperation with relevant countries will be pursued on issues of interest such as critical raw materials and hydrogen. DG ENER will work with emerging African LNG exporting and importing countries to enhance the well-functioning of a securely and sustainably supplied LNG market, thereby reinforcing ties between African pipeline gas and LNG producers and EU gas importers, in particular through a EU-Africa Gas Forum. DG ENER will also engage with **South Africa** to ensure the effective implementation of the Euratom–South Africa nuclear cooperation agreement, including the negotiations of administrative arrangements under the agreement.

With **Gulf countries**, DG ENER will continue to pursue the energy dialogue at regional level via different for a. DG ENER will also maintain an open channel for exchanges with OPEC on issues of mutual interest.

DG ENER will continue to engage with **Azerbaijan** and other relevant stakeholders to support the conditions for doubling the capacity of the Southern Gas Corridor with a view to delivering 20 billion cubic metres annually as of 2027, contributing to natural gas supply diversification and price competitiveness in line with the REPowerEU plan. The EU will also reinforce co-operation towards decarbonisation of the energy systems with Ukraine - also via the focused dialogue on the European Green Deal - and other Eastern Partnership and Western Balkan countries.

DG ENER will also use its initiative of the EU Platform for Coal Regions in Transition for the **Western Balkans** and **Ukraine** launched in 2021, notably with the roll out of an exchange programme between EU coal regions and that of the Western Balkans and Ukraine.

DG ENER will continue to underpin the **EU's leading role in energy in the framework of international fora**¹⁵, in particular with IRENA, with the International Energy Agency in the framework of the newly set up IEA Task Force on gas, as well as safeguarding EU interests in the preparation of G7 and G20 deliverables on energy. DG ENER will also contribute to COP28 preparations with support to the United Arab Emirates, COP presidency.

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G7, G20, the Clean Energy Ministerial, International Renewable Energy Agency (IRENA), International Energy Agency (IEA), the Energy Efficiency Hub, International Atomic Energy Agency (IAEA), International Solar Alliance and the Mission Innovation Initiative and the International Partnership for Hydrogen in the Economy (IPHE)

DG ENER complies with EEAS-SG guidelines updated after Russian military aggression to Ukraine in 2022. DG ENER will continue to contribute as relevant to preparation on possible further sanctions packages and to monitor the implementation and impact of the existing measures.

The **modernisation of the Energy Charter Treaty** could not be adopted at the Energy Charter Conference on 22 November 2022. In 2023, DG ENER will continue exploring the next steps and will propose a way forward.

It will continue supporting the Treaty reform process in the Energy Community aiming at making the **Energy Community** more efficient, better adapted to the changing world, and further integrating energy markets in the region. DG ENER will also further strengthen its relations with the Energy Community and its nine neighbouring non-EU Contracting Parties. This will notably include the implementation of the Decarbonisation Roadmap and the 2030 targets for the Contracting Parties, the full integration of the electricity markets, and the strong support to Ukraine and other Contracting Parties though a Joint Purchasing mechanism, bilateral Gas Storage arrangements and other instruments to ensure the security of energy supply in both the EU and the Contracting Parties.

In 2023, DG ENER will co-fund and co-lead the second phase of the **Global Covenant of Mayors for Climate and Energy** and launch the **global platform for coal regions in transition**, in close coordination with the EU Coal region in Transition initiative. DG ENER will also ensure the development of the International Methane Emissions Observatory and explore the opportunity to support other methane emission reduction activities.

In the field of nuclear energy, the Commission will continue to promote the **highest standards of nuclear safety** both in its bilateral relations with third countries and in multilateral fora at the regional and global levels. In this context, DG ENER will continue its close cooperation with the European Nuclear Safety Regulator's Group (ENSREG) for the implementation of **stress tests in third countries**. A key action in 2023 will be the completion of the peer review of Türkiye's stress test report on the Akkuyu nuclear power plant (NPP), currently being constructed in Southern Türkiye. In parallel, DG ENER will continue to engage with Iran and Egypt for the conduct of stress test peer reviews of, respectively, the Bushehr and El Dabaa NPPs in subsequent years.

DG ENER will continue to support the work of the International Atomic Energy Agency (IAEA) and other international partners to ensure nuclear safety, security and safeguards in the context of the Russian war of aggression against **Ukraine**, and will engage in discussions on a **possible strengthening of the related international legal framework for regulating nuclear installations in armed conflict situations**.

General objective: European Green Deal

Specific objective: Acting as global leader in energy

Related to spending programme(s):

Main outputs in 2023

Output	Indicator	Target
Memorandum of Understanding between the European Union and Ukraine on a Strategic Partnership on Renewable Gases	Signature	Q1 2023
Proposal on next steps regarding EU and Member States' future in the Energy Charter Treaty: Relevant Commission proposals.	Delivery	Q1 2023
Timely assessment of notifications by Member States of IGAs with third countries.	Commission decisions and responses to Member States	Procedures completed within legal deadlines 100%

PART 2. Modernising the administration: main outputs for 2023

DG ENER internal control framework¹⁶ supports sound management and decision-making. It notably ensures that risks to the achievement of objectives are taken into account and reduced to acceptable levels through cost-effective controls.

DG ENER has established an internal control system tailored to its particular characteristics and circumstances. The effective functioning of the service's internal control system will be assessed on an ongoing basis throughout the year and be subject to a specific annual assessment covering all internal control principles.

DG ENER will take the necessary actions to further deploy human resources according to the Commission priorities, to ensure sound financial management, an effective functioning of its internal control system and effective fraud risk measures, to advance digital transformation and reduce the environmental impact of our activities.

Throughout 2023, DG ENER will continue with its awareness-raising activities on internal control, fraud prevention and personal data protection. DG ENER will also ensure the timely implementation of the recommendations issued by the European Court of Auditors and the Internal Audit Service through regular follow-up.

A. Human resource management

The invasion of Ukraine by Russia on 24 February 2022 has had and will continue to have major repercussions for energy policy and the workload of DG ENER. Under these circumstances it is more difficult to plan ahead.

DG ENER will further promote and support **agile working**, which is essential to adapt to the continuously changing circumstances. In 2023, DG ENER will further improve its **management culture, respecting the values and principles** that guide its work: the DG is committed to streamlining the working methods as much as possible to reduce the pressure on staff, in this time of exceptionally heavy workload. The **sustained extreme workload throughout 2022** put enormous pressure on staff and required crisis management at all levels, with implications for horizontal functions too.

DG ENER strives to constantly improve how it functions, which from an HR perspective means allowing the reallocation of human resources to where they can be most effective. In 2022, this translated into some limited internal temporary redeployments. Given the structure of DG ENER, with half of the staff working on essential and non-transferable tasks under the Euratom Treaty, it is however difficult to go beyond this in 2023 as the services in ENER Brussels are already working directly on the development or enforcement of policies related to immediate Commission priorities.

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Communication C(2017)2373 - Revision of the Internal Control Framework

In 2023, the implementation of the emergency crisis measures and REPowerEU adopted in 2022 will place additional strain on resources. In 2022, DG ENER recruited specialist and experienced colleagues for the newly created **Task Force Energy Platform**, whose mandate continues in 2023 (two year mandate).

DG ENER's local HR strategy will continue to support the corporate HR strategy, implementing relevant actions. DG ENER will continue to monitor indicators of occupancy and idle post rates with a view to improving its organisational fitness.

DG ENER seeks to maintain its **senior management gender balance** in 2023 and will continue to promote gender balance in Head and Deputy Head of Unit positions and the overall workforce.

The **DG ENER Equality network** makes a yearly action plan, following a survey, and monitors gender and other equality issues. In 2023, DG ENER will seek to promote the Commission's Diversity and Inclusion strategy through awareness-raising actions. In 2023, DG ENER will launch a new edition of ENER4WOMEN talent programme, which includes group and individual coaching. DG ENER will also continue to support ENER candidates for the corporate Female Talent Development Programme. The DG ENER Equality network will host an event on 8 March to mark International Women's Day.

DG ENER is committed to maintaining high levels of **staff engagement** in a context of significant workload. In 2023, DG ENER will continue to launch and support well-being campaigns and activities. This will be particularly important in the framework of the energy crisis management and the related unsustainable workload. DG ENER's biggest asset to deliver on the energy, climate and geo-strategical challenges is its committed staff. In 2023, further action will be taken to enhance the organisational setting and well-being, to **mitigate the mental and physical health risk for staff** in alignment with DG HR's Be Well strategy.

Management plays a major role in staff engagement. In 2023 DG ENER will consolidate its investment in managers, including Deputy Heads of unit and Team leaders. DG ENER may extend team coaching according to needs and plans to support group/co-development coaching. DG ENER is also considering extending coaching to group coaching for Deputy Heads of Unit and Team leaders. DG ENER will continue to support and strengthen its management teams through regular opportunities to meet, discuss, share, support each other, and ensure that managers are as equipped as possible to support their teams through this period of heavy workload and difficult external circumstances.

DG ENER's Internal communications strategy evolves to respond to the needs of colleagues at any given time, while maintaining the regular activities of newcomers' induction, ENER webinars, online and live staff events and management seminars. DG ENER will continue its programme of online webinars and staff events, to make these knowledge sharing events as accessible as possible. In 2023 the weekly ENER newsletter will increase its storytelling items on ENER staff and their activities.

The All Staff live event planned for 2022 was cancelled due to the energy crisis-related workload. DG ENER plans to hold this event in summer 2023. DG ENER will continue to use a mix of online and hybrid and live events to involve as many staff as possible from both sites in Brussels and Luxembourg in its webinars and staff events.

Finally, the Radiation Protection and Nuclear Safety unit will continue to provide the radiation protection expert service and regular information and training sessions for exposed workers, amongst other operational radiation protection activities as required by Luxembourg's radiation protection legislation and the Licence to operate in Euroforum building.

Objective: DG ENER employs a competent and engaged workforce and contributes to gender equality at all levels of management to effectively deliver on the Commission's priorities and core business.

priorities and core business.						
Main outputs in 2023:						
Output	Indicator	Target				
Promote female talent by organising initiatives targeted at female staff	Number of initiatives	At least one initiative by December 2023.				
Organise internal training courses (online/physical/hybrid) on energy topics	Number of ENER webinars and other courses	At least four courses by December 2023				
Continue the bi-annual new- comers welcoming sessions	Number of sessions	Two sessions by December 2023				
Review Local HR Strategy	Local HR Strategy updated	Q2 2023				
Organise DG/Senior management meetings with or send messages to all staff around key moments (e.g. implementation of Mobility Strategy actions, adoption of major EC initiatives)	Number of meetings/ messages	Throughout the year				
Internal communication of events	Creating and disseminating internal communication Newsletters	20 newsletters by December 2023				

B. Sound financial management

The overall objective for 2023 remains to plan, implement, monitor and report on the spending of financial resources in compliance with the sound financial management principle and to ensure that the control procedures provide the necessary guarantees concerning the legality and regularity of the underlying transactions, including prevention, detection, correction and follow-up of irregularities and/or fraud.

Regular dedicated meetings of the senior management in the Control Board fosters appropriate monitoring of all processes necessary to ensure optimal use of budget resources to finance the evolving DG's priorities.

DG ENER has an **effective and efficient internal control system**, aligned with the budget implementation methods and ensuring compliance with the principle of sound financial management. The effective functioning of the service's internal control system will be assessed on an ongoing basis throughout the year. It will be subject to a specific annual assessment covering all internal control principles, while taking into account other sources of information, such as audit observations, exceptions and non-compliance and other measurements.

DG ENER will further build upon existing **risk-oriented controls** in 2023 with a view to maintain a robust and sound control strategy, while streamlining it to the needs of the new multi-annual financial framework. DG ENER will support the Commission's efforts to modernise and digitalise the budget and financial management through its participation to the dedicated working groups.

In 2023, DG ENER will through the implementation of its control strategy, gain **assurance on the legality and regularity** of the use of budgetary appropriations falling under its responsibility and minimise the value at risk, by continuing to ensure that appropriate preventive and corrective mechanisms are in place as a matter of high priority. It will proactively work with other services to ensure that the multiannual residual error rate does not exceed 2%.

The achievement of this objective will be mainly supported by the following actions:

- The performance of ex-ante financial controls;
- The deployment of an Audit strategy for ex post audits;
- The timely application of **financial corrections**, when needed;
- A regular follow-up of the state of implementation of all outstanding and overdue audit recommendations issued by the IAS, the ECA and the Discharge Authority.

DG ENER will also pursue, in 2023, its efforts towards an efficient budget implementation and monitoring, under its budget implementation action plan. This plan, which also contains a procurement plan, provides reinforced support to line units and aims at a more coherent use of resources during the year, promotes simplified procurement procedures and reduces the use of global commitments.

DG ENER will ensure efficient **supervision of the entrusted entities**, in accordance with its supervision strategy. Active participation in governance bodies and the regular review and reporting of risks and indicators at each Control Board will ensure that resources are used in line of these entities' mandate and the EU political priorities. Additional supervision activities and interaction is expected due to the high impact of inflation on the entities' budget and the limited means at their disposal to absorb it.

DG ENER in Luxembourg, as Asset Management Centre is responsible for the tangible goods used for EURATOM safeguard activities in Luxembourg and all nuclear installations in the EU Member States throughout their life cycle, from the reception until their retirement. For 2023, physical inventory activities will continue to ensure that the quality of the information in the Asset database is aligned with the physical reality. In September 2022 corrective actions were put in place to reinforce the asset management processes. A two-year action plan has been developed and approved, focused on the upgrading and cleaning of the ABAC database and on the reviewing of the existing procedures in place.

In addition, physical inventories in some nuclear sites will be organised. The choice of the nuclear sites will depend mainly on the amount of equipment managed by Euratom in order to reach the objective 1 on safeguarded assets indicated below.

Objective 1: The authorising officer by delegation has reasonable assurance that resources have been used in accordance with the principles of sound financial management and that cost-effective controls are in place which give the necessary guarantees concerning the legality and regularity of underlying transactions.

Main outputs in 2023:

Output	Indicator	Target
Effective controls: Legal and regular transactions	Estimated risk at payment and at closure for Horizon 2020 grants	as close as possible to 2%
	Estimated risk at payment and at closure (Including Horizon Europe ¹⁷)	below 2%
Effective controls: Safeguarded assets	Percentage of assets physically controlled (or alternative controls for assets in nuclear power plants located in controlled areas) according to the yearly plan	Physical controls of all assets (with alternative controls for assets in nuclear power plants located in controlled areas): 93% of the net accounting value
Efficient controls	Budget execution and timely payment	remains ≥ 95% of payment appropriations and remains ≥ 95% of payments (in value) on time
Economy of controls	Overall estimated cost of controls	remains 2% of funds managed ¹⁸

Objective 2: The budget preparation, implementation and regular monitoring throughout the budget year ensures the adequate financing of DG ENER priorities.

Main outputs in 2023:

Output Indicator Target

No representative error rate for Horizon Europe will be available in 2022 and 2023 as the ex-post audit campaign for the Programme will start at the earliest end of 2023.

Except for cases where the amount of relevant expenditure is limited (e.g. settlement of legacy projects) and cases for which a reinforced monitoring is necessary

Output	Indicator	Target
Optimal use of budget resources (commitment appropriations)	Budget execution for commitment appropriations	remains > 98% of commitment appropriations
Regular reporting on budget execution to DG ENER management	Frequency of reporting	Reports to management issued at least 3 times per year and Control Board meetings at least 2 times per year

Objective 3: DG ENER develops a comprehensive, solid and effective strategy of the supervision of entrusted entities and contributes to the steering of their operational, administrative and financial activities.

Main outputs in 2023: Output Indicator Target Active participation in the Percentage and coverage of 90% through participation in governance of the entrusted participation in Boards and meetings and other contributions, Committees covering budget, programming and reporting 100% of the entities at least twice Effective risk-based supervision of Frequency and coverage of the the entities supervision per year (Control Boards)

C. Fraud risk management

The Commission's 2019 Anti-Fraud Strategy ("the 2019 CAFS") included two new priorities in fighting fraud: (i) measures to build stronger analytical capabilities and (ii) a more centralised oversight mechanism of anti-fraud actions. In 2023, DG ENER will be associated to the update of the CAFS action plan, in line with the revised priorities of the Commission.

DG ENER Anti-fraud Strategy was revised in October 2020. In 2023, DG ENER's anti-fraud actions are expected to focus on four priority areas, namely:

- Revising the action plan in alignment the update of the CAFS;
- Awareness raising, training and communication activities in cooperation with OLAF;
- Efficient detection, reporting and handling of fraud, by updating fraud indicators and "red flags";
- Supervision of and advice to its entrusted entities on the update of their own Anti-Fraud Strategies.

Objective: The risk of fraud is minimised through the application of effective anti-fraud measures and the implementation of the Commission Anti-Fraud Strategy (CAFS) ¹⁹ aimed at the prevention, detection and correction ²⁰ of fraud.

Main outputs in 2023:					
Output	Indicator	Target			
Awareness raising campaign	% of staff reached through workshops, conferences or other direct methods	> 80%			
Reporting to management	Number of reports on the implementation of the Anti-Fraud Strategy	At least two times per year			
Implementation of Anti-Fraud Action Plan (2023-2025)	% of implementation	100% of the 2023 actions by December 31, 2023			

D. Digital transformation and information management

DG ENER will enhance productivity and teamwork with easy sharing and co-editing of documents and pages, share information in a structured and user-friendly way and benefit from M365 tools interoperability to make the best use of the collaborative tools. This will enhance the management, sharing, discovery and reusability of data, information and knowledge.

In 2023 all old SharePoint sites and Connected groups will be migrated to the new SharePoint Online technology. In the context of the framework of the Dual Pillar Approach, DG ENER will build a pilot using Low Code technology available in M365.

As regards IT security, DG ENER will continue to monitor and update its security plans, in line with corporate rules following a risk-based approach. The Local Informatics Security Officer (LISO), IT Security Officer and his team continue to raise awareness about IT security and information management across the DG by providing trainings to staff and security briefings to managers, specific secure coding training for IT developers, and informing through newsletters, intranet and email. DG ENER will pursue its efforts to ensure that its IT systems comply with IT security rules. To increase information security, the objective is that all staff members would have migrated to Welcome by mid-2023.

In addition, with the ever increasing threat landscape, DG ENER will continue building its capacity and maturity in IT security by increasing security awareness, improving security of IT infrastructure and developing the secure software development lifecycle.

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Communication from the Commission 'Commission Anti-Fraud Strategy: enhanced action to protect the EU budget', COM(2019) 196 of 29 April 2019 – 'the CAFS Communication' – and the accompanying action plan, SWD(2019) 170 – 'the CAFS Action Plan'

Correction of fraud is an umbrella term, which notably refers to the recovery of amounts unduly spent and to administrative sanctions.

The process to obtain the security accreditation of the secure IT network in Luxembourg will continue in close cooperation with HR.DS. The objective is to reach the Final Agreement to Operate (FATO) by end 2023.

DG ENER will also continue modernising its data management practices in line with the Commission data governance and policy. The local data inventory will be extended to further data assets and relevant metadata. DG ENER will further implement the data principles and data flows in its key systems. In particular, DG ENER will describe and implement data management procedures for the Energy Market Observatory System (EMOS).

As regards interoperability, a specific exemption to the use of Digital Product Passport (DPP) is envisaged in Article 8(4)b of the Ecodesign for Sustainable Products Regulation with EPREL and other databases in mind. EPREL has been designed to satisfy the regulatory needs established by the Energy Labelling Regulation. Publicly available data in this system would be completely accessible for a future DPP and to ensure access to data for regulatory authorities.

In 2023, DG ENER will maintain its efforts to raise awareness on security and personal data in ARES and enhance and optimise electronic workflows. In view of the forthcoming Next Generation Digital Commission Strategy, DG ENER will foster, when possible, staff awareness about digital culture and digital-ready policy making, for example through targeted lunch-time conferences and dissemination of information on available trainings.

The inventory of preservation needs completed by DG ENER in 2022 will be assessed and the integration of IT systems with the corporate management system HAN will continue to be monitored under the framework of the Digital Preservation Strategy.

As regards the compliance with the Data Protection Regulation 2018/1725, DG ENER will continue to monitor and update its contributions to the Data Protection Management System (DPMS), in line with corporate guidelines. The Data Protection Coordinator (DPC) will continue to provide advice on data protection matters, as well as raise awareness about data protection across the DG by providing training to staff and to managers, and disseminate information via the Data Protection Correspondents network and through the Data Protection Corner.

Objective: DG ENER is using innovative, trusted digital solutions for better policyshaping, information management and administrative processes to forge a truly digitally transformed, user-focused and data-driven Commission

Main outputs in 2023:

Output	Indicator	Target
Implementation of the digital strategy principles by the most important IT solutions	Degree of implementation of the digital strategy principles by the most important IT solutions	e-Platform - 100% CMF4 - 70%

Output	Indicator	Target
Implementation of the corporate principles for data governance for DG ENER's key data assets	Percentage of implementation of the corporate principles for data governance for [the service's] key data assets	Interim milestone by 2023: 70%
Use of corporate data management tools in alignment with DIGIT.D1 recommendations	Number of use cases	2 new cases by December 2023
Enhancing staff stills in QlikSense	Number of information sessions	1 lunchtime conference
ENER IT systems with a security plan	Percentage of IT systems with a security plan	85% IT systems with a security plan
ENER IT systems using EU Login	Percentage of IT systems using EU Login	85% IT systems using EU Login
ENER IT SNC systems using Multiple Factors Authentication (MFA)	Percentage of IT SNC systems using MFA	75% IT systems using MFA
ENER IT systems onboard in the Governance Risk and Compliance tool (GRC)	Percentage of IT systems onboarded on GRC	100% IT systems onboarded on GRC
Raising cybersecurity awareness	Number of local awareness initiatives	At least three
Implementing the new SharePoint Online technology	Degree of implementation of the new technology.	100%
Training staff in the new SharePoint Online technology	Number of staff who have followed a training on the new SharePoint Online technology.	At least 50 staff members have followed a training on the new SharePoint Online technology.
Migration to Welcome	Share of staff members who have migrated to Welcome.	100% of staff members not having software or technical constraints migrated to Welcome.
Promoting the knowledge sharing	Number of new SharePoint Online sites in the DG.	50 new SharePoint sites in the DG, corresponding on average 1 site per unit.
Documents are retrievable in ARES and properly filed – staff with easier access to information	a. Percentage of registered documents that are not filed b. Integration of IT systems with the corporate records management system HAN (HermesAresNomcom)	a. Below 2% b. Assessment of systems identified in the inventory of preservation needs

Output	Indicator	Target
Reduce paper and electronic storage	a. Transfer/elimination of closed paper files b. Transfer/elimination of closed electronic files	a. Clean-up operation of local archives in DM24 and elimination/transfer of closed paper files to the Historical Archives
	c. Percentage of digitalised documents from local archives (Adonis) to be preserved.	b. First review action to electronic files with Administrative Retention Period expired in HPS
		c. Minimum 60% of documents identified during the clean-up operation of EUFO
Increase the efficient use of electronic workflows	A. Promoting the use of Qualified Electronic Signature (QES) single workflow	a. Updated guide on QES workflow b. Below 5%
	b. Percentage of electronic signatories with a paper circulation in parallel	c. At least two ARES workshops
	c. Workshops/trainings	
Increase awareness of DG ENER staff on personal data protection	a. Information session on data protection	a. At least 2 information sessions per year
rules	b. Percentage of updated	b. 100%
	corporate instructions /guidelines published on the Data Protections Corner	c. 15%
	c. Percentage of staff that will attend the awareness training in 2023	
Establish records for new processing operations	a. Percentage of records for new identified processing operations	a. 100% records of new identified processing operations
Update records for existing processing operations	b. Percentage of records	b. 100% records up-to-date

E. Sound environmental management

DG ENER will continue to reduce its environmental impact by promoting eco-friendly actions, in line with the Commission objective to become climate-neutral by 2030 and the EMAS corporate action. In particular, DG ENER will closely collaborate with OIB and OIL to implement actions aiming at reducing the CO2 footprint. DG ENER will continue to foster the use of remote meetings and events as alternatives to missions through enhanced digitalisation and equipment of its meeting rooms with innovative videoconference facilities. DG ENER will make use of the members of the ENER GOES GREEN Network to disseminate information to everyone in the DG.

DG ENER will promote zero-emission modes of transport, inter alia via VeloWalk, EU Mobility week and TakeYourStep campaigns. It will be coupled with better provision of

necessary infrastructure and facilities for colleagues who walk, run or cycle to their place of employment.

DG ENER has been actively participating in corporate initiatives led by OIB/OIL regarding waste management and will continue to do so in 2023. DG ENER's efforts will concentrate on informing staff on switching off lights, chasing water leaks, sorting waste, etc.

Concerning the Green Public Procurement, DG ENER mainly procures services related to studies and evaluations, which are not concerned by the priority sectors for implementing Green Public Procurement. Nevertheless, DG ENER will coordinate with Central services on the possibility to include certain requirements in its future tenders.

Objective: DG ENER takes account of its environmental impact in their actions and actively promotes measures to reduce the related day-to-day impact of the administration and its work, with the support their respective EMAS Correspondents/EMAS Site Coordinators.

Main outputs in 2023:

I. N	iore e	ttic	ien	t use o	res	ources	(ener	gy, wa	ater,	paper):

Output	Indicator	Target (2019 as baseline, as appropriate)				
Priority action to support the Gr	Priority action to support the Greening of the Commission Communication and action plan					
Participation in corporate energy saving actions, by closing down DG/service's buildings during the Christmas and New Year's / summer holiday period, and/or optimisation of the temperature in EC buildings.	Number of DG/service's buildings participating in: - end of year energy saving action - optimisation of comfort hours and/or comfort temperature	100% of DG ENER buildings in Brussels				
Other recommended actions						
Staff awareness actions to reduce energy use in the framework of EMAS corporate campaigns and/or	Number of actions related toEnergy consumptionWater consumption	2				
awareness actions about DG/service's total energy consumption in collaboration with	Number of new actions introduced in relation to paperless working methods	2				

Indicator	Target (2019 as baseline, as appropriate)
 % of staff informed related to Energy consumption Water consumption Paperless working methods 	100% informed
See section D (digital transformation and information management)	See section D (digital transformation and information management)
CO ₂ and other atmospheric	emissions
Indicator	Target (2019 as baseline)
eening the Commission Communic	ation and action plan
Signed the EC DG/service Travel Pledge CO2 (t) emissions from DG/service's missions CO2 (t) emissions from DG/service's expert meetings	Yes Reduction of DG ENER CO2 emissions from missions Reduction of emissions from expert participating in meetings for which DG ENER is in the lead
	% of staff informed related to • Energy consumption • Water consumption • Paperless working methods See section D (digital transformation and information management) CO ₂ and other atmospheric Indicator ening the Commission Communic Signed the EC DG/service Travel Pledge CO ₂ (t) emissions from DG/service's missions CO ₂ (t) emissions from DG/service's missions

See OIB – Environmental Building Performances for Brussels and OIL- Environmental Building Profiles for Luxembourg.

For example, for Brussels: Email: OIB-55555@ec.europa.eu and Tel: 55555 and for Luxembourg: Email: OIL-DISPATCHING-CENTRAL@ec.europa.eu and Tel: 32220.

²³ Data provided by PMO/MIPS.

Output	Indicator	Target (2019 as baseline)
Increased use of Video- conferencing (VC) meeting rooms for meetings with stakeholders in the DG, in collaboration with DG SCIC, OIB and OIL.	Number of VC equipment for hybrid meetings	Equipment of all senior managers' offices with VC equipment for hybrid meetings.
Staff awareness actions on	% of staff informed	100% of staff informed
reducing GHG emissions (such as actions on sustainable commuting during EU Mobility week and VeloWalk corporate events) and/or	% of sustainable commuters (²⁴) at DG/service	Increase of 5% of sustainable commuters at DG ENER (%) (25)
raise staff awareness on sustainable commuting in collaboration with OIB or OIL (e.g. availability of bike parking facilities, lockers and showers, promote the reduction of parking spaces' use amongst staff).	% of staff participating in VeloWalk	5% increase of staff participating in VeloWalk
Staff awareness actions on digital pollution and gradual change of behaviours avoiding heavy emails, encouraging the use of ICT platforms, avoiding unnecessary storage of data.	Number of events organised	2
III. Reducing and managem	ent of waste	
Output	Indicator	Target (2019 as baseline)
Priority action to support the Gr	eening the Commission Communic	ation and action plan
Implementation of the EC Guidelines for sustainable meetings and events, e.g. sustainable catering, reduce/eliminate single-use plastics, gadgets/gifts.	Participation in green events	One person taking part in the inter institutional repair workshops in Luxembourg
Other recommended actions		
Staff awareness actions about waste reduction and sorting in the framework of EMAS corporate campaigns and/or staff awareness actions about DG/service's waste generation in collaboration with OIB/OIL where appropriate (for example, promote and label the waste sorting schemes in place).	% of staff informed	100% of staff informed

Sustainable commuting usually refers to environmentally friendly travel modes, such as: public transport (bus, tram, subway, light rail), walking, cycling, and carpooling

²⁵ Based on the results of the corporate staff mobility survey conducted by HR.A.4 during 2022.

IV. Promoting green public procurement (GPP)				
Output	Indicator	Target (2019 as baseline)		
Priority action in line with the G	Greening the Commission Communication and action plan			
Gradual introduction of GPP criteria in contracts and starting to monitor the process (26).	% of contracts falling within the GPP domain including the GPP criteria	100%		

F. Initiatives to improve economy and efficiency of financial and nonfinancial activities

DG ENER is participating to e-Platform, an online platform established by the Commission to facilitate communication, promote cooperation and improve public access to information to limit administrative burden on Member States (Legal directive). It supports timely submission of reports as well as increased transparency on national reporting. By integrating various existing systems, e-Platform is bringing efficiency gains in reporting, analysis, communication and publication. Reusing generic e-Platform mechanisms for other reporting obligations by Member states will provide financial savings to the Commission in the long term. In 2023, the Platform will receive the first ever integrated progress reports on the implementation of National Energy and Climate Plans from 27 Member States bringing a major efficiency gain in the reporting and assessment exercise.

The adoption and implementation of the new SharePoint Online technology will contribute to improve the effectiveness and efficiency of working methods. The main objectives of using SharePoint Online technology is to enhance productivity and teamwork with easy sharing and co-editing of documents and pages, and to build easily knowledge base through structured organisation and process in an user-friendly way. The result will be better and more streamlined working methods.

Throughout 2023 DG ENER will prepare the migration to the Commission new accounting system SUMMA and the on-boarding of new contract management systems such as eGrant and eProcurement. DG ENER will participate in the relevant trainings and workshops organised by the central services. It will organise internal communication meetings and trainings for all staff concerned. More specifically, it will complete the necessary preparation tasks, in particular financial and accounting data cleaning, and it will update the internal procedures. A change coordinator will be appointed. The use of the new corporate IT tools should ultimately lead to efficiency gains in financial management and increase assurance of the AOD.

For information, technical support is provided by the Interinstitutional GPP Helpdesk. See also GPP webpage on MY IC for EU reference/guidelines by DG ENV and the Vade-mecum on Public Procurement by DG BUDG.