

## Assessment of country performance and opportunities in the Energy Union

**Austria shows a combination of good performance and some challenges across the different dimensions of the Energy Union:**

Concerning *Energy Security*, Austria has a higher fossil fuels import dependency than the EU average, with close to two thirds of gas imports provided by the Russian Federation. At the same time, Austria is well interconnected with neighbouring Member States and benefits from a high share of renewable energy in the energy mix.

In terms of *the Internal Energy Market*, Austria enjoys a competitive electricity market with close links to the liquid German market and flexible generation plants for balancing volatile renewable energy generation across borders. The country also disposes of important pumped hydro storage capacities. Challenges to the electricity grid due to growing production from solar and wind and the North-South electricity flows point to room for further investment in internal electricity lines and cross-border capacities with Italy and Germany.

Concerning *energy efficiency*, Austria needs to undertake additional efforts to keep reducing primary energy consumption to reach the 2020 energy efficiency target. In particular the buildings and transport sectors appear to have additional potential for energy savings.

Concerning *decarbonisation*, Austria is among the leading Member States in terms of the share of renewable energy in its energy mix and is well on track towards its 2020 target. However, Austria should consider additional measures for reaching its 2020 greenhouse gas emissions reduction target. The development of e-mobility constitutes a challenge for Austria.

In the area of *Research, Innovation and Competitiveness*, Austria's competitiveness benefits from low real unit energy costs and low energy intensity. Austria has a substantial number of innovative and export oriented companies in the fields of renewable energies and energy efficiency technologies.

Against this background, the **Energy Union Strategy can provide future opportunities** for Austria:

- *Internal energy market*: Reinforced internal and cross-border electricity and gas connections and storage projects could help balance electricity flows and support the development of competition on the gas market, whilst increasing Austria's security of supply. Most importantly, enhanced regional cooperation and reinforced interconnections would allow Austria to reap fully the regional synergies, in particular in terms of enhancing security of supply and competitiveness.
- *Decarbonisation*: The Energy Union with its 2030 targets will increase the political impetus of Austria's drive for further development of renewables.
- *Energy Efficiency*: The Energy Union will strengthen the targeted use of financial instruments for increased investments also for Austria particularly in the transport and buildings sector, e.g. through the European Structural and Investment Fund.
- *Research, innovation and competitiveness*: The Energy Union objective to make the EU number one in renewable energy can benefit Austria via an increased demand for technological innovation.