

## LATVIA'S DRAFT UPDATED NATIONAL ENERGY AND CLIMATE PLAN

An important step towards the more ambitious 2030 energy and climate objectives under the European Green Deal and REPowerEU



## Highlights of the Commission's assessment

The European Green Deal, the fast-evolving geopolitical context and the energy crisis have led the EU and its Member States to **accelerate the energy transition and set more ambitious energy and climate objectives**. These developments are reflected in the legislative and policy framework adopted under both the 'Fit for 55' package and the REPowerEU Plan. Taking this new context into account, **Member States are updating their National Energy and Climate Plans (NECPs) for the first time since 2019**. The European Commission has assessed Latvia's draft updated NECP, submitted on 11 December 2023.

## Latvia's key objectives, targets and contributions

		2030 target submitted in the draft updated NECP	2030 target under EU legislation	Assessment of 2030 ambition level
GHG	GHG emissions in ESR sectors (compared with 2005)	-6.6%	-17%*	Latvia does not reach its target based on projections.
GHG	GHG net removals in LULUCF (Mt CO <sub>2</sub> eq. net greenhouse gas removals)	+ 3.29	-0.639 (additional net removal target) -0.644 (total net removals)**	Latvia does not reach its target based on projections.
er la	Energy Efficiency (Final energy consumption)	3.4 Mtoe	3.28 Mtoe***	Latvia's final energy consumption is above the indicated target resulting from EU legislation.
	Renewable Energy (Share of renewable energy in gross final consumption)	57%	61%****	Latvia's submitted contribution to the EU target is below the one resulting from EU legislation.

\* under the Effort Sharing Regulation (ESR).

\*\* under the Regulation on Land Use, Land Use Change and Forestry (LULUCF).

\*\*\* according to the formula set out in Annex I of the Directive (EU) 2023/1791 on energy efficiency and amending Regulation (EU) 2023/955 ('EED recast').

\*\*\*\* according to the formula set out in Annex II of the Regulation (EU) 2018/1999 on the Governance Regulation of the Energy Union and Climate Action.



# Latvia's main positive elements and areas for improvement

✓ On **decarbonisation**, the plan confirms Latvia's commitment to achieve climate neutrality by 2050.

 $\checkmark$  On **renewable energy**, Latvia's draft updated NECP includes some specific targets for the share of renewable energy use in industry and an objective for renewable energy share in buildings. However, overall, the plan contains only generic policy indications, failing to explain how Latvia will achieve the objectives set out in the plan.

 $\checkmark$  On **the Internal Energy Market**, Latvia puts forward an interconnection target of 60% for 2030. However, the plan does not set out specific policies and measures to stimulate demand response, accelerate deployment of electricity storage or encourage take-up of flexibility services.

X On **greenhouse gas emissions**, Latvia's plan lacks substantial information on planned measures and projections, making the assessment of how the ESR and LULUCF targets will be reached impossible.

X On **adaptation to climate change**, the plan does not consider climate vulnerabilities and risks, which may put the achievement of energy and climate mitigation objectives at risk.

X On the **energy efficiency**, Latvia's plan does not provide substantial information on the planned measures as well as estimates of their financial needs and funding sources.

X On **research**, **innovation**, **competitiveness and skills**, the plan lacks targets and measures to support research, innovation and investments in clean energy technologies. In addition, the plan lacks information on skills gaps and measures to address them.

### Moving forward...

Based on this assessment, the Commission has published country-specific recommendations for each Member State. These recommendations should be taken into account by the Member States when preparing their final updated NECPs, which are due by 30 June 2024.

Full Commission's assessment and recommendations on Latvia's draft updated NECP: here

More information about the National Energy & Climate Plans: <u>NECP website</u>