The new regulation on the governance of the energy union and climate action establishes a unique framework for cooperation between Member States and the EU to:

- ensure that national and EU trajectories are best aligned with a view to meeting the objectives and targets of the energy union, consistent with the Paris Agreement goals and in particular the EU's 2030 targets for energy and climate;
- cover all dimensions of the energy union, including energy security, the internal market, inter-connections, and research, innovation and competitiveness;
- ensure a transparent and coordinated planning, reporting and monitoring process, and promote closer cooperation between EU countries in these areas;
- offer more clarity and predictability to unlock clean energy investments across the EU;
- ensure consistent reporting by the EU and its member countries under the UN Framework Convention on Climate Change and the Paris Agreement.

The governance mechanism is based on integrated national energy and climate plans (NECPs) covering ten-year periods starting from 2021 to 2030, EU and national long-term strategies, as well as corresponding integrated reporting and monitoring arrangements.

The regulation takes into account the fact that different countries can contribute to the energy union in different ways. The Commission may issue recommendations and/or take additional measures to ensure that EU countries’ contributions, as reflected in the NECPs, sufficiently contribute to collectively reaching the energy union objectives.

The new governance regulation is part of the framework strategy for a ‘Resilient energy union with a forward-looking climate change policy’ and was finalised as part of the Clean Energy for All Europeans package.