

Increasing Transparency and Completeness of Climate and Energy Policies and Measures Reporting

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Introduction

To achieve the overall ambition to reduce EU carbon emissions to net zero by 2050, countries will have to adopt new policies and measures, adjust existing ones to increase their impact, and replace or discontinue ineffective and inefficient ones.

Monitoring and reporting transparently on policies and measures and their impact is an important element in the EU's Regulation on the Governance of the Energy Union and Climate Action¹. This includes reporting on the policies and measures that have been implemented, or that are planned, and their observed and expected impacts.

However, EU reporting on national or regional policies is not always as complete, consistent, and comparable as it should be. Although the current EU governance system builds on a well-established reporting system for energy efficiency, renewable energy, and climate change policies, quantitative reporting related to the observed and projected energy and climate impacts and costs/benefits of such policies is notably scarce. Because public availability of these datasets is necessary to assess the effectiveness of policy mixes² progress in achieving energy and climate related targets, more progress must be made toward complete and transparent reporting of data. This paper will outline several concrete steps EU countries have already adopted, as well some new ideas, to increase transparency and completeness of reporting on climate and energy policies and measures.

Increasing Completeness of Reporting

In their 2019 report, the European Court of Auditors³ observed that reporting on EU climate policies and measures is incomplete and information on ex ante and ex post impacts is often

¹ https://eur-lex.europa.eu/legal-content/EN/TXT/?toc=OJ:L:2018:328:TOC&uri=uriserv:OJ.L_.2018.328.01.0001.01.ENG

² Kivimaa, P and Kern, F (2016) Creative destruction or mere niche support? Innovation policy mixes for sustainability transitions. *Research Policy* 45:205-217.

³ European Court of Auditors (2019) EU greenhouse gas emissions: well reported, but better insight needed into future reductions. Special report 18/2019.

missing. The European Commission and the European Environment Agency have already taken several actions to improve this:

- Incorporation of ‘harder’ monitoring and reporting requirements
- Preparation of guidance documents
- Establishment of peer-to-peer exchanges
- Provision of expert support.

Here we provide an overview of these actions, and why – as currently implemented – they have not necessarily resulted in consistently transparent and complete reporting of climate policy actions.

‘Harder’ Monitoring and Reporting Requirements

While reporting is considered a soft policy measure, Schoenefeld and Jordan (2020)⁴ argue that the EU’s climate policy monitoring has **incorporated ‘harder’ elements** over time. The reporting on climate policies and measures spans three different key EU legislations:

1. The Monitoring Mechanism Directive (Decision (EU) No 280/2004/EC)
2. The Monitoring Mechanism Regulation (Regulation (EU) No 525/2013), and
3. The Regulation on the Governance of the Energy Union and Climate Action (Regulation (EU) 2018/1999).

This hardening is evident in a number of ways. One is that the focus of monitoring increased in each subsequent legislation. Each new monitoring legislation provides more detailed legal provisions related to reporting. With the Regulation of the Governance of the Energy Union and Climate Action, this also means a higher level of integration with reporting in other dimensions of the Energy Union⁵, notably renewable energy and energy efficiency.

In recent years, countries have made their reporting on energy and climate policies and measures increasingly publicly available. This has enabled different stakeholders to scrutinize national climate policies and measure more closely. But despite these indications that the EU’s climate policies monitoring framework is becoming stricter, there is less evidence that this has resulted in more *complete* reporting. One impediment to more complete reporting may be overly prescriptive reporting templates, which can be a barrier to complete reporting. Many European countries evaluate climate and energy policies, but the results of these evaluations might not be precisely compatible with the reporting template.

Guidance Documents

To increase completeness of reporting, the European Commission and the European Environment Agency have undertaken a number of capacity-building activities for EU-funded research projects.

⁴ Schoenefeld, J. and Jordan, A. (2020) Towards harder soft governance? Monitoring climate policy in the EU. *Journal of Environmental Policy & Planning* 22:774-786.

⁵ https://energy.ec.europa.eu/topics/energy-strategy/energy-union_en

Several **guidance documents** have been prepared by different stakeholders, such as in the European research projects EPATEE (*Evaluation Into Practice to Achieve Targets for Energy Efficiency*) or STREAMSAVE or by the European Commission in the study “Capacity building to facilitate implementation of the Effort Sharing legislation, with focus on ex post evaluation and policy lessons learned”⁶. In addition, several EU countries have established national guidelines on how to perform policy evaluations. An exemplary example is the UK’s “Green Book: appraisal and evaluation in central government”⁷. Explicit policy evaluation guidelines provide concrete steps on how to estimate the impact of policies and measures. While there are several useful *evaluation* guidelines available, the lack of concrete *reporting* guidelines on the impacts of policies and measures means that availability of information on policy and measure impacts tend to be incomplete and inconsistent. This shortage of reporting guidelines for policy impacts stands in contrast to the extensive guidelines available for emissions inventories and greenhouse gas projections .

Peer-to-Peer Exchanges and Expert Support

Peer-to-peer exchanges via workshops and webinars were also used to enhance reporting completeness, e.g in the context of the European Commission’s project on capacity building⁸. This was complemented with **expert support** to individual Member States, which often included very specific and technical support, e.g. estimating counterfactual emissions in the transport sector or a decomposition analysis of emissions. Policy makers place a high value on exchanging information and good case studies. However, this information is very scattered. In an effort to organize this information, the European Environment Agency collected and published an online catalogue of available policy evaluations of environment, climate and energy policies; it includes almost 600 published reports and documents. Although acknowledged as a very valuable database by both policy makers, stakeholders and researchers, there is no regular update foreseen.

Considerable efforts have been done to support countries in climate and energy policy evaluation. While these efforts have contributed to improved policy evaluation practices in countries, they have not had an immediate positive effect on the completeness of reporting quantitative impacts of policies and measures.

Conclusion and Discussions

The information that is reported on climate policies and measures is a valuable data source, but incomplete reporting on quantitative impacts means it does not fully live up to its potential. Actions implicitly (e.g. via extended reporting templates and increased accessibility) or explicitly set-up to enhance the completeness of reporting have not immediately delivered the envisaged outcome. One of the reasons is that support is not maintained. A formal or informal **evaluators**

⁶ Foster, D et al. (2020) Capacity building to facilitate implementation of the Effort Sharing legislation, with focus on ex post evaluation and policy lessons learn.

⁷ <https://www.gov.uk/government/publications/the-green-book-appraisal-and-evaluation-in-central-government>

⁸ Schoenefeld, J. and Jordan, A. (2020) Towards harder soft governance? Monitoring climate policy in the EU. *Journal of Environmental Policy & Planning* 22:774-786.

network with strong involvement of countries could be a good vehicle to have a more concerted and maintained effort.