

BRIEFING: DO FINAL NECPS SUFFICIENTLY ADDRESS EU-LEVEL JUST TRANSITION REQUIREMENTS?

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**ACCELERATE CLIMATE
ACTION IN EUROPE**



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LIFE Together for 1.5 project website: 1point5.caneurope.org

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List of Abbreviations

ELPPE Long-Term National Strategy to Combat Energy Poverty
ETS Emission Trading System
EU European Union
GDP Gross Domestic Product
GHG Greenhouse Gas
JTF Just Transition Fund
LTS Long-Term Strategies

NECP National Energy and Climate Plan
PACPE Action Plan to Combat Energy Poverty
SCF Social Climate Fund
SCP Social Climate Plan
TJTP Territorial Just Transition Plan
WAM With Additional Measures
WEM With Existing Measures

The path to climate neutrality must be rooted in social justice. The updated National Energy and Climate Plans (NECPs) represent a crucial opportunity to deliver a fair and just transition across Europe. Ambitious climate and energy planning must go hand in hand with social inclusion. Only well-designed policies can reduce existing and avoid new inequalities, strengthen social cohesion, and ensure that no one is left behind. The NECPs are a key tool for Member States to translate the EU's climate and energy objectives into national action, not only by providing ambitious emission reduction targets but also by adopting a socially just and inclusive approach to climate and energy planning and implementation. **Yet, most of the plans analysed fail to respond to key EU just transition requirements** – thereby undermining their potential to serve as strategic roadmaps for a fair, inclusive transition, while risking the exacerbation of social inequalities. This briefing evaluates the extent to which a subset of EU Member States [1] have embedded just transition requirements as per EU regulation within their NECPs, focusing on three core dimensions: (i) the assessment of socio-economic impacts of planned measures; (ii) the inclusion of policies to mitigate adverse social and employment effects; and (iii) the level of preparation in view of the ETS 2 on buildings and transport. **The analysis reveals critical shortcomings:**

- Most of NECPs fail to offer a systemic approach to fulfilling the EU's just transition requirements and present little consistency with the Territorial Just Transition Plans.
- Most of the plans provide insufficient assessments of socio-economic impacts of planned measures and fall short on adequately considering vulnerability factors.
- Several plans adopt a fragmented approach to just transition policies and have not put in place adequate groundwork for a just transition to ETS 2.

Addressing these gaps is critical to safeguard the legitimacy of EU climate and energy policies and to ensure their effective implementation. **The briefing therefore highlights the urgent need for a fundamental shift in how Member States approach just transition elements** in the NECP process – moving from a mere compliance exercise to a strategic planning tool for achieving EU objectives. This shift must embed equity, affordability, and inclusion at its core through:

- **Monitoring and enforcing compliance with just transition requirements**, such as setting clear objectives for reducing energy poverty.
- **Improving social policy measures** based on comprehensive socio-economic impact assessments, the involvement of ministries with indirect competencies connected to the transition and tailored support for vulnerable groups.
- **Providing adequate resources** for integrated and harmonised planning, including technical, administrative, and financial support.
- **Ensuring a strong participatory governance** in the planning process through meaningful stakeholders engagement, including underrepresented groups.

Addressing the social dimension of climate action is not an option. By aligning climate, energy and social policies more effectively, the EU can pave the way for a fair and just transition that benefits all citizens, leaving no one behind.

[1] Bulgaria, Croatia, Czechia, Denmark, France, Germany, Hungary, Slovenia, Spain and Portugal.

CONTEXT

What are the NECPs?

National Energy and Climate Plans (NECPs) are key instruments of the European Union (EU) to ensure that national efforts contribute to achieving the EU's broader energy and climate goals. Based on the [EU governance regulation](#), NECPs outline how EU countries intend to address the five key dimensions of the energy union: decarbonisation, energy efficiency, energy security, internal energy markets and research, innovation and competitiveness. They should provide a comprehensive framework up to 2030 to coordinate national policies, promote sustainable development and facilitate investments needed for achieving the EU's energy and climate targets. As such, NECPs should be understood as planning instruments for the transition to climate neutrality.

What is the role of the NECPs in a just transition?

The NECPs serve as key instruments to ensure that the EU's climate and energy policies are implemented in a socially just and inclusive manner. As per EU regulation, the plans should assess the socio-economic impacts of the planned measures and ensure consistency with other EU requirements addressing the social impacts of the transition, such as the [Just Transition Fund \(JTF\)](#) and the [Social Climate Fund \(SCF\)](#) regulations. NECPs should reflect just transition processes as outlined in Territorial Just Transition Plans (TJTTPs) to mitigate expected socio-economic consequences in most affected territories. NECPs should also assess the national level of energy poverty and lay the ground for strong National Social Climate Plans to address social impacts on vulnerable households and transport's users, and reduce their reliance on fossil fuels. However, to fully deliver on the EU's commitment to 'leave no one behind', as declared by [European Commission's President Ursula von der Leyen](#), additional efforts beyond the NECP are needed to secure broad societal support for the climate transition.

ABOUT THIS BRIEFING

Objectives of the briefing

This briefing assesses how far ten final 2024 NECPs submitted to the European Commission reflect just transition requirements for which a regulatory basis exists at the EU-level, as defined in the Governance Regulation 2018/1999, the Just Transition Fund Regulation 2021/1056 and the Social Climate Fund Regulation 2023/955. Member States were also expected to draw on the [Council Recommendation](#) on fair transition towards climate neutrality when drafting and updating their NECPs.

Countries covered

This briefing focuses on the final NECPs from countries covered by the TogetherFor1.5 project and submitted by mid-April 2025. The countries covered in this briefing are: Bulgaria, Croatia, Czechia, Denmark, France, Germany, Hungary, Slovenia, Spain and Portugal.





Structure

The briefing focuses on three dimensions explicitly required by the NECPs template:

- The **assessment of the socio-economic impacts** associated with the measures included in the NECP (section 1);
- The **policies and measures** planned or implemented to address potential negative social and employment impacts (section 2); and
- Specific measures to **prepare the transition to the emissions trading scheme for transport and building (ETS 2)** (section 3).

For each section, this briefing provides a compliance check of the plans with each of the EU requirements related to a just transition. In addition, it provides a qualitative analysis of how the final NECPs have fulfilled these requirements and highlights one national example for illustration purposes (“zoom-in case”).

The compliance check is based on eight criteria [2] and using the following scale:

| Scale | | Explanation |
|---|---------------------------|---|
|  | Fully considered | The NECP comprehensively addresses the just transition requirements set out in relevant EU regulations. |
|  | Partially considered | The NECP reflects the just transition requirements but lacks depth or specificity in one or more areas mentioned in related EU regulations. |
|  | Insufficiently considered | The NECP acknowledges the just transition requirements but provides only minimal and superficial or insufficient information. |
|  | Not considered | The NECP does not meaningfully address the just transition requirements or does not mention the related issues at all. |

[2] See Annex for the questionnaire template used for the compliance assessment.

KEY FINDINGS

| | Bulgaria | Croatia | Czechia | Denmark | France | Germany | Hungary | Slovenia | Spain | Portugal |
|--|----------|---------|---------|---------|--------|---------|---------|----------|--------|----------|
| 1. Macro-economic impact assessment | Orange | Yellow | Yellow | Orange | Yellow | Orange | Orange | Green | Green | Yellow |
| 2. Policy-based impact assessment | Red | Yellow | Orange | Orange | Yellow | Orange | Red | Yellow | Yellow | Yellow |
| 3. Policies to maximise social benefits | Red | Orange | Red | Orange | Green | Yellow | Red | Orange | Green | Yellow |
| 4. Policies to maximise employment benefits | Orange | Yellow | Red | Orange | Orange | Orange | Red | Yellow | Yellow | Yellow |
| 5. Reskilling needs identification | Orange | Yellow | Red | Red | Green | Red | Orange | Orange | Green | Green |
| 6. Energy poverty assessment | Red | Orange | Orange | Orange | Orange | Red | Orange | Green | Yellow | Green |
| 7. Decarbonisation measures supporting vulnerable groups | Orange | Yellow | Orange | Yellow | Green | Yellow | Red | Green | Green | Green |
| 8. SCP preparation [3] | Orange | Yellow | Yellow | Red | Red | Yellow | Yellow | Orange | Yellow | Red |

The majority of the NECPs assessed in this briefing fail to offer a systemic approach to fulfil EU just transition and social requirements as per the Governance Regulation, the Just Transition Fund Regulation, and the Social Climate Fund Regulation. In particular:

- 1. Member States have only partially assessed socio-economic impacts of the climate and energy transition.** Only a third of the analysed NECPs estimate the socio-economic impacts of additional policies and measures and compare them to the scenario with existing measures. Vulnerability factors are primarily considered from a geographic perspective, often with an exclusive focus on just transition regions (rather than with an all-of-society approach). The gender dimension in the assessment of social impacts is entirely absent from almost all plans, with very few exceptions.
- 2. Most NECPs adopt a patchy approach to just transition needs and policies, providing individual policies** that seem disconnected from each other and show little consistency with the TJTPs. Only less than half of the analysed NECPs include policies to maximize the social and environmental benefits and mitigate potential adverse socio-economic impacts of the transition. Only a third of them recognise and address the needs associated with reskilling the workforce.
- 3. Most NECPs have not put in place adequate groundwork for a just transition to ETS 2.** Only a third of the analysed NECPs have provided energy poverty assessments and associated mitigation targets. More coherent and comprehensive strategies are needed to address the pressing challenges of energy poverty more consistently across Member States, among others to effectively prepare for the transition to ETS 2. While half of the countries have already implemented measures supporting vulnerable groups in the ETS 2 sectors, very few of the plans anticipate the use of the Social Climate Fund and indicate how it should help to alleviate energy and transport poverty. This showcases a lack of integration between climate and energy planning and just transition priorities which should be addressed in upcoming National Social Climate Plans.

Overall, there are **significant discrepancies in how Member States address just transition challenges, which raises concerns about unequal socioeconomic impacts across the Union.**

- **Slovenia, France, Portugal and Spain** are among the countries that have at least partially addressed just transition requirements in their NECP. Good practices from these countries are highlighted in the “zoom-in cases” of this briefing.
- **Croatia, Denmark and Germany** have made some efforts to address just transition needs, but these remain fragmented or fall short of a coherent and strategic approach.
- **Hungary, Czechia and Bulgaria**, at the other end of the spectrum, considerably lag behind on almost all indicators.

Finally, it is worth noting that compliance with just transition requirements on paper does not mean just transition will be effectively operationalised on the ground if the means of implementation and budgetary allocations are insufficient. The NECPs are often treated as a bureaucratic obligation rather than as a valuable opportunity to foster a broader societal and political discussion on a fair and inclusive transition. This briefing therefore calls for stronger EU-level guidance and enforcement to ensure that just transition is embedded in national decarbonization strategies across the EU.

[3] Note: This aspect examines whether public consultations for the SCPs have been initiated and whether any improvements are evident compared to the consultation process under the NECP. While such consultations are not a formal requirement under the NECP framework, the SCP process is closely connected to it and is expected to build on the participatory standards established through the NECP. See section 3 for further details on the relevant context and expectations. The following different scale is used: Green indicates that consultations were effective, meaningful and built on the participatory processes established under the NECP. Yellow is used where consultations have taken place but have not met the standards for effective and meaningful public participation as outlined in the Aarhus Convention. Orange reflects that consultations are planned, but either have not started or have started too recently to allow for meaningful input. Red indicates that SCP consultations have not started or are not planned yet.

SECTION 1: SOCIO-ECONOMIC IMPACT ASSESSMENT

European requirements

Estimating the socio-economic implications of energy and climate policies is crucial in shaping their effectiveness, fairness, and societal acceptance. The [Governance Regulation](#) mandates Member States to include in their NECP an assessment of “*macroeconomic and, to the extent feasible, the health, environmental, employment and education, skills and social impacts, including just transition aspects (in terms of costs and benefits as well as cost-effectiveness) of the planned policies and (...) a comparison to projections with existing policies and measures*”. The [Commission Notice on the Guidance to Member States for the update of 2021-2030 NECPs](#) invites Member States to “*develop clear strategies identifying and measuring the social, employment and skills consequences (or any other distributional impacts) of the energy and climate transition and give proper consideration on how to effectively address these challenges.*”

Furthermore, updated NECPs should reflect the transition process outlined in the Territorial Just Transition Plans (TJTPs) as well as explain the synergies between their 2030 climate and energy targets and the transition away from fossil fuels, as laid down in Article 11(4) of [Regulation 2021/1056](#) establishing the Just Transition Fund.

Compliance check

| | Bulgaria | Croatia | Czechia | Denmark | France | Germany | Hungary | Slovenia | Spain | Portugal |
|-------------------------------------|----------|---------|---------|---------|--------|---------|---------|----------|--------|----------|
| 1. Macro-economic impact assessment | Orange | Yellow | Yellow | Orange | Yellow | Orange | Orange | Green | Green | Yellow |
| 2. Policy-based impact assessment | Red | Yellow | Orange | Orange | Yellow | Orange | Red | Yellow | Yellow | Yellow |

NECPs Assessment

Member States have only provided a partial assessment of the socio-economic impacts of policies and measures on individuals, households, regions and businesses. The policies and measures often lack a strategic and forward-looking vision to support and integrate just transition elements in the plans. This is disappointing as already in 2023 the European Commission came up with the same conclusion when [assessing the draft NECPs](#). Only two of the ten NECPs analysed in this briefing provide macro-economic data estimating the socio-economic impacts of “With Additional Measures” (WAM) scenarios and include a comparison to “With Existing Measures” (WEM) scenarios projections, as requested by the Governance Regulation. This is the case for Portugal, which provides a comparison of GDP, employment, investment and private consumption impacts between WEM and WAM scenarios. The Croatian NECP also assesses the socio-economic impact through macro-economic data, considering employment and investments, but only as a whole and not for specific measures and without comparing WAM and WEM scenarios.

None of the NECPs includes a granular and sectoral socio-economic impact assessment of the planned measures. The plans mostly contain a list of existing studies and mention different corrective policies, rather than presenting a comprehensive impact assessment. Germany and France refer to upcoming processes to provide more detailed socio-economic assessments of their climate policies and measures, but these processes are still at an early stage. Portugal and Spain emphasise corrective measures for specific climate or energy policies that could have detrimental social impacts, but without a systemic comprehensive assessment. While several NECPs analyse specific vulnerability factors, such as the closing of traditional industries, they do so exclusively on a regional basis, narrowing down the focus to regions covered by the Just Transition Fund. Thereby, they fail to analyse potential impacts on transitioning industries or population segments. Other NECPs such as Hungary and Bulgaria fail to address socio-economic impacts as a whole.

ZOOM-IN CASE: SLOVENIA'S COMPREHENSIVE QUANTITATIVE AND QUALITATIVE IMPACT ANALYSES

The Slovenian NECP includes estimates of the overarching macro-economic impacts (on GDP, salary levels, prices and government revenues) of the WAM scenario disaggregated by year over the period 2021-2030. The NECP also provides both quantitative and qualitative analyses of the impacts of the WAM scenario in terms of consumer welfare (disposable household income and household real consumption across quintiles), employment effects and health impacts (noise, air pollution, waste contamination) over the ten-year period covered in the plan. Finally, the NECP includes qualitative assessments of how the planned measures could increase climate and energy awareness and literacy among the population. However, while the analysis is comprehensive and shows clear potential, it lacks robustness due to its reliance on general data and a predominantly top-down approach, pointing to considerable room for methodological improvement.

SECTION 2:

SOCIAL AND EMPLOYMENT

POLICIES

EU Requirements

Ensuring consistency between the Territorial Just Transition Plans and the NECPs is essential for an effective, coherent and socially balanced transition towards climate neutrality. The EU regulation establishing the Just Transition Fund urges Member States that each TJTP should provide a structured outline of the transition process at the national level, including a timeline for key milestones towards the EU climate and energy targets set for 2030 and, ultimately, the 2050 climate neutrality goal. The TJTPs should be aligned with the NECPs and national Long-Term Strategies, particularly in terms of planned investments, timeframe, and contributions to national targets, while also specifying objectives and actions aimed at achieving a just transition. The assessment of TJTP territories should adhere to the European Pillar of Social Rights and address the **distributional** impacts on different income groups, ensuring that tax and benefit systems are in place to mitigate adverse effects on lower-income households. TJTPs should also address **employment** implications of the transition and identify **reskilling and upskilling needs**, taking into account both the expected developments in transitioning industries and emerging skills demands driven by economic diversification. Further, Member States are expected to take full account of the gender dimension in their NECPs. This includes actions to reduce inequalities in education and employment opportunities and to ensure equal access at all levels and in all sectors, for instance by initially providing gender-disaggregated data. A thorough just transition strategy should reflect these different aspects in climate planning

Compliance check

| | Bulgaria | Croatia | Czechia | Denmark | France | Germany | Hungary | Slovenia | Spain | Portugal |
|---|----------|---------|---------|---------|--------|---------|---------|----------|--------|----------|
| 3. Policies to maximise social benefits | Red | Orange | Red | Orange | Green | Yellow | Red | Orange | Green | Yellow |
| 4. Policies to maximise employment benefits | Orange | Yellow | Red | Orange | Orange | Orange | Red | Yellow | Yellow | Yellow |
| 5. Reskilling needs identification | Orange | Yellow | Red | Red | Green | Red | Orange | Orange | Green | Green |

NECPs Assessment

Less than half of the NECPs analysed in this briefing include policies to maximize the social and environmental benefits and mitigate potential adverse impacts of the transition. Spain, Portugal and France provide details on just transition policies and include an assessment of priority sectors for reskilling, as well as associated measures. The other ones, instead, lack a comprehensive set of targeted policies to tackle the social and employment impacts of the transition. Most NECPs adopt a patchy approach to just transition, highlighting individual policies that seem disconnected from each other and not based on a risk assessment. For instance, Germany lists several existing policies but does not present a comprehensive strategy for mitigating social risks. The Slovenian NECP presents a few measures to address social impacts as well as several measures to support employment benefits, such as redirecting fossil subsidies towards green job creation and planning education for a climate-neutral economy. However, it fails to put forward a comprehensive strategy for both employment and skills. Denmark acknowledges potential adverse effects and its intention to address them, but the NECP fails to detail specific, ready-to-implement policies. Hungary mostly ignores the social aspects of the transition and only mentions measures to cap energy prices. In Bulgaria, the reskilling and upskilling of workers in the coal sector is crucial and a priority for the government. However, without clear coal phaseout milestones in the Bulgarian NECP or in the TJTPs, a serious and structured approach to this task is lacking.

Worryingly, 6 of the 10 NECPs fail to demonstrate an understanding of reskilling needs and how to address them. This disparity across Member States raises concerns about data availability for European wide skills initiatives, such as the Union of Skills or the Quality Jobs Roadmaps announced by the European Commission as part of the Clean Industrial Deal. In this context, the European Fair Transition Observatory could play a key role in ensuring that comparable, gender-disaggregated data on transition-related skills is systematically collected and made available across all Member States. Overall, the disparities across Member States highlight the need for stronger EU-level guidance and enforcement to ensure that social justice is embedded in national decarbonisation strategies across the EU.

ZOOM-IN CASE: SPAIN'S EFFORTS TO MAXIMISE SOCIAL AND EMPLOYMENT BENEFITS

The Spanish NECP includes measures to support social benefits and mitigates social risks. For instance, renewable projects to support rural development and territorial cohesion are incorporated. Measures to mitigate energy and transport poverty are planned and linked to the upcoming Social Climate Fund. The Spanish NECP also builds a link with measures supported through the Just Transition Fund and includes commitment to reducing inequalities, also from a gender perspective, and to protect consumers and vulnerable groups. On employment in general, the Spanish NECP focuses on highlighting the job creation potential of planned policies (with 560,000 net jobs in 2030), while boosting competitiveness and leadership in renewable technologies, however without mentioning concrete measures to support this potential.

Actions on re/upskilling are incorporated in different planned measures, such as programs related to renewable energy development, new business models for the energy transition, energy efficiency, demand management and flexibility and technologies and processes improvements in (non-)energy-intensive industries, among other sectors. However, there is no assessment of re/upskilling needs and needed measures per sector.

SECTION 3:

PREPARING THE TRANSITION TO ETS 2

The [Governance Regulation](#) instructs Member States to assess the number of households which are potentially affected by energy poverty. If a significant number of households in energy poverty exists, Member States should include in their NECP a national target to reduce energy poverty, including a timeframe by when the objectives are to be met and how it was determined. The national plans should outline the policies and measures that address energy poverty, including social policy measures and other relevant national programmes. The [Commission Notice on the guidance to Member States for the update of 2021-2030 NECPs](#) mandates that “all Member States are encouraged to set an objective for reducing energy poverty” due to the spike in energy prices. If the Member State decides that setting a target is not necessary, the NECP should contain the reasons for this decision. In addition, it should set a minimum threshold for a significant number of households affected by energy poverty above which the Member State considers it necessary to take action.

Assessing and addressing energy poverty in the NECPs is also an important step to effectively prepare for the introduction of the new EU Emission Trading System: ETS 2. This system will cover GHG emissions from fuel combustion in buildings, road transport and additional sectors not included in the EU ETS. These sectors are directly linked to the everyday lives of EU residents and social aspects should, therefore, be carefully considered in the NECPs. To alleviate potential social and economic impacts, the ETS 2 will be preceded by the introduction of the [Social Climate Fund](#) (SCF). This fund aims to support a fair transition towards climate neutrality, helping alleviate the social and economic impacts of the ETS 2.

To access funding from the SCF, Member States must submit national Social Climate Plans (SCPs) by June 2025. In its [guidance to Member States for the update of the national energy and climate plans](#), the European Commission encourages Member States to incorporate the underlying analysis needed to prepare the Social Climate Plans into the updated NECPs. This includes addressing how they plan to use the SCF revenue to meet their targets, ensuring a comprehensive and transparent approach to achieving climate and social objectives.

The [Social Climate Fund Regulation](#) requires Member States to conduct public consultations with key stakeholders during the development of their SCPs, building on the previous consultations conducted for the NECPs. However, an [analysis](#) by CAN Europe and WWF EU, as part of the TogetherFor1.5 project showed that only 2 out of 27 Member States conducted effective public consultations in line with the requirements of the Governance Regulation to compile their NECP. This raises the question of whether the 2024 NECPs have sufficiently laid the ground for consultations on SCPs.

Compliance check

| | Bulgaria | Croatia | Czechia | Denmark | France | Germany | Hungary | Slovenia | Spain | Portugal |
|--|----------|---------|---------|---------|--------|---------|---------|----------|--------|----------|
| 6. Energy poverty assessment | Red | Orange | Orange | Orange | Orange | Red | Orange | Green | Yellow | Green |
| 7. Decarbonisation measures supporting vulnerable groups | Orange | Yellow | Orange | Yellow | Green | Yellow | Red | Green | Green | Green |
| 8. SCP preparation | Orange | Yellow | Yellow | Red | Red | Yellow | Yellow | Orange | Yellow | Red |

NECPs Assessment

Only three out of ten Member States' NECPs align more closely with the EU requirements of providing a clear analysis of energy poverty and setting measurable targets to alleviate it. Slovenia and Portugal not only analyse energy poverty through different indicators, but also set specific targets for reducing energy-poor households by 2030 or 2050. Their plans also include measures such as investments in energy efficiency and renewable energy for vulnerable households, or reducing energy expenditure as a percentage of household income. A weakness of the Portuguese NECP is the lack of clarity on how the proposed targets will be achieved within the stated time frame, such as the target to reduce the number of people unable to heat their homes from 17.5 to 10 percent by 2030. France also includes an energy poverty assessment and comprehensive measures to reduce it, but suggests an unambitious mitigation target (-0,5 percent by 2030), which fails to address the increase in energy poverty in France and as such does not seem to reflect a strategic target setting. Although the Spanish NECP does include a set of detailed indicators and supporting measures to address energy poverty, it lacks a clear national target and timeframe and therefore falls short of the EU requirements for strategic and measurable action. Czechia and Denmark include a partial assessment of energy poverty only. While the relatively low level of energy poverty in Denmark may have justified the lack of concrete targets despite the recent energy price spikes across Europe, both countries do not sufficiently follow the Commission's recommendation to define specific targets or alternatively determine a minimum number of households in energy poverty that would require action. Croatia's NECP includes a rough estimate of energy poverty levels using income survey data, but does not set a timeline nor specific targets for addressing it. The Hungarian NECP includes an energy poverty assessment that does not match the estimates of national experts. Germany does not consider energy poverty at all: its NECP includes neither an estimation of energy poverty levels nor national objectives. Despite Bulgaria's high levels of energy poverty, the NECP offers only a vague and insufficient initial assessment of energy-poor households, lacks any data on transport poverty, and fails to set national targets or timelines. **To summarise, two-thirds of the NECPs analysed in this briefing insufficiently consider or do not consider at all the EU's requirements to set up national objectives against energy poverty.**

This presents a gap in policy implementation, as affordability is a priority of the Energy Union and should be reflected in future NECPs. Most Member States do not sufficiently follow up on recent legislative developments, in particular the proposed definition of energy poverty as proposed in the [guidance on energy poverty from the European Commission](#), as well as the requirements included in the Social Climate Fund regulation.

NECPs must also include measures supporting vulnerable groups in line with the Social Climate Fund, which allocates resources for energy efficiency and decarbonisation measures to alleviate the impact of ETS 2 on vulnerable groups. France, Spain, Slovenia and Portugal outline comprehensive and structured approaches, including targeted financial aid, renovation subsidies, and mechanisms to support vulnerable households. France, for instance, lists multiple support schemes such as energy vouchers, tariff shields, and renovation grants. Spain focuses on the inclusion and support of vulnerable households in the promotion of energy communities, low emission zones, sustainable mobility and renewables self-consumption, as well as energy security, among other measures. Germany and Bulgaria list some possible measures, but these are often limited in scope, focusing on financial support or subsidies without a clear focus on vulnerable households. Denmark, Czechia and Croatia take a partial approach only. Denmark focuses on insulation improvements, while Czechia relies on pre-existing energy savings programs with minimal new commitments. Croatia lists several measures to support vulnerable groups, such as a new monitoring system for energy poverty, mobility poverty and vulnerability, as well as a new buildings' renovation programme in areas falling under the Croatian special assistance program for underdeveloped regions. The programme aims to alleviate energy poverty, while reducing final energy consumption and CO2 emissions in energy-poor households at the same time. Hungary stands out for the absence of any measures explicitly supporting vulnerable groups, highlighting a gap with EU recommendations included in the Energy Efficiency Directive, the governance regulation and the updated and increased ambition and requirements in the Energy Performance of Buildings Directive.

The assessment also makes clear that the lack of public participation in the NECPs made it harder to organise timely and meaningful consultations around the SCPs. Only in one country, Czechia, the SCP drafting process was more inclusive compared to the NECP, with broader expert involvement through dedicated working groups that included civil society and climate policy experts – though engagement with the general public remained limited. In Hungary, while formal consultations are scheduled for May 2025, regular exchanges between the Ministry of Energy and civil society actors since mid-2024 indicates a more open approach than in the NECP process. In the rest of the assessed countries, SCP consultations either did not start by the end of March 2025 or began only recently and/or remained too limited in scope to meet the standards for effective and meaningful public participation.

Overall, the assessed countries failed to outline in their NECP a policy framework which would inform the use of the Social Climate Fund. The SCP was intended to be shaped by the planned reforms and commitments outlined by Member States in their NECPs. Since this alignment did not occur, it will now be more challenging for Member States to design effective SCPs that ensure consistency and create synergies with other relevant EU programmes and instruments. As a result, there is a risk that SCPs will consist of a random mix of measures and investments, without proper assessments to guide them, undermining their ability to effectively support the most vulnerable groups.

ZOOM-IN CASE: PORTUGAL'S LONG-AWAITED STRATEGY TO COMBAT ENERGY POVERTY

Energy poverty is mentioned over a hundred times in the Portuguese 2024 NECP, illustrating the country's commitment to alleviating this issue. Despite the delay in its publication, in 2024, Portugal released its “Long-Term National Strategy to Combat Energy Poverty” (ELPPE), which aims at eradicating energy poverty in Portugal by 2050 by protecting vulnerable consumers and actively integrating them into the energy and climate transition. The strategy also includes intermediary targets for 2030 targeting the different dimensions of energy poverty along eight different indicators (such as the ability to keep a home adequately warm or cool, population living in dwellings with infiltration or humidity problems, households spending 10 per cent or more of their income on energy costs). The comprehensive long-term strategy is articulated around four axes to address the root causes of energy poverty:

- Reducing the number of households struggling to pay for essential energy services by implementing instruments to reduce energy bills;
- Protecting vulnerable consumers in energy poverty through the development of mechanisms to prevent supply interruptions in critical times, as well as tools to ensure the provision of minimum services;
- Promoting an integrated network of Citizen Energy Spaces providing information, advice and support services;
- Increasing energy literacy by acting on different target audiences, ranging from the general public, children and young people and populations facing severe energy poverty and/or at risk of exclusion.

Following the approval of the ELPPE for 2023–2050, Portugal established the **National Energy Poverty Observatory**. Its role is to actively monitor national energy poverty levels, improve territorial data, and support the design, implementation, and evaluation of public policies. Portugal is now expected to release its Action Plan to Combat Energy Poverty (PACPE), which will guide the implementation of the national long-term strategy. Covering the period 2024–2030, the first PACPE will outline concrete measures, targets, and monitoring indicators, involving government, municipalities, companies, and civil society. It is seen as a key tool to fill existing gaps in both the energy poverty strategy and the NECP.

RECOMMENDATIONS

Recommendations to Member States for future NECPs

1. Consider future NECP revision processes as a planning tool rather than a reporting exercise, ensuring enough resources and time are allocated to align the revision process with national climate and energy policy making and take on board the findings and recommendations of the Commission's assessment of the NECPs;
2. Include ministries with indirect competencies (e.g. on housing, education, social policies, women's rights and gender equality) early on in the NECP process to address social, climate and energy considerations in tandem;
3. Ensure the meaningful and timely involvement of civil society and underrepresented groups in the planning process to identify vulnerability factors and social risks, aligning with the principles and obligations set forth by the Aarhus Convention.
4. Base corrective measures of climate and energy policies on socio-economic impact assessments. A robust and transparent database should allow for regular gender-disaggregated data collection to ensure just transition measures adequately address socio-economic risks.

Recommendations to EU policy makers

1. Improve the timeline alignment of different reporting requirements for Member States to allow for integrated and harmonised planning for just transition and climate policies. This is especially relevant in the context of the next EU's long-term budget (Multiannual Financial Framework), which is announced to be closely linked to country-specific plans that pair key reforms with investments.
2. **Capacity-building and administrative support:** Support Member States with technical assistance and capacity-building initiatives to address gaps in administrative structure, expertise, and resources needed for effective just transition planning. This could build on the experience of providing technical support to Member States as part of the SCP process.
3. **Monitor and enforce compliance with just transition requirements:** Strengthen the current reporting obligations in the NECP progress reports by making the inclusion of just transition elements mandatory and ensuring stronger alignment with the EU requirements set out in the SCF and JTF regulations. Issue country-specific recommendations more consistently, highlighting the gaps with requirements beyond the Governance Regulation.
4. **Strengthen the Governance regulation with a requirement to integrate gender equality** in Member States national energy and climate plans and long-term strategies (that are currently only mentioned in the recitals).

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ANNEX

Questionnaire template used for the traffic light assessment analysis

| No | Aspect short | Aspect long |
|----|---|--|
| 1 | Macro-economic impact assessment | Was a socio-economic impact assessment conducted at macroeconomic level for the policies included in the NECPs? |
| 2 | Policy-based impact assessment | Does the NECP systematically assess the positive and adverse socio-economic impacts of planned policies and measures, particularly on vulnerable households and/or in regions and territories facing particular transition challenges? |
| 3 | Policies to maximise social benefits | Does the NECP include a comprehensive set of targeted policies to maximize the social benefits and mitigate potential adverse impacts of the transition? |
| 4 | Policies to maximise employment benefits | Does the NECP include a comprehensive set of targeted policies to maximize the employment benefits and mitigate potential adverse impacts of the transition? |
| 5 | Reskilling needs identification | Does the NECP clearly identify the sectors in which to focus actions for re/upskilling? |
| 6 | Energy poverty assessment | Does the NECP include national objectives with regard to energy poverty, including a timeframe for when the objectives are to be met? |
| 7 | Decarbonisation measures supporting vulnerable groups | Does the NECP list energy efficiency and decarbonisation measures to support vulnerable groups? |
| 8 | SCP preparation | Have public consultations towards the national Social Climate Plan started? Are there any improvements compared to the NECP consultation process? |

