



EUROPEAN COMMISSION
DIRECTORATE-GENERAL FOR ENERGY

Directorate A – Energy Policy: Strategy and Coordination
A.2 – Communication and Outreach

Latvian virtual stakeholder dialogue on energy and the European Green Deal

Commission Representation in Latvia and DG Energy

28 September 2021, 10:00 – 11:30, WebEx

Participants: 82, representing a balanced set of energy sector stakeholders: academic community, municipalities, renewable energy associations, Distribution System Operator, Transmission System Operator, ministries, businesses, environmental NGOs.

Content: The dialogue was opened by the Head of the Commission Representation in Latvia **Zane Petre** and moderated by the Deputy Head who also gave a quick overview of the *Fit for 55* package. Two experts from DG Energy, one from the Energy Efficiency Unit and another one from the Renewable energy Unit, described the context and content of the new legislation, with a particular focus on the Energy Efficiency Directive (EED) and the amended Renewable Energy Sources Directive (RED II). There was a lively discussion following their presentations.

Questions raised/issues addressed in summary:

A Member of the Riga City Council raised a question **to what extent the review of previous legislation has been taken into account when setting the new goals**. To be noted that the IPCC report and latest IEA recommendations were published after the *Fit for 55* package, and call for more ambition targets. In addition, **various environmental NGOs consider the new goals not being ambitious enough**. The possible scaling-up of bio-methane use in Latvia is underlined. The Member also suggested **that lower VAT could promote energy efficiency**. Fossil fuels in heating supply are taxed at 12% while energy efficiency measures are taxed at 21%. The review of the Latvian National Energy Climate Plan could be a good opportunity to introduce changes.

The Representative from the World Wildlife Foundation inquired about **bioenergy sustainability criteria**, about sustainability-related conditions for other land uses, such as for agricultural lands and, asked to clarify the **definition of primary forests**.

The Representative of the Latvian Renewable Energy Association asked **about the interpretation of Paragraph 6 of Directive 2018/2001**, which regulates conditions for existing renewable energy projects and review/modification of support level from the Member States.

The Representative from the Rīgas Siltums, heating utility company of Riga, asked if the planned extension of **ETS will apply to multi-apartment buildings**.

The Representative from Lighthouse pointed out that energy efficiency measures largely depend on project promoters. Best practice examples **to ensure better implementation of the “energy efficiency first” principle** were requested (to be found [here](#)).

The Representative of the environmental NGO “Green Freedom” asked about **compulsory mechanisms** in order to stimulate the Member States **to integrate the new *Fit for 55* goals in already existing policies**.

The Representative of the Latvian Association of Local and Regional Governments agreed that climate neutrality is an important goal, however, in Latvia there is limited indigenous manufacturing industry, which would allow increasing the tax base from the Green Deal projects. Therefore, **the significant climate mitigation and adaptation costs will be difficult to shoulder**.

The Representative of Latvijas Finieris, a developer, producer and supplier of birch plywood products and related services, commented that the **reduction of VAT on imported raw materials would be shortsighted**. VAT is not the most important factor for businesses when making energy efficiency decisions.