General Policy Guidelines
on the 2030 Targets for the Contracting Parties
of the Energy Community

INTRODUCTION

In 2014, a target of reducing by at least 40% green-house gas emissions compared to 1990 by 2030 was agreed in the European Union. In June 2018, the European Parliament and the Council reached a political agreement for an energy efficiency target of at least 32.5% by 2030 and a renewable energy target of at least 32% by 2030. These targets will be formally adopted and enter into force in the European Union later this year or early 2019.

The 2017 Ministerial Council of the Energy Community emphasized the need of setting targets for 2030 on energy efficiency, renewable energy and greenhouse gas emission reduction. This is in line with Contracting Parties’ respective obligations in the EU accession process as well as considering the commitments taken by countries in the framework of the UNFCCC and the Paris Agreement.

As a preliminary step within the target setting process, a study commissioned by the Secretariat on an EU-convergent approach for the calculation of the 2030 targets and its findings were examined by the Energy and Climate Committee and its Technical Working Group. Discussions also indicated that further work at technical level would be needed for the development of a methodology that adequately reflects a similar and adequate EU ambition level.

The Energy and Climate Committee stressed the timeliness and significance of a political consensus on the 2030 target setting, for which the General Policy Guidelines below were developed.

THE MINISTERIAL COUNCIL OF THE ENERGY COMMUNITY

Having regard to Article 47(a) of the Treaty establishing the Energy Community ("the Treaty") and item VI of the Procedural Act 2006/01/MC-EnC on the Adoption of the Internal Rules of Procedure of the Ministerial Council of the Energy Community,

Recognising the need to provide an effective response to the threat of climate change,

Taking into account that the Contracting Parties of the Energy Community support the call for enhanced action on climate change provided by the Paris Agreement,

Acknowledging that the energy sector is one of the main contributors to the emissions of greenhouse gases, and given the strong links between energy policy and climate,

Taking note that during the first meeting of the Energy and Climate Committee, held in Vienna on 5 September 2017, it was acknowledged that stable national energy and climate plans up to 2030 should be accompanied by three overall targets, namely for the increase of renewable energy in overall energy consumption, increased energy efficiency and reduction of greenhouse gas emissions,
Recalling the December 2017 Ministerial Council Conclusions which underlined the need of 2030 targets in the Energy Community for renewable energy, energy efficiency and greenhouse gas emission reduction, and which welcomed the declaration of the European Commission to work on appropriate proposals to the Energy Community to incorporate suitable provisions of future EU legislation related to these, once such legislation is adopted in the European Union,

Recalling the Ministerial Council Recommendation 2016/02/MC-EnC on preparing for the implementation of Regulation (EU) 525/2013 on a mechanism for monitoring and reporting greenhouse gas emissions and Recommendation 2018/01/MC-EnC on preparing for the development of integrated national energy and climate plans by the Contracting Parties of the Energy Community,

Acknowledging the importance for the Energy Community of the political consensus at the EU level on the EU’s 2030 targets through the revision of the Energy Efficiency Directive, the Renewable Energy Directive, and the agreement on the Effort Sharing Regulation,

THE MINISTERIAL COUNCIL ADOPTS

General Policy Guidelines on 2030 Targets for the Contracting Parties of the Energy Community
The present General Policy Guidelines represent the political consensus reached in the Ministerial Council on the 2030 targets for the Contracting Parties of the Energy Community.

Three distinct 2030 energy and climate targets should be established: a target for energy efficiency, a target for the contribution of renewable energy sources, and a greenhouse gas emission reduction target. These targets should be in line with the EU targets for 2030, represent an equal ambition for the Contracting Parties and take into account relevant socio-economic differences, technological developments and the Paris Agreement on Climate Change. They should be expressed in targets for all Contracting Parties as a whole and/or individual targets for each Contracting Party, as appropriate. Contracting Parties should use the political consensus reached in these General Policy Guidelines in the preparation of their national energy and climate plans.

The Ministerial Council of the Energy Community is looking forward to the inclusion of the 2030 targets for the Contracting Parties in the Energy Community legal framework through the adaptation of the new Energy Efficiency Directive, Renewable Energy Directive and Governance Regulation once they are in force in the EU, as indicated in an annex.

For the Ministerial Council

[Signature]

Presidency
ANNEX I

The following indicative timetable outlines the next steps:

<table>
<thead>
<tr>
<th>Dates</th>
<th>Step</th>
</tr>
</thead>
<tbody>
<tr>
<td>29 November 2018</td>
<td>Approval of General Policy Guidelines at the Ministerial Council</td>
</tr>
<tr>
<td>November 2018 -</td>
<td>Energy and Climate Committee and its Technical Working Group</td>
</tr>
<tr>
<td>May 2019</td>
<td>continue to work on a methodology and definition of 2030 targets</td>
</tr>
<tr>
<td></td>
<td>that adequately reflects a similar EU ambition level</td>
</tr>
<tr>
<td>May - July 2019</td>
<td>Drafting adaptations of the Energy Efficiency Directive, Renewable</td>
</tr>
<tr>
<td></td>
<td>Energy Directive and Governance Regulation</td>
</tr>
<tr>
<td></td>
<td>Directive and Governance Regulation with 2030 targets for Contracting</td>
</tr>
<tr>
<td></td>
<td>Parties</td>
</tr>
</tbody>
</table>