

European Green Deal National Energy & Climate Plans



Commission assessment of Latvia's NECP

1. Summary of the final national energy and climate plan 2021-2030

EU legislation requires each Member State to adopt a 10-year national energy and climate plan (NECP), to map out how they will contribute to our binding climate and energy targets for 2030.

The NECP submitted by Latvia foresees the following objectives, targets and expected contribution:

	National targets and contributions	Latest available data	2020 target	2030 target	Assessment of 2030 ambition level
GHG	Binding target for greenhouse gas emissions compared to 2005 under the Effort Sharing Regulation (ESR) (%)	8%	17%	-6%	As in ESR
	National target/contribution for renewable energy: Share of energy from renewable sources in gross final consumption of energy (%)	40%	40%	50%	Adequate (50% is the result of RES formula)
°4	National contribution for energy efficiency: Primary energy consumption (Mtoe) Final energy consumption (Mtoe)	4.7 4.2	5.4 4.5	4.1	Modest Modest
	Level of electricity interconnectivity (%)	50%	10%	60%	N/A

Sources: European Commission, Energy statistics, Energy datasheets: EU countries; European Semester by country; <u>Latvia's final national energy and climate plan</u>.

2. Guidance for the national recovery and resilience plan and NextGenerationEU financial support

Based on Latvia's final national energy and climate plan, and on the investment and reform priorities identified for Latvia in the European Semester, the Commission services invite Latvia to consider, while developing its national recovery and resilience plan, the following climate and energy-related investment and reform measures:

- Measures accelerating the deep renovation of buildings and improving energy efficiency in the industry as well as in the heating and cooling sectors;
- Measures improving energy efficiency and renewable energy use in transport, including by developing the infrastructure for electric mobility, and supporting a modal shift; measures to complete Rail Baltica;
- Measures supporting the further deployment and integration of renewable energy, including promoting the use of renewables in buildings; measures to phase out fossil fuel tax advantages, and aligning heating tariffs and car taxation with emission intensity; in cooperation with other concerned Member States, investments and related measures required for the synchronisation with the European continental grid by 2025.

3. EU funds available 2021-2027: commitments (MFF and NGEU) in current prices unless stated

Structural Funds	Common Agricultural Policy	Recovery & Resilience Facility	Just Transition Fund	Modernisation Fund	ETS auction revenue
EUR 4.3 bn	EUR 3.3 bn	EUR 1.9 bn *	EUR 0.2 bn*	EUR 0.1 bn **	EUR 0.04 bn ***

^{*} in 2018 prices; ** assuming a carbon price of EUR 20 per tonne; *** average of 2018 and 2019 actual auction revenues, amounts in 2021 to 2027 will depend on the quantity and price of auctioned allowances.

Further EU funds in 2021 to 2027, available to all EU Member States, that are relevant for the implementation of the energy and climate plans, include:

- EUR 91.0 billion from Horizon Europe;
- EUR 9.1 billion from InvestEU;
- EUR 29.9 billion from Connecting Europe Facility;
- EUR 360.0¹ billion from the Recovery and Resilience Facility;
- EUR 0.9 billion from the Technical Support Instrument;
- EUR 5.4 billion from the LIFE programme;
- EUR 8.2 billion from the European Agricultural Fund for Rural Development; and
- EUR 140.0² billion from the Innovation Fund.

Note: The figures are based on the conclusions of the European Council of July 2020. They do not prejudge the outcome of the ongoing negotiations on the elements of the recovery package. For most of the above funds, support to the climate and energy transition is one objective among others. For the forthcoming period, the European Council has committed to the mainstreaming of climate action into all EU programmes and instruments and to an overall target of at least 30% of EU funding to support climate objectives. For more details, see Annex 1 of the respective staff working documents.

For more information: <u>National Energy & Climate Plans</u> – for links to the final NECP of all EU Member States and the Commission assessments, plus links to previous drafts and previous Commission recommendations.

Catalogue number: MJ-01-20-600-EN-N ISBN: 978-92-76-23168-4 DOI: 10.2833/356859

¹ In 2018 prices.

² Assuming a carbon price of EUR 20 per tonne.