Recommendations of the European Commission of 18.6.2019 “On the draft integrated National Energy and Climate Plan of Latvia covering the period

2021-2030” have been evaluated.

Latvia has taken into account the recommendations of the European Commission in accordance with Article 9 (3) of Regulation 2018/1999.

Below, Latvia provides and publishes a justification for the European Commission's recommendations.

| **EC recommendation** | **Taken into account?****(Y/N/PART)** | **How it has been taken into account** |
| --- | --- | --- |
| **1.** Develop further its strategy for achieving its 2030 greenhouse gas target for sectors not covered by the EU emissions trading system of -6 % compared to 2005. | **Y** | Chapter 4 and Annex 4 of the Plan.According to the modelled target scenario (scenario with the policies and measures planned and set with the Plans), the GHG emission reduction target of 2030 will be reached by implementing additional policies and measures. |
| This includes further defining the necessary steps for implementing the described policies … | **Y** | Chapter 4 and Annex 4 of the Plan. |
| and analysing the role of the land use, land use change and forestry sector based on the accounting rules under Regulation (EU) 2018/841 of the European Parliament and of the Council. | **Y** | Chapter 3 of the Plan.The objectives of the LULUCF are to be achieved within the following land use categories: arable land, grassland and woodland. At the same time, it is planned to study and implement solutions aimed at reducing emissions from organic soils in LULUCF sector. |
| **2.** Significantly increase the level of ambition for 2030 to a renewable share of at least 50 % as Latvia’s contribution to the Union’s 2030 target for renewable energy, as indicated by the formula in Annex II under Regulation (EU) 2018/1999.  | **Y** | Chapter 3.1.2 of the Plan (Table 16) |
| Include an indicative trajectory in the final integrated national energy and climate plan that reaches all the reference points pursuant to Article 4(a)(2) of Regulation (EU) 2018/1999 in accordance with that share, in view of the need to increase the level of efforts for reaching this target collectively.  | **Y** | Chapter 3.1.2 of the Plan (Table 16) |
| Put forward detailed and quantified policies and measures that are in line with the obligations laid down in Directive (EU) 2018/2001 of the European Parliament and of the Counciland enable a timely and cost-effective achievement of this contribution.  | **Y** | Annex 4 to the Plan. Chapter 4 and 5 of the Plan. |
| Ensure that the renewable energy target for 2020 set out in Annex I of Directive 2009/28/EC of the European Parliament and of the Councilis fully met and maintained as a baseline from 2021 onwards,  | **Y** | Chapter 3.1.2.1. of the Plan.The latest RES Shares calculations show that Latvia will meet the 2020 target.According to the modelled target scenario, Latvia will meet its 2020 target and the share of RES in final energy consumption is not expected to fall below the 40% target.The recommendation is to be implemented only in 2022, when the 2020 AER target is set to be met. |
| and explain how it intends to meet and maintain such baseline share. | **Y** | Annex 4 to the Plan. Chapters 4 and 5 of the Plan.According to the modelled target scenario, Latvia will meet its 2020 target and the share of RES in final energy consumption is not expected to fall below the 40% target. |
| Put forward detailed measures to meet the indicative target in the heating and cooling sector included, in Article 23 of Directive (EU) 2018/2001 and the transport target in Article 25 of Directive (EU) 2018/2001.  | **Y** | Annex 4 to the planChapter 4 and 5 of the planAccording to the modelled target scenario, Latvia will meet the 2030 target for the share of RES in heating and cooling and meet the AER share targets in transport |
| Provide more details on the enabling frameworks for renewable self-consumption and renewable energy communities with measures, in line with Articles 21 and 22 of Directive (EU) 2018/2001. | **Y** | Chapter 4.8 and Annex 4 to the Plan. |
| **3.** Increase the level of ambition, especially towards reducing primary energy consumption, and support it with policies and measures that would deliver additional energy savings in order to reach the Union’s 2030 energy efficiency target.  | **Y** | Chapter 3.2 of the Plan.PEC (primary energy consumption) and FEC (final energy consumption contributions have not been increased to “sufficient” level, but only to “moderate” level (PEC) or increased within “moderate” (FEC) taking into account Latvia's ability to reach the requested level of ambition.Chapter 3.2.1 of the plan provides an explanation of the choice of Latvia's contribution and the specific national characteristics affecting it, the taking into account of which is determined by Article 6(2) of Regulation 2018/1999.Similarly, if the European Commission's assessment used not 2017 as the reference year, which is atypical year of Latvia's energy supply, due to the large amount of hydro energy (and because of this, the small amount of fuel used), as well as to the low energy consumption industry caused by the stagnation of construction materials producers, but 2018, Latvia's contribution ambitions would be “sufficient”. |
| Provide more detailed description of the planned policies, in particular in buildings and transport sector as well as concrete estimates of energy savings of existing and planned policy measures by 2030 and timelines for accompanying investments. | **Y** | Chapter 3.2, Chapter 4, Annex 4 to the Plan.Chapter 3.2.1 of the Plan includes the calculation of energy savings for planned policy measures. |
| **4.** Specify the measures supporting the energy security objectives on diversification and reduction of energy dependency, including measures ensuring flexibility, including an assessment of how proposed policies and measures ensure the achievement of the target to decrease energy dependency.  | **Y** | Chapter 4 of the Plan, Annex 4 to the Plan.Latvia is already meeting the energy dependency reduction targets, where planned measures to implement and differentiate RES technologies will further improve this target.The measures set in Plan will reduce the dependency but it is not estimated by what amount |
| Take into account the regional context when assessing the resource adequacy in the electricity sector. | **Y** | Forecasts for the development of the electricity system are carried out in full respect of the regional context |
| **5.** Define forward-looking objectives and targets concerning market integration, in particular measures to develop more competitive wholesale and retail markets. | **Y** | Chapter 3 and Chapter 4.10 of the Plan. |
| **6.** Clarify the national objectives and funding targets in research, innovation and competitiveness, specifically related to the Energy Union, to be achieved between 2020 and 2030, so that they are readily measurable and fit for purpose to support the implementation of targets in the other dimensions of the integrated national energy and climate.  | **Y** | Chapter 3.5 of the Plan. |
| Underpin such objectives with specific and adequate policies and measures, including those to be developed in cooperation with other Member States, such as the Strategic Energy Technology Plan. | **Y** | Chapter 3.5, Chapter 4.2 and Annex 4 to the Plan |
| **7.** Intensify the good regional cooperation arrangements between Baltic countries (Estonia, Latvia, Lithuania); extend them to new areas and broadening the geographic reach to include the Nordic countries (Denmark, Finland, Iceland, Norway and Sweden).  | **Y** | Chapter 4, Chapter 1.4 and Chapter 5.4 of the Plan |
| The focus of the regional exchanges should be on internal energy market and energy security areas, in view to the changes in the electricity systems accommodating higher shares of renewable electricity, which will increase electricity import/export and enhance the need for system flexibility, as well as the decarbonisation of the transport sector and regional cooperation in research. | **Y** | Chapter 1.4 and chapter 5.4 of the Plan |
| **8.** List all energy subsidies, including in particular for fossil fuels, and actions undertaken as well as plans to phase them out. | **Y** | Chapter 2 and Annex 4 to the Plan |
| **9.** Complement the analysis of the interactions with air quality and air emissions policy, presenting the impacts on air pollution for the various scenarios, providing underpinning information, and considering synergies and trade-off effects. | **Y** | Chapter 5.1.5 of the PlanActive work is ongoing on the “Air Pollution Reduction Action Plan 2019-2030” (Air Protection Plan). Latvia’s planning documents are planned in a consistent manner, which means that air protection compensatory measures in the air protection plan are also provided in NECP.The negative aspects likely to affect air emissions have been assessed in the strategic environmental impact assessment. |
| **10.** Integrate just and fair transition aspects better, notably by providing more details on social, employment and skills impacts of planned objectives, and policies and measures.  | **Y** | Chapter 5.2.3 of the Plan. |
| Include an assessment of the situation regarding energy poverty, and targets for reducing and/or limiting energy poverty together with policies and measures as required by the Regulation (EU) 2018/1999. | **Y** | Chapter 2, 3, 4 of the Plan |