

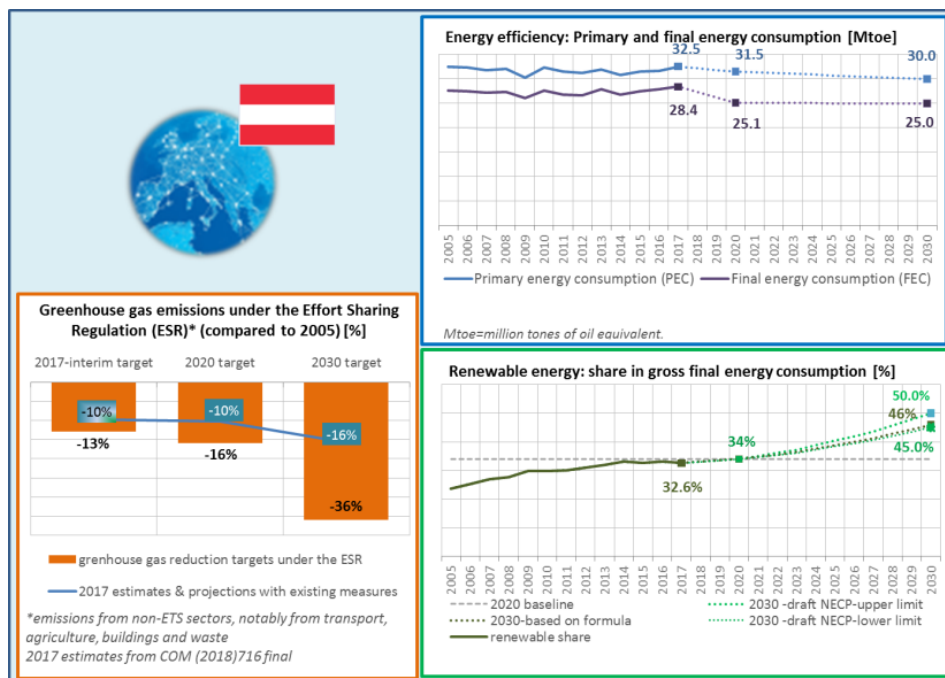


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Summary of the Commission assessment of the draft National Energy and Climate Plan 2021-2030

The EU has committed itself to a clean energy transition, which will contribute to fulfilling the goals of the Paris Agreement on climate change and provide clean energy to all. To deliver on this commitment, the EU has set binding climate and energy targets for 2030: reducing greenhouse gas emissions by at least 40%, increasing energy efficiency by at least 32.5%, increasing the share of renewable energy to at least 32% of EU energy use and guaranteeing at least 15% electricity inter-connection levels between neighbouring Member States. To ensure that the EU targets are met, EU legislation requires that each Member State drafts a 10-year National Energy and Climate Plan (NECP), setting out how to reach its national targets, including the binding national target for reducing greenhouse gas emissions that are not covered by the EU Emissions Trading System (ETS). The European Commission has analysed each draft NECP. The summary of this assessment for Austria is outlined below. The final NECPs for the period 2021-2030 are due to be submitted by Member States by the end of 2019.

AUSTRIA - National targets and contributions foreseen in the draft National Energy and Climate Plan



Sources: Austria's draft National Energy & Climate Plan, Eurostat (PEC2020-2030, FEC2020-2030 indicators and renewable SHARES), COM(2018)716 final (2017 GHG estimates)

- The draft integrated National Energy and Climate Plan (NECP) of Austria builds on the climate and energy strategy called #mission2030, which guides the long-term transformation of Austria's energy system to meet the challenge of climate change. The draft plan puts a strong emphasis on the decarbonisation and energy efficiency dimensions and related policies. This economic and industrial transformation needs to be underpinned by ambitious policies on the security of supply, internal market dimensions and research, innovation and competitiveness dimensions.
- Austria's 2030 target for **greenhouse gas (GHG) emissions** not covered by the EU Emissions Trading System (non-ETS), is -36% compared to 2005, as set in the Effort Sharing Regulation (ESR)¹. The draft NECP acknowledges the need for and sets out additional policies, as with current measures Austria would miss this target by 20 percentage points. This gap assumes that the Land Use, Land Use Change and Forestry (LULUCF) no-debit commitment is met i.e. that emissions do not exceed removals, which is still left open in the draft NECP. It is worth highlighting that Austria has set quantified emission reduction targets (2030 compared to 2016) for the two key effort sharing sectors, transport and buildings. These targets are underpinned by a detailed list of additional measures. The draft plan provides less detail on other sectors and does not quantify yet how the remaining gap to the 2030 target of 4 million tons (Mt) CO₂eq will be filled nor specifies the intended use of the flexibilities between the effort sharing, LULUCF and ETS sectors.
- For **renewable energy** Austria has not yet provided a specific figure as its contribution, but has provided **a range of the share of renewables from 45% to 50% of gross final energy consumption in 2030**. Part of this range of ambition is slightly below the share of 46% by 2030 that results from the formula in Annex II of the Governance Regulation, a situation which would also require in the final plan an indicative trajectory that reaches all reference points² in accordance with the national contribution set out in the final plan. **Austria has a very ambitious sectoral objective of a 100% renewable electricity system by 2030**, which could be an opportunity for highlighting, in the final plan, the interactions with the energy efficiency, energy security and internal market dimensions of the Energy Union and with future trends in energy sector like digitalisation. The final plan would benefit from elaborating further on the policies and measures allowing the achievement of the contribution and on other relevant sectoral measures.
- For **energy efficiency**, similarly, Austria has not yet provided a specific figure as its contribution, but it has provided a range, based on an optimistic forecast and a more pessimistic forecast related to the improvement of the country's primary energy intensity in the next decade (30% and 25% respectively in 2030 in comparison to 2015). The final plan would benefit from the inclusion of key elements of those sectors contributing to energy efficiency, such as the building renovation sector. The ongoing evaluation of the Energy Efficiency Act could also pose an opportunity to consider the level of the targets and relevant policies and measures, as there is need to increase efforts at the EU level to collectively reach the Union's 2030 energy efficient targets.
- In its draft plan, Austria emphasises **energy security**, indicating needs for significant investments to increase the storage capacity for both gas and electricity. Austria also exceeds the mandatory oil stock levels, while at the same time it is aiming to further decrease import dependency on fossil fuels by

¹ Regulation (EU) 2018/842 of the European Parliament and of the Council of 30 May 2018 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement and amending Regulation (EU) No 525/2013.

² Pursuant to Article 4(a)(2) of Regulation 2018/1999.

replacing them with domestic renewable energy. The final plan would benefit from further detailing objectives and more detailed information on concrete measures for implementing these policies.

- The draft plan states that Austria already exceeds the **interconnectivity** level of 15% for 2030 and does not envisage a higher interconnection level for 2030. Considering the projected strong increase in electricity demand (increase of 20% between 2020 and 2030 in the With Existing Measures scenario) and Austria's objective of 100% renewable electricity production by 2030, this would imply a substantial increase in electricity generation capacity and implications on system flexibility, including the role of further interconnections, which could be elaborated in the final plan. On energy poverty, Austria reports the number of households affected but the final plan could provide more information on the measures to reduce energy poverty or ensure that the population at risk does not enter into energy poverty.
- The draft plan highlights the vision for private and public sector cooperation in a mission oriented approach to the **research, innovation and competitiveness** dimension to meet the challenges facing the energy system. In addition to the broad themes, identifying relevant areas where research and innovation efforts will be needed, more specific objectives and funding targets to reach the objectives set out in the Austrian Climate and Energy Strategy supported by policies are needed. Such objectives should be underpinned by specific and adequate policies and measures, including those to be developed in cooperation with other Member States, such as the European Strategic Energy Technology Plan.
- The draft NECP does not yet contain an **impact assessment** of planned policies and measures or information on **investments needs** and an assessment of the national, regional and Union sources of those investments beyond for electricity transmission infrastructure, thus not yet fully taking advantage of the role NECPs can play in providing clarity to investors and attracting additional investments in the clean energy transition. These elements need to be included in the final plan.
- Austria engaged in **regional cooperation** in various formats, notably the Visegrad Group, the Pentalateral Energy Forum and Central and South-Eastern Europe Energy Connectivity (CESEC). There is significant potential to further develop regional cooperation considering Austria's role as an important transit country and a gas hub.
- The final plan could benefit from further information and analysis of the interactions with **air quality and air emissions policy**. The projected increase in bioenergy would make air impacts especially important to consider.
- The draft plan is incomplete regarding **just and fair transition aspects** and could benefit from additional information on social, employment and skills impacts of a transition to a carbon neutral economy.
- A list of all **energy subsidies** and actions undertaken and planned to phase them out, in particular for fossil fuels, needs to be included in the final plan.
- As a **good practice**, the Austrian draft NECP provides a good example of combining quantified emission reduction objectives for the transport sector with underpinning concrete planned policies and measures to achieve them.

Related links:

- [National Energy & Climate Plans](#) – for links to the Commission recommendations and Staff Working Document for Austria and all other Member States, to the Commission Communication assessing all draft NECPs, and to the draft NECPs themselves.
- More information about the [Clean energy for all Europeans package](#)
- More information about the [2030 climate & energy framework](#)