

## DECISION OF THE MINISTERIAL COUNCIL OF THE ENERGY COMMUNITY

**D/2021/14/MC-EnC: amending Article 20 and Annex I to the Treaty establishing the Energy Community and incorporating Directive (EU) 2018/2001, Directive (EU) 2018/2002, Regulation (EU) 2018/1999, Delegated Regulation (EU) 2020/1044, and Implementing Regulation (EU) 2020/1208 in the Energy Community *acquis communautaire***

THE MINISTERIAL COUNCIL OF THE ENERGY COMMUNITY,

Having regard to the Treaty establishing the Energy Community ("the Treaty"), and in particular Articles 24, 25, 79 and Article 100(i) and (ii) thereof,

Having regard to the proposal from the European Commission,

Whereas:

(1) The Contracting Parties' commitments under Article 11 should be aligned with the evolution of European Union law, while taking into account the Energy Community's own institutional framework and the specific situation of each of its Contracting Parties.

(2) The European Union since 2018 has been overhauling its climate and energy policy and legal framework to support the transformation towards clean energy and the reduction of greenhouse gas emissions.

(3) The implementation of Directive (EU) 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources; Directive (EU) 2018/2002 of the European Parliament and of the Council of 11 December 2018 amending Directive 2012/27/EU on energy efficiency; Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action, amending Regulations (EC) No 663/2009 and (EC) No 715/2009 of the European Parliament and of the Council, Directives 94/22/EC, 98/70/EC, 2009/31/EC, 2009/73/EC, 2010/31/EU, 2012/27/EU and 2013/30/EU of the European Parliament and of the Council, Council Directives 2009/119/EC and (EU) 2015/652 and repealing Regulation (EU) No 525/2013 of the European Parliament and of the Council; Commission Delegated Regulation (EU) 2020/1044 of 8 May 2020 supplementing Regulation (EU) 2018/1999 of the European Parliament and of the Council with regard to values for global warming potentials and the inventory guidelines and with regard to the Union inventory system and repealing Commission Delegated Regulation (EU) No 666/2014; and Commission Implementing Regulation (EU) 2020/1208 of 7 August 2020 on structure, format, submission processes and review of information reported by Member States pursuant to Regulation (EU) 2018/1999 of the European Parliament and of the Council and repealing Commission Implementing Regulation (EU) No 749/2014, contributes to the objectives of the Energy Community and will also benefit the citizens of the Contracting Parties.

(4) Some provisions of Directive (EU) 2018/2001, Directive (EU) 2018/2002 and Regulation (EU) 2018/1999 are linked to the adoption of targets for cutting greenhouse gas emissions and increasing the share of renewable energy and energy efficiency by 2030,

(5) The Permanent High Level Group, at its meeting on [date], endorsed this Decision,

HAS ADOPTED THIS DECISION:

## Article 1

### **Amendments to the Treaty**

1. Article 20 of the Treaty shall be replaced by the following:

"Article 20

Each Contracting Party shall implement Directive (EU) 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources."

2. The list of acts included in the "Acquis Communautaire on Energy" in Annex I to the Treaty shall be amended as follows:

points (8) to (12) are added:

"(8) Directive (EU) 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources, as adopted by Decision No 2021/xx/MC-EnC of the Ministerial Council of xx/xx/2021.

(9) Directive (EU) 2018/2002 of the European Parliament and of the Council of 11 December 2018 amending Directive 2012/27/EU on energy efficiency, as adopted by Decision No 2021/xx/MC-EnC of the Ministerial Council of xx/xx/2021.

(10) Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action, amending Regulations (EC) No 663/2009 and (EC) No 715/2009 of the European Parliament and of the Council, Directives 94/22/EC, 98/70/EC, 2009/31/EC, 2009/73/EC, 2010/31/EU, 2012/27/EU and 2013/30/EU of the European Parliament and of the Council, Council Directives 2009/119/EC and (EU) 2015/652 and repealing Regulation (EU) No 525/2013 of the European Parliament and of the Council, as adopted by Decision No 2021/xx/MC-EnC of the Ministerial Council of xx/xx/2021.

(11) Commission Delegated Regulation (EU) 2020/1044 of 8 May 2020 supplementing Regulation (EU) 2018/1999 of the European Parliament and of the Council with regard to values for global warming potentials and the inventory guidelines and with regard to the Union inventory system and repealing Commission Delegated Regulation (EU) No 666/2014, as adopted by Decision No 2021/xx/MC-EnC of the Ministerial Council of xx/xx/2021.

(12) Commission Implementing Regulation (EU) 2020/1208 of 7 August 2020 on structure, format, submission processes and review of information reported by Member States pursuant to Regulation (EU) 2018/1999 of the European Parliament and of the Council and repealing Commission Implementing Regulation (EU) No 749/2014, as adopted by Decision No 2021/xx/MC-EnC of the Ministerial Council of xx/xx/2021."

## Article 2

### **Transposition and implementation deadlines**

1. Each Contracting Party shall bring into force the laws, regulations and administrative provisions necessary to comply with Directive (EU) 2018/2001, Directive (EU) 2012/27/EU as amended by Directive (EU) 2018/2002, Regulation (EU) 2018/1999, Delegated Regulation (EU) 2020/1044, Implementing Regulation (EU) 2020/1208, as adapted by this Decision, by 31 December 2022.

However, each Contracting Party shall bring into force the laws, regulations and administrative provisions necessary to comply with points 5 to 10 of Article 1, and points 3 and 4 of paragraph 2 of the Annex to Directive (EU) 2018/2002 by 30 June 2023.

2. Upon transposition, Contracting Parties shall immediately inform the Energy Community Secretariat thereof and communicate to the Energy Community Secretariat the text of the provisions of national law, which they adopt in the field covered by this Decision.

## Article 3

### **General adaptations**

1. The text of the acts referred to in Article 1(2) shall be adapted as follows:

(a) the terms 'Member State' and 'Member States' shall be replaced by 'Contracting Party' and 'Contracting Parties', respectively, save as otherwise provided in this Decision;

(b) the term 'Union' shall be replaced by 'Energy Community', save as otherwise provided in this Decision;

(c) the term 'Commission' shall be replaced by 'Energy Community Secretariat', save as otherwise provided in this Decision;

(d) the term "the European Parliament and the Council" shall be replaced by "the Ministerial Council";

(e) the term "Articles 107 and 108 TFEU" shall be replaced by "Articles 18 and 19 of the Energy Community Treaty";

(f) references to the European Union *acquis* incorporated in the Energy Community by the Ministerial Council shall be complemented by the term "as adapted and adopted by Ministerial Council Decision [xxxx]", whereas "[xxxx]" shall be replaced by the number of the respective Ministerial Council Decision;

2. The adaptations referred to in Articles 4 to 8 of this Decision shall apply in addition to the adaptations referred to in paragraph 1 of this Article.

#### Article 4

##### **Specific adaptations of Directive (EU) 2018/2001**

Directive (EU) 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources shall be adapted as follows:

[Recital to be added]

Whereas it should be ensured, as early as possible, that Guarantees of origins issued by Contracting Parties of the Energy Community are recognised by Member States as referred to Article 19(11) of the Directive (EU) 2018/2001, either through the Energy Community Treaty or a separate agreement

(1) In Article 9(2) and Article 11(2)(b), the date '25 June 2009' shall be replaced by '18 October 2012'.

(2) In Article 1, the second and third sentences shall read as follows: "It sets a target for the overall share of energy from renewable sources in the Energy Community gross final consumption of energy in 2030, in line with Regulation (EU) 2018/1999, in particular Article 2, point (11). It also lays down rules on financial support for electricity from renewable sources, on self-consumption of such electricity, on the use of energy from renewable sources in the heating and cooling sector and in the transport sector, on regional cooperation between Contracting Parties, between Contracting Parties and Member States, and between Contracting Parties and third countries, on guarantees of origin, on administrative procedures and on information and training."

(3) In Article 2,

- 'the following definition in point (1bis) is inserted: "'(overall) Energy Community 2030 target' means the **value calculated on the basis** of the targets for the Contracting Parties as regards the minimum share of renewable energy consumed in 2030, in the terms to be adopted by the Ministerial Council";
- in the definition in point (5), the term "a group of Member States" shall be replaced by "a group of Contracting Parties or Member States";
- the definition in point (7) shall be deleted.

(4) In Article 3,

- the title shall read: "Overall Energy Community target for 2030";

- paragraph 1 shall read: “Contracting Parties shall ensure that the share of energy from renewable sources in the Contracting Parties’ gross final consumption of energy in 2030 corresponds to the target set by the Ministerial Council for 2030.”;
- paragraph 2 shall read: “Contracting Parties shall set national contributions not lower than the 2030 share included in the relevant Decision of the Ministerial Council to be taken on the basis of the study(ies) carried out to this effect, to meet the overall Energy Community target set in paragraph 1 of this Article as part of their integrated national energy and climate plans in accordance with Articles 3 to 5 and 9 to 14 of Regulation (EU) 2018/1999, as adapted and adopted by Ministerial Council Decision [xxxx].

If, on the basis of the assessment of the draft integrated national energy and climate plans submitted pursuant to Article 9 of Regulation (EU) 2018/1999, as adapted and adopted by Ministerial Council Decision [xxxx], the Secretariat concludes that the national contributions of the Contracting Parties are insufficient for the achievement of the overall Energy Community target, it shall follow the procedure laid down in Articles 9 and 31 of that Regulation, as adapted and adopted by Ministerial Council Decision [xxxx].”

- in paragraph 4, the date ‘1 January 2021’ shall read ‘1 January 2022’;
- in paragraph 5, the introductory sentence shall read: “The European Union shall endeavor to support the high ambition of Contracting Parties through an enabling framework comprising the enhanced use of available funds, including additional funds to facilitate a just transition of carbon intensive regions towards increased shares of renewable energy, in particular financial instruments, especially for the following purposes:”; point (d) of the same paragraph shall read: “enhancing regional cooperation between Contracting Parties, Member States and Contracting Parties, Contracting Parties and third countries, through joint projects, joint support schemes and the opening of support schemes for renewable electricity to producers located in other Contracting Parties or Member States.”;
- paragraph 6 shall read: “The Contracting Parties may use the Union Renewable Development Platform established by delegated regulation in order to support Contracting Parties that use cooperation mechanisms to contribute to the overall Energy Community’ target set in paragraph 1.”

(5) In Article 4, the term “Union” in paragraph 8 shall be replaced by “Contracting Parties”.

(6) In Article 5,

- throughout the text, the term “located in other Member States” shall be replaced by the term: “located in other Contracting Parties or Member States”;
- in the first subparagraph of paragraph 1, the term “produced in another Member State” shall be replaced by the term: “produced in another Contracting Party or Member State”;
- in paragraph 3, the term “the relevant Member States shall agree” shall be replaced by the term: “the relevant Contracting Parties or Member States shall agree”;
- in paragraph 5, the year ‘2023’ shall read ‘2024’;
- a new paragraph 6 shall be added as follows: “6. The Energy Community Secretariat shall coordinate with the European Commission in performing its tasks under paragraphs 4 and 5 of this article.”

(7) In Article 7,

- the fifth subparagraph of paragraph 3 shall be replaced by the following: “The Energy Community Secretariat shall inform the Permanent High Level Group about any delegated acts adopted in accordance with Article 7(3) of Directive (EU) 2018/2001 within one week of their adoption. The Permanent High Level Group is empowered pursuant to Article 53(d) of the Energy Community Treaty to take measures to incorporate the relevant delegated acts into the Energy Community acquis”;
- the last subparagraph of paragraph 5 shall be deleted.

(8) In Article 8,

- the title shall be replaced by: "Renewable development platform and statistical transfers between Contracting Parties";
- paragraph 2 shall be replaced by the following: "In order to facilitate the achievement of the Energy Community target set in Article 3(1) of this Directive and of each Contracting Party's contribution to that target in accordance with Article 3(2) of this Directive, and to facilitate statistical transfers in accordance with paragraph 1 of this Article, the Contracting Parties shall join the Union renewable development platform ('URDP'). Contracting Parties may, on a voluntary basis, submit to the Energy Community Secretariat annual data on their national contributions to the Energy Community target or any benchmark set for monitoring progress in Regulation (EU) 2018/1999, as adapted and adopted by Ministerial Council Decision [xxxx], including the amount by which they expect to fall short of or exceed their contribution, and an indication of the price at which they would accept to transfer any excess production of energy from renewable sources from or to another Contracting Party. The Energy Community Secretariat shall forward such data to the URDP. The price of those transfers shall be set on a case-by-case basis based on the URDP demand-and-supply matching mechanism.";
- in the first subparagraph of paragraph 3, the term "The Commission shall ensure that the URDP is able to match" shall be replaced by "The URDP shall match"; the second subparagraph shall be replaced by the following: "The Energy Community Secretariat shall inform the Permanent High Level Group about any delegated acts adopted in accordance with Article 8(3) of Directive (EU) 2018/2001 within one week of their adoption. The Permanent High Level Group is empowered pursuant to Article 53(d) of the Energy Community Treaty to take measures to incorporate the relevant delegated acts into the Energy Community acquis"

(9) In Article 9,

- the title shall be replaced by the following: "Joint projects between Contracting Parties, or Contracting Parties and Member States";
- in paragraph 1, the term "Two or more Member States may cooperate" shall be replaced by "One or more Contracting Parties may cooperate with one or more Contracting Parties or Member States";
- in paragraph 2, the term "another Member State" shall be replaced by "another Contracting Party or Member State";
- in paragraph 3, the term "Member State" shall be replaced by the term "Contracting Party or Member State";
- in paragraph 5, the term "the Member State identified" shall be replaced by the term "the Contracting Party or Member State identified";
- in paragraph 6, the term "the establishment of joint projects between Member States" shall be replaced by "the establishment of joint projects involving Contracting Parties".

(10) In Article 10,

- the title shall be replaced by the following: "Effects of joint projects between Contracting Parties, or Contracting Parties and Member States";
- in point (b) of paragraph 1, in paragraph 2 and in point (b) of paragraph 3, the term "Member State" shall be replaced by "Contracting Party or Member State".

(11) Article 11(8) shall be deleted.

(12) In Article 13,

- in paragraph 1, the first sentence shall be replaced by the following: "Without prejudice to the obligations of Contracting Parties under Article 5, one or more Contracting Parties may decide, on a voluntary basis, to join or partly coordinate their national support schemes with one or more Contracting Parties or Member States."

- in point (a) of paragraph 1, the term “another Member State” shall be replaced by the term “another Contracting Party or Member State”; Point (b) of that paragraph shall be replaced by the following: “set up a distribution rule agreed by participating Contracting Parties and Member States that allocates amounts of energy from renewable sources between the participating parties.”;
- in paragraph 3, the term “Member States” shall be replaced by the term “parties”;
- paragraph 4 shall be replaced by the following: “The Energy Community Secretariat shall disseminate guidelines and best practices, and, upon the request of the Contracting Parties concerned, facilitate the establishment of joint support schemes involving Contracting Parties”

13) In Article 19,

- in paragraph 8 and paragraph 12, the reference to Article 3(9) of Directive 2009/72/EC shall be replaced by a reference to Article 18 and Annex I to Directive 2019/944, “as adapted and adopted by Ministerial Council Decision [xxxx];
- paragraph 10 shall read: “If the Energy Community Secretariat finds that a refusal to recognise a guarantee of origin is unfounded, the Energy Community Secretariat may issue an opinion inviting the Contracting Party in question to recognise it. The Contracting Party in question shall take utmost account of the opinion and provide reasons for any deviation in writing.”

14) In Article 24(10)(a), the date ‘24 December 2018’ shall read ‘24 December 2021’.

15) In Article 25,

- in paragraph 1, the last sentence shall be deleted;
- In the second paragraph, the date ‘1 January 2021’ shall read ‘1 January 2024’, and the following subparagraph shall be replaced by the following text: “The Energy Community Secretariat shall inform the Permanent High Level Group about any delegated acts adopted in accordance with Article 25(2) of Directive (EU) 2018/2001 within one week of their adoption. The Permanent High Level Group is empowered pursuant to Article 53(d) of the Energy Community Treaty to take measures to incorporate the relevant delegated acts into the Energy Community acquis”

16) In Article 26,

- in paragraph 1, the year ‘2020’ shall read ‘2022’;
- in the second subparagraph of paragraph 2, the date ‘31 December 2023’ shall read ‘31 December 2026’, and the following subparagraph shall be replaced by the following text: “The Energy Community Secretariat shall inform the Permanent High Level Group about any delegated acts adopted in accordance with Article 26(2) of Directive (EU) 2018/2001 within one week of their adoption. The Permanent High Level Group is empowered pursuant to Article 53(d) of the Energy Community Treaty to take measures to incorporate the relevant delegated acts into the Energy Community acquis”. The following text in this paragraph shall be deleted.

17) In Article 27,

- in paragraph 1, the term “except for in Cyprus and Malta” shall be deleted in point (b). In point (c) of the same paragraph, the third sentence shall be replaced by the following text: “The Energy Community Secretariat shall inform the Permanent High Level Group about any delegated acts adopted in accordance with Article 27(1) of Directive (EU) 2018/2001 within one week of their adoption. The Permanent High Level Group is empowered pursuant to Article 53(d) of the Energy Community Treaty to take measures to incorporate the relevant delegated acts into the Energy Community acquis”
- in paragraph 3, the third subparagraph shall read as follows: “In order to ensure that the expected increase in demand for electricity in the transport sector beyond the current baseline is met with additional renewable energy generation capacity, the Contracting Parties shall use a framework on additionality in the transport sector developed by the European Commission,

and the Secretariat shall develop different options with a view to determining the baseline of Contracting Parties and measuring additionality.”. The last subparagraph of the same paragraph shall be replaced by the following text: “The Energy Community Secretariat shall inform the Permanent High Level Group about any delegated acts adopted in accordance with Article 27(3) of Directive (EU) 2018/2001 within one week of their adoption. The Permanent High Level Group is empowered pursuant to Article 53(d) of the Energy Community Treaty to take measures to incorporate the relevant delegated acts into the Energy Community acquis”

18) In Article 28,

- in paragraph 3, the date ‘31 December 2021’ shall read ‘31 December 2024’, and the term “in accordance with Directive 2014/94/EU” shall be deleted;
- in paragraph 4, the second and the third sentences shall be deleted;
- paragraph 5 shall be replaced by the following text: “The Energy Community Secretariat shall inform the Permanent High Level Group about any delegated acts adopted in accordance with Article 28(5) of Directive (EU) 2018/2001 within one week of their adoption. The Permanent High Level Group is empowered pursuant to Article 53(d) of the Energy Community Treaty to take measures to incorporate the relevant delegated acts into the Energy Community acquis”
- paragraph 6 shall be replaced by the following text: “The Energy Community Secretariat shall inform the Permanent High Level Group about any delegated acts adopted in accordance with Article 28(6) of Directive (EU) 2018/2001 within one week of their adoption. The Permanent High Level Group is empowered pursuant to Article 53(d) of the Energy Community Treaty to take measures to incorporate the relevant delegated acts into the Energy Community acquis”
- the second subparagraph of paragraph 7 shall be deleted.

19) In Article 29,

- in paragraph 3, the last subparagraph shall be replaced by the following text: “The Energy Community Secretariat shall inform the Permanent High Level Group about any delegated acts adopted in accordance with Article 29(3) of Directive (EU) 2018/2001 within one week of their adoption. The Permanent High Level Group is empowered pursuant to Article 53(d) of the Energy Community Treaty to take measures to incorporate the relevant delegated acts into the Energy Community acquis”
- paragraph 8 shall be replaced by the following text: “The Energy Community Secretariat shall inform the Permanent High Level Group about any delegated acts adopted in accordance with Article 29(8) of Directive (EU) 2018/2001 within one week of their adoption. The Permanent High Level Group is empowered pursuant to Article 53(d) of the Energy Community Treaty to take measures to incorporate the relevant delegated acts into the Energy Community acquis”
- paragraph 9 shall be deleted;
- in point (c) and (d) of paragraph 10, the periods “from 1 January 2021”, “from 1 January 2021 until 31 December 2025” and “from 1 January 2026” shall be replaced by “from 1 January 2023”, “from 1 January 2023 until 31 December 2027” and “from 1 January 2028”, respectively;
- in paragraph 11, the dates ‘25 December 2021’ shall read ‘25 December 2024’ respectively. The last sentence of the same paragraph shall be replaced by the following text: “Upon assessment of the notification, the Energy Community Secretariat shall issue an opinion taking into account the elements included therein.” The following sentence shall be added: “The Contracting Party in question shall take utmost account of the opinion and provide reasons for any deviation in writing.”;
- paragraph 13 shall be deleted;
- the second subparagraph of paragraph 14 shall read as follows: “By 31 December 2029, the Energy Community Secretariat shall assess the impact of such additional criteria on the internal market.”

20) In Article 30,

- in paragraph 4, the term “decide” shall be replaced by the term “recognise”;

- the first subparagraph of paragraph 5 shall be deleted. In the second subparagraph of the same paragraph, the term “a decision has been adopted” shall be replaced by “an opinion has been issued”;
- the second sentence of the second subparagraph of paragraph 6 shall be replaced by the following text: “The Energy Community Secretariat may issue an opinion on whether such a notified national scheme complies with the conditions laid down in this Directive.” The following sentence shall be added: “The Contracting Party in question shall take utmost account of the opinion and provide reasons for any deviation in writing.” In the third subparagraph of the same paragraph, the term “decision” shall be replaced by the term “opinion”;
- in paragraph 7, the term “shall adopt decisions” shall be replaced by the term “shall issue opinions”;
- paragraph 8 shall be replaced by the following text: “The Energy Community Secretariat shall inform the Permanent High Level Group about any implementing acts adopted in accordance with Article 30(8) of Directive (EU) 2018/2001 within one week of their adoption. The Permanent High Level Group is empowered pursuant to Article 53(d) of the Energy Community Treaty to take measures to incorporate the relevant implementing acts into the Energy Community acquis”
- in paragraph 9, the term “decision” shall be replaced by the term “opinion”.

21) In Article 31,

- the paragraph 3 shall be deleted;
- paragraph 4 shall be replaced by the following text: “The Energy Community Secretariat shall inform the Permanent High Level Group about any implementing acts adopted in accordance with Article 31(4) of Directive (EU) 2018/2001 within one week of their adoption. The Permanent High Level Group is empowered pursuant to Article 53(d) of the Energy Community Treaty to take measures to incorporate the relevant implementing acts into the Energy Community acquis”.
- paragraph 5 shall be replaced by the following text: “The Energy Community Secretariat shall inform the Permanent High Level Group about any implementing acts adopted in accordance with Article 31(5) of Directive (EU) 2018/2001 within one week of their adoption. The Permanent High Level Group is empowered pursuant to Article 53(d) of the Energy Community Treaty to take measures to incorporate the relevant implementing acts into the Energy Community acquis”.
- paragraph 6 shall be replaced by the following text: “The Energy Community Secretariat shall inform the Permanent High Level Group about any implementing acts adopted in accordance with Article 31(6) of Directive (EU) 2018/2001 within one week of their adoption. The Permanent High Level Group is empowered pursuant to Article 53(d) of the Energy Community Treaty to take measures to incorporate the relevant implementing acts into the Energy Community acquis”.

22) In Article 33, paragraph 2 and paragraph 3 shall be deleted.

23) Articles 32, 34, 35, 36, 37, 38 and 39 shall be deleted.

24) After Article 33, a new Article 34 shall be included as follows: “Until adoption by the Ministerial Council of the Energy Community 2030 targets, including the renewable energy target and/or targets for energy and climate of each Contracting Party, as appropriate, this Directive shall be applied on the basis of Contracting Parties’ National Domestic Contributions or targets or any other more ambitious targets or contributions that they have undertaken under any national or international legal and/or policy text.”

25) The table in Annex 1 is replaced by the following table:

	Share of energy from renewable sources in gross final consumption of	Target for share of energy from renewable sources in gross final consumption of energy, 2020 (S2020)



	energy, 2005 (S2005)	
<b>Albania</b>	31,2%	38%
<b>Bosnia and Herzegovina</b>	34,0 %	40 %
<b>Georgia</b>	n/a	n/a
<b>Kosovo*</b>	18,9 %	25 %
<b>Moldova</b>	11,9%	17 %
<b>Montenegro</b>	26,3%	33 %
<b>North Macedonia</b>	17,2%	23%
<b>Serbia</b>	21,2%	27 %
<b>Ukraine</b>	5,5 %	11 %

26) In Annex V, point C.10 shall be deleted.

## Article 5

### **Specific adaptations of Directive 2012/27/EU as amended by Directive (EU) 2018/2002**

Directive (EU) 2018/2002 of the European Parliament and of the Council of 11 December 2018 amending Directive 2012/27/EU on energy efficiency shall be adapted as follows:

1) Paragraph 1 of Article 1 shall be replaced by the following text: "in Article 1 of Directive 2012/27/EU on energy efficiency, as adapted and adopted by Ministerial Council Decision 2015/08/MC-EnC, paragraph 1 shall be replaced by the following:

This Directive establishes a common framework of measures to promote energy efficiency within the Energy Community, in order to ensure that the Energy Community 2020 headline target for energy efficiency and the Energy Community 2030 headline target for energy efficiency, as defined in Article 2(1bis) and (1tris) are met.

The Directive lays down rules designed to remove barriers in the energy market and overcome market failures that impede efficiency in the supply and use of energy, and provides for the establishment of indicative national energy efficiency targets and contributions for 2020 and 2030.

This Directive contributes to the implementation of the "energy efficiency first principle".

2) Paragraph 2 of Article 1 shall be replaced by the following text: "in Article 3 of Directive 2012/27/EU on energy efficiency, as adapted and adopted by Ministerial Council Decision 2015/08/MC-EnC, the following paragraphs are added:

4. By 31 October 2022, the Energy Community Secretariat shall assess whether the Energy Community has achieved its 2020 headline targets on energy efficiency.

5. Each Contracting Party shall set indicative national energy efficiency contributions towards the Energy Community 2030 headline target for energy efficiency set in Article 1(1) of this Directive in accordance with Articles 4 and 6 of Regulation (EU) 2018/1999, as adapted and adopted by Ministerial Council Decision [xxxx]. When setting those contributions, Contracting Parties shall take into account the Energy Community's energy consumption in 2030 in primary energy and/or final energy as decided by the Ministerial Council on the basis of the relevant study(ies) to this effect. Those contributions shall not be higher than the national benchmarks included in Annex XX to this Directive following decision by the Ministerial Council on the basis of the relevant study(ies) to this effect. The Contracting Parties shall notify those contributions to the Energy Community Secretariat as part of their integrated national energy and climate plans as referred to in, and in accordance with, Articles 3 and 7 to 12 of Regulation (EU) 2018/1999, as adapted and adopted by Ministerial Council Decision [xxxx].

Paragraph 6 shall be deleted.

3) Paragraph 3 of Article 1 shall be replaced by the following text: "Article 7 of Directive 2012/27/EU on energy efficiency, as adapted and adopted by Ministerial Council Decision 2015/08/MC-EnC, shall be replaced by the following:

Article 7

**Energy savings obligation**

1. Contracting Parties shall achieve cumulative end-use energy savings at least equivalent to:  
(a) new savings each year from 1 January 2014 to 31 December 2020 of 0.7 % of annual energy sales to final customers by volume, averaged over the most recent three-year period prior to 1 January 2016. Sales of energy, by volume, used in transport may be excluded, in whole or in part, from that calculation;

(b) new savings each year from 1 January 2024 to 31 December 2030 of 0,8 % of annual final energy consumption, averaged over the most recent three-year period prior to 1 January 2022. Contracting Parties may request that this rate for energy savings is evaluated annually for a possible revision by the Energy Community Ministerial Council based on the economic analysis provided by the ongoing studies carried out to this effect.

Contracting Parties may count energy savings that stem from policy measures, whether introduced by 31 December 2020 or after that date, provided that those measures result in new individual actions that are carried out after 31 December 2020.

Contracting Parties shall continue to achieve new annual savings in accordance with point (b) of the first subparagraph for ten-year periods after 2030.

Contracting Parties shall decide how to phase the calculated quantity of new savings over each period referred to in points (a) and (b) of the first subparagraph, provided that the required total cumulative end-use energy savings have been achieved by the end of each obligation period.

2. Provided that Contracting Parties achieve at least their cumulative end-use energy savings obligation referred to in point (b) of the first subparagraph of paragraph 1, they may calculate the required amount of energy savings by one or more of the following means:

(a) applying an annual savings rate on energy sales to final customers or on final energy consumption, averaged over the most recent three-year period prior to 1 January 2022;

(b) excluding, in whole or in part, energy used in transport from the calculation baseline;

(c) making use of any of the options set out in paragraph 4.

3. Where Contracting Parties make use of the possibilities provided for in point (a), (b) or (c) of paragraph 2, they shall establish:

(a) their own annual savings rate that will be applied in the calculation of their cumulative end-use energy savings, which shall ensure that the final amount of their net energy savings is no lower than those required under point (b) of the first subparagraph of paragraph 1; and

(b) Energy savings which can be measured and verified, granted after 2024, resulting from implementation of new policy measures and individual actions after 31 December 2020 and which have effects in 2024 and beyond, can be included in the advised cumulative energy savings for the period referred to in point (6) of the first paragraph for the Contracting Parties.

their own calculation baseline, which may exclude, in whole or in part, energy used in transport.

4. Subject to paragraph 5, each Contracting Party may:

(a) carry out the calculation required under point (a) of the first subparagraph of paragraph 1 using values of 0,5% in 2017 and 2018; 0,7 % in 2019 and 2020;

exclude from the calculation all or part of the sales of energy used, by volume, with respect to the obligation period referred to in point (a) of the first subparagraph of paragraph 1, or final energy consumed, with respect to the obligation period referred to in point (b) of that subparagraph, by industrial activities listed in Annex I to Directive 2003/87/EC;

(b) count towards the amount of required energy savings, energy savings achieved in the energy transformation, distribution and transmission sectors, including efficient district heating and cooling infrastructure, as a result of implementing the requirements set out in Article 14(4), point (b) of Article 14(5), and Article 15(1) to (6) and (9). Contracting Parties shall inform the Energy Community Secretariat about their intended policy measures under this point for the period from 1 January 2024 to 31 December 2030 as part of their integrated national energy and climate

- plans. The impact of those measures shall be calculated in accordance with Annex V and included in those plans;
- (c) count towards the amount of required energy savings, energy savings resulting from individual actions newly implemented since 31 December 2008 that continue to have an impact in 2020 with respect to the obligation period referred to in point (a) of the first subparagraph of paragraph 1 and beyond 2020 with respect to the period referred to in point (b) of the first subparagraph of paragraph 1, and which can be measured and verified;
- count towards the amount of required energy savings, energy savings that stem from policy measures, provided that it can be demonstrated that those measures result in individual actions carried out from 1 January 2018 to 31 December 2020 for the first obligation period referred to in point (a) of the first subparagraph of paragraph 1, and beyond 2020 with respect to the period referred to in point (b) of the first subparagraph 1, and which can be measured and verified; , (e)count towards the amount of required energy savings, energy savings that stem from policy measures, provided that it can be demonstrated that those measures result in individual actions carried out from 1 January 2018 to 31 December 2020 which deliver savings after 31 December 2020;
- (f) exclude from the calculation of the amount of required energy savings, 30 % of the verifiable amount of energy generated on or in buildings for own use as a result of policy measures promoting new installation of renewable energy technologies;
  - (g-) count towards the amount of required energy savings, energy savings that exceed the energy savings required for the obligation period from 1 January 2018 to 31 December 2020, respectively from 2021 to 2030 provided that those savings result from individual actions carried out under policy measures referred to in Articles 7a and 7b, notified by Contracting Parties in their National Energy Efficiency Action Plans and reported in their progress reports in accordance with Article 24.

5. Contracting Parties shall apply and calculate the effect of the options chosen under paragraph 4 for the periods referred to in points (a) and (b) of the first subparagraph of paragraph 1 separately:

- (a) for the calculation of the amount of energy savings required for the obligation period referred to in point (a) of the first subparagraph of paragraph 1, Contracting Parties may make use of points (a) to (d) of paragraph 4. All the options chosen under paragraph 4 taken together shall amount to no more than 25 % of the amount of energy savings referred to in point (a) of the first subparagraph of paragraph 1;
- (b) for the calculation of the amount of energy savings required for the obligation period referred to in point (b) of the first subparagraph of paragraph 1, Contracting Parties may make use of points (b) to (g) of paragraph 4, provided individual actions referred to in point (d) of paragraph 4 continue to have a verifiable and measurable impact after 31 December 2020. All the options chosen under paragraph 4 taken together shall not lead to a reduction of more than 35 % of the amount of energy savings calculated in accordance with paragraphs 2 and 3.

Regardless of whether Contracting Parties exclude, in whole or in part, energy used in transport from their calculation baseline or make use of any of the options listed in paragraph 4, they shall ensure that the calculated net amount of new savings to be achieved in final energy consumption during the obligation period from 1 January 2024 to 31 December 2030 from applying the annual savings rate referred to in point (b) of the first subparagraph of paragraph 1.

6. Contracting Parties shall describe in their integrated national energy and climate plans in accordance with Annex III to Regulation (EU) 2018/1999, as adapted and adopted by Ministerial Council Decision [xxxx], the calculation of the amount of energy savings to be achieved over the period from 1 January 2024 to 31 December 2030 referred to in point (b) of the first subparagraph of paragraph 1 of this Article and shall, if relevant, explain how the annual savings rate and the calculation baseline were established, and how and to what extent the options referred to in paragraph 4 of this Article were applied.

7. Energy savings achieved after 31 December 2020 shall not count towards the amount of required energy savings for the period from 1 January 2014 to 31 December 2020.

8. <...>

9. Contracting Parties shall ensure that savings resulting from policy measures referred to in Articles 7a and 7b and Article 20(6) are calculated in accordance with Annex V.

10. Contracting Parties shall achieve the amount of energy savings required under paragraph 1 of this Article either by establishing an energy efficiency obligation scheme referred to in Article 7a or by adopting alternative policy measures referred to in Article 7b. Contracting Parties may combine an energy efficiency obligation scheme with alternative policy measures.

11. In designing policy measures to fulfil their obligations to achieve energy savings, Contracting Parties shall take into account the need to alleviate energy poverty in accordance with criteria established by them, taking into consideration their available practices in the field, by requiring, to the extent appropriate, a share of energy efficiency measures under their national energy efficiency obligation schemes, alternative policy measures, or programmes or measures financed under an Energy Efficiency National Fund, to be implemented as a priority among vulnerable households, including those affected by energy poverty and, where appropriate, in social housing.

Contracting Parties shall include information about the outcome of measures to alleviate energy poverty in the context of this Directive in the integrated national energy and climate progress reports in accordance with Regulation (EU) 2018/1999, as adapted and adopted by Ministerial Council Decision [xxxx].

12. Contracting Parties shall demonstrate that where there is an overlap in the impact of policy measures or individual actions, there is no double counting of energy savings.

4) Paragraph 4 of Article 1 shall be replaced by the following text: "after Article 7 of Directive 2012/27/EU on energy efficiency, as adapted and adopted by Ministerial Council Decision 2015/08/MC-EnC, the following Articles are inserted:

Article 7a

**Energy efficiency obligation schemes**

1. Where Contracting Parties decide to fulfil their obligations to achieve the amount of savings required under Article 7(1) by way of an energy efficiency obligation scheme, they shall ensure that obligated parties as referred to in paragraph 2 of this Article operating in each Contracting Party's territory achieve, without prejudice to Article 7(4) and (5), their cumulative end-use energy savings requirement as set out in Article 7(1).

Where applicable, Contracting Parties may decide that obligated parties fulfil those savings, in whole or in part, as a contribution to the Energy Efficiency National Fund in accordance with Article 20(6).

2. Contracting Parties shall designate, on the basis of objective and non-discriminatory criteria, obligated parties among energy distributors, retail energy sales companies and transport fuel distributors or transport fuel retailers operating in their territory. The amount of energy savings needed to fulfil the obligation shall be achieved by the obligated parties among final customers, designated by the Contracting Party, independently of the calculation made pursuant to Article 7(1) or, if Contracting Parties so decide, through certified savings stemming from other parties as described in point (a) of paragraph 6 of this Article.

3. Where retail energy sales companies are designated as obligated parties under paragraph 2, Contracting Parties shall ensure that, in fulfilling their obligation, retail energy sales companies do not create any barriers that impede consumers from switching from one supplier to another.

4. Contracting Parties shall express the amount of energy savings required of each obligated party in terms of either final or primary energy consumption. The method chosen to express the amount of energy savings required shall also be used to calculate the savings claimed by obligated parties. The conversion factors set out in Annex IV shall apply.

5. Contracting Parties shall put in place measurement, control and verification systems under which documented verification is carried out on at least a statistically significant proportion and representative sample of the energy efficiency improvement measures put in place by the obligated parties. The measurement, control and verification shall be carried out independently of the obligated parties.

6. Within the energy efficiency obligation scheme, Contracting Parties may do one or both of the following:

- (a) permit obligated parties to count towards their obligation certified energy savings achieved by energy service providers or other third parties, including when obligated parties promote measures through other State- approved bodies or through public authorities that may involve formal partnerships and may be in combination with other sources of finance. Where Contracting Parties so permit, they shall ensure that the certification of energy savings follows an approval process that is put in place in the Contracting Parties, that is clear, transparent, and open to all market participants, and that aims to minimise the costs of certification;
- (b) allow obligated parties to count savings obtained in a given year as if they had instead been obtained in any of the four previous or three following years as long as this is not beyond the end of the obligation periods set out in Article 7(1).

Contracting Parties shall assess and, if appropriate, take measures to minimise the impact of the direct and indirect costs of energy efficiency obligation schemes on the competitiveness of energy-intensive industries exposed to inter national competition.

7. Contracting Parties shall, on an annual basis, publish the energy savings achieved by each obligated party, or each sub-category of obligated party, and in total under the scheme.

Article 7b

#### **Alternative policy measures**

1. Where Contracting Parties decide to fulfil their obligations to achieve the savings required under Article 7(1) by way of alternative policy measures, they shall ensure, without prejudice to Article 7(4) and (5), that the energy savings required under Article 7(1) are achieved among final customers.

2. For all measures other than those relating to taxation, Contracting Parties shall put in place measurement, control and verification systems under which documented verification is carried out on at least a statistically significant proportion and representative sample of the energy efficiency improvement measures put in place by the participating or entrusted parties. The measurement, control and verification shall be carried out independently of the participating or entrusted parties.

5) Paragraph 5 of Article 1 shall be replaced by the following text: "Article 9 of Directive 2012/27/EU on energy efficiency, as adapted and adopted by Ministerial Council Decision 2015/08/MC-EnC, is amended as follows:

a) The title is replaced by the following:

#### **Metering for gas and electricity**

b) in paragraph 1, the first subparagraph is replaced as follows:

- (1) Contracting Parties shall ensure that, in so far as it is technically possible, financially reasonable and proportionate in relation to the potential energy savings, for electricity and natural gas final customers are provided with competitively priced individual meters that accurately reflect their actual energy consumption and that provide information on the actual time of use.

c) paragraph 3 is deleted;

6) Paragraph 6 of Article 1 shall be replaced by the following text: "after Article 9 of Directive 2012/27/EU on energy efficiency, as adapted and adopted by Ministerial Council Decision 2015/08/MC-EnC, the following Articles are inserted:

Article 9a

#### **Metering for heating, cooling and domestic hot water**

1. Contracting Parties shall ensure that, for district heating, district cooling and domestic hot water, final customers are provided with competitively priced meters that accurately reflect their actual energy consumption.

2. Where heating, cooling or domestic hot water is supplied to a building from a central source that services multiple buildings or from a district heating or district cooling system, a meter shall be installed at the heat exchanger or point of delivery.

## Article 9b

### **Sub-metering and cost allocation for heating, cooling and domestic hot water**

1. In multi-apartment and multi-purpose buildings with a central heating or central cooling source or supplied from a district heating or district cooling system, individual meters shall be installed to measure the consumption of heating, cooling or domestic hot water for each building unit, where technically feasible and cost effective in terms of being proportionate in relation to the potential energy savings.

Where the use of individual meters is not technically feasible or where it is not cost-efficient to measure heat consumption in each building unit, individual heat cost allocators shall be used to measure heat consumption at each radiator unless it is shown by the Contracting Party in question that the installation of such heat cost allocators would not be cost-efficient. In those cases, alternative cost-efficient methods of heat consumption measurement may be considered. The general criteria, methodologies and/or procedures to determine technical non-feasibility and non-cost effectiveness shall be clearly set out and published by each Contracting Party.

2. In new multi-apartment buildings and in residential parts of new multi-purpose buildings that are equipped with a central heating source for domestic hot water or are supplied from district heating systems, individual meters shall, notwithstanding the first subparagraph of paragraph 1, be provided for domestic hot water.

3. Where multi-apartment or multi-purpose buildings are supplied from district heating or district cooling, or where own common heating or cooling systems for such buildings are prevalent, Contracting Parties shall ensure they have in place transparent, publicly available national rules on the allocation of the cost of heating, cooling and domestic hot water consumption in such buildings to ensure transparency and accuracy of accounting for individual consumption. Where appropriate, such rules shall include guidelines on the manner in which to allocate cost for energy that is used as follows:

- (a) domestic hot water;
- (b) heat radiated from the building installation and for the purpose of heating the common areas, where staircases and corridors are equipped with radiators;
- (c) for the purpose of heating or cooling apartments.

## Article 9c

### **Remote reading requirement**

1. For the purposes of Articles 9a and 9b, meters and heat cost allocators installed after 30 October 2023 shall be remotely readable devices. The conditions of technical feasibility and cost effectiveness set out in Article 9b(1) shall continue to apply.

2. Meters and heat cost allocators which are not remotely readable but which have already been installed shall be rendered remotely readable or replaced with remotely readable devices by 1 January 2030, save where the Contracting Party in question shows that this is not cost-efficient.

7) Paragraph 7 of Article 1 shall be replaced by the following text: "Article 10 of Directive 2012/27/EU on energy efficiency, as adapted and adopted by Ministerial Council Decision 2015/08/MC-EnC, is amended as follows:

a) the title is replaced by the following:

### **Billing information for gas and electricity**

b) In paragraph 1, the first subparagraph is replaced by the following:

Where final customers do not have smart meters as referred to in Directive (EU) 2019/944/EC and 2009/73/EC, as adapted and adopted by Ministerial Council Decisions [xxxx] and 2011/02/MC-EnC, respectively, Contracting Parties shall ensure, by 30 November 2017, that billing information is reliable, accurate and based on actual consumption, in accordance with point 1.1 of Annex VII, for electricity and gas, where that is technically possible and economically justified;

8) Paragraph 8 of Article 1 shall be replaced by the following text: "After Article 10 of Directive 2012/27/EU on energy efficiency, as adapted and adopted by Ministerial Council Decision 2015/08/MC-EnC, the following Article is inserted:

## Article 10a

### **Billing and consumption information for heating, cooling and domestic hot water**

1. Where meters or heat cost allocators are installed, Contracting Parties shall ensure that billing and consumption information is reliable, accurate and based on actual consumption or heat cost allocator readings, in accordance with points 1 and 2 of Annex

VII a for all final users, namely for natural or legal persons purchasing heating, cooling or domestic hot water for their own end-use, or natural or legal persons occupying an individual building or a unit in a multi-apartment or multi-purpose building supplied with heating, cooling or domestic hot water from a central source who has no direct or individual contract with the energy supplier.

This obligation may, where a Contracting Party so provides, save in the case of sub-metered consumption based on heat cost allocators under Article 9b, be fulfilled by a system of regular self-reading by the final customer or final user whereby they communicate readings from their meter. Only where the final customer or final user has not provided a meter reading for a given billing interval shall billing be based on estimated consumption or a flat rate.

2. Contracting Parties shall:

- (a) require that, if information on the energy billing and historical consumption or heat cost allocator readings of final users is available, it be made available upon request by the final user, to an energy service provider designated by the final user;
- (b) ensure that final customers are offered the option of electronic billing information and bills;
- (c) ensure that clear and comprehensible information is provided with the bill to all final users in accordance with point 3 of Annex VII a; and
- (d) promote cybersecurity and ensure the privacy and data protection of final users in accordance with applicable Energy Community law.

Contracting Parties may provide that, at the request of the final customer, the provision of billing information shall not be considered to constitute a request for payment. In such cases, Contracting Parties shall ensure that flexible arrangements for actual payment are offered.

3. Contracting Parties shall decide who is to be responsible for providing the information referred to in paragraphs 1 and 2 to final users without a direct or individual contract with an energy supplier.

9) Paragraph 9 of Article 1 shall be replaced by the following text: "Article 11 of Directive 2012/27/EU on energy efficiency, as adapted and adopted by Ministerial Council Decision 2015/08/MC-EnC, is replaced by the following:

Article 11

**Cost of access to metering and billing information for electricity and gas**

Contracting Parties shall ensure that final customers receive all their bills and billing information for energy consumption free of charge and that final customers have access to their consumption data in an appropriate way and free of charge.

10) Paragraph 10 of Article 1 shall be replaced by the following text: "After Article 11 of Directive 2012/27/EU on energy efficiency, as adapted and adopted by Ministerial Council Decision 2015/08/MC-EnC, the following Article is inserted:

Article 11a

**Cost of access to metering and billing and consumption information for heating, cooling and domestic hot water**

1. Contracting Parties shall ensure that final users receive all their bills and billing information for energy consumption free of charge and that final users have access to their consumption data in an appropriate way and free of charge.

2. Notwithstanding paragraph 1 of this Article, the distribution of costs of billing information for the individual consumption of heating, cooling and domestic hot water in multi-apartment and multi-purpose buildings pursuant to Article 9b shall be carried out on a non-profit basis. Costs resulting from the assignment of that task to a third party, such as a service provider or the local energy supplier, covering the measuring, allocation and accounting for actual individual consumption in such buildings, may be passed onto the final users to the extent that such costs are reasonable.

3. In order to ensure reasonable costs for sub-metering services as referred to in paragraph 2, Contracting Parties may stimulate competition in that service sector by taking appropriate measures, such as recommending or otherwise promoting the use of tendering and/or the use of interoperable devices and systems facilitating switching between service

providers’.

11) Paragraph 11 of Article 1 shall be replaced by the following text: “In Article 15 of Directive 2012/27/EU on energy efficiency, as adapted and adopted by Ministerial Council Decision 2015/08/MC-EnC, the following paragraph is inserted:

2a. concrete measures and investments are identified for the introduction of cost-effective energy efficiency improvements in the network infrastructure, with a timetable for their introduction, following the common methodology prepared by the European Commission in order to encourage network operators to reduce losses, implement a cost – efficient and energy –efficient infrastructure investment programme and properly account for the energy efficiency and flexibility of the grid.

12) Paragraph 12 of Article 1 shall be replaced by the following text: “In Article 20 of Directive 2012/27/EU on energy efficiency, as adapted and adopted by Ministerial Council Decision 2015/08/MC-EnC, the following paragraphs are inserted:

3a. In order to mobilise private financing for energy efficiency measures and energy renovation, in accordance with Directive 2010/31/EU, the Secretariat shall conduct a dialogue with both public and private financial institutions in order to map out possible actions it can take.

3b. The actions referred to in paragraph 3a shall include the following:

- (a) mobilising capital investment into energy efficiency by considering the wider impacts of energy savings for financial risk management;
- (b) ensuring better energy and finance performance data by:
- (c) examining further how energy efficiency investments improve underlying asset values;
- (d) supporting studies to assess the monetisation of the non-energy benefits of energy efficiency investments.

3c. For the purpose of mobilising private financing of energy efficiency measures and energy renovation, Contracting Parties shall, when implementing this Directive:

- (a) consider ways to make better use of energy audits under Article 8 to influence decision-making;
- (b) make optimal use of the possibilities and tools proposed in the smart finance for smart buildings initiative.

3d. By 1 January 2023, the Energy Community Secretariat shall provide guidance for Contracting Parties on how to unlock private investment.;

13) Paragraph 13, paragraph 14 and paragraph 15 of Article 1 shall be deleted.

14) Articles 2, 3 and 4 shall be deleted.

15) After Article 1, a new Article 2 shall be included as follows:

1. Article 1(1) and 3(5) of Directive (EU) 2018/2002 shall not be implemented until the Ministerial Council of the Energy Community will adopt the 2030 headline targets on energy efficiency for the Energy Community and Annex XX with the national benchmarks.

2. Until adoption by the Ministerial Council of the Energy Community 2030 targets, including the energy efficiency headline target, and/or the targets for energy and climate of each Contracting Party, as appropriate, this Directive shall be applied on the basis of Contracting Parties’ National Domestic Contributions or targets or any other more ambitious contributions or targets that they have undertaken under any national or international legal and/or policy text.

16) After new Article 2, a new Article 3 shall be included as follows:

In Article 5 of the Directive 2012/27/EU, as adapted and adopted by Ministerial Council Decision 2015/08/MC-EnC, the following is included:

- in subparagraph 1., after the term “and”, the sentence “from 1 January 2024 on, 3 %”;
- a new subparagraph shall be added, after subparagraph 2, as follows:

“From 1 January 2024 on, the rate of 3% shall be calculated on the total floor area of buildings with a total useful floor area over 250 m<sup>2</sup> owned and occupied by the central



government of the Contracting Party concerned that, on 1 January of each year, do not meet the national minimum energy performance requirements set in application of Article 4 of Directive 2010/31/EU, as adapted and adopted by Ministerial Council Decision 2010/02/MC-EnC”.

- in subparagraph 3, the term “respectively 3%” shall be included after the term “and”, and the term “respectively as of 1 January 2024” shall be included after the term “2019”;
- in paragraph 6., subparagraph 3, after the term “2017”, the term “respectively by 1 January 2024” shall be added.

## Article 6

### Specific adaptations of Regulation (EU) 2018/1999

Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action, amending Regulations (EC) No 663/2009 and (EC) No 715/2009 of the European Parliament and of the Council, Directives 94/22/EC, 98/70/EC, 2009/31/EC, 2009/73/EC, 2010/31/EU, 2012/27/EU and 2013/30/EU of the European Parliament and of the Council, Council Directives 2009/119/EC and (EU) 2015/652 and repealing Regulation (EU) No 525/2013 of the European Parliament and of the Council shall be adapted as follows:

#### 1) In Article 1,

- point (a) of paragraph 1 shall read: “implement strategies and measures designed to meet the objectives and targets of the Contracting Parties and the Contracting Parties’ long-term greenhouse gas emissions commitments consistent with the Paris Agreement, and for the first period, from 2025 to 2030, in particular the Energy Community’s 2030 targets for energy and climate.”;
- point (b) of paragraph 1 shall read: “stimulate cooperation between Contracting Parties, and between Contracting Parties and Member States of the European Union, including, where appropriate, at regional level, designed to achieve the objectives and targets of the Contracting Parties.”;
- in point (c) of paragraph 1 the text “Union and its Member States” shall be replaced by “Contracting Parties”;
- the first sentence of the sub-paragraph following point (d) in paragraph 1 shall read: “The governance mechanism is based on long-term strategies, integrated national energy and climate plans covering firstly a period from 2025 to 2030 and thereafter ten- year periods starting from 2031 to 2040, corresponding integrated national energy and climate progress reports by the Contracting Parties and integrated monitoring arrangements by the Energy Community Secretariat.”

#### 2) In Article 2,

- in definition (7), the term “sequence of four future years” shall be replaced by “sequence of six future years”;
- definition (11) shall be replaced by the following text: “the Energy Community 2030 targets for energy and climate”, “the Energy Community 2030 targets” or “the 2030 targets of the Energy Community” means the value calculated on the basis of the targets adopted for each Contracting Party as follows: : a minimum domestic reduction in economy-wide greenhouse gas emissions as compared to 1990 to be achieved by 2030, a minimum share of renewable energy consumed in the Energy Community in 2030, a minimum headline target for improving energy efficiency in 2030, and a minimum percentage of electricity interconnection target for 2030, or any subsequent targets in the terms to be adopted in this regard by the Ministerial Council for 2030 on the basis of the study(ies) carried out to this effect”;
- new definition (11bis) shall be added: “the Energy Community 2030 headline target for energy efficiency’ means the target for reduction of primary and/or final energy consumption of the Contracting Parties by 2030, in the terms to be adopted by the Ministerial Council, as appropriate, on the basis of the study(ies) carried out to this effect.”;

- new definition (11cis) shall be added: “‘Energy Community’s energy consumption’ means the energy consumption of the Contracting Parties , in the terms to be adopted by the Ministerial Council, as appropriate, on the basis of the study (ies) carried out to this effect.”;
- in definition (14) the term “Commission” shall be replaced by the term “European Commission”;
- definition (19) is deleted;
- point (a) in definition (20) shall read: “in the context of the assessment of a potential gap between the Contracting Party’s reference point in its trajectory and its 2030 target for energy from renewable sources a Contracting Party’s achievement of a share of energy from renewable sources above its national binding target for 2020 as set out in Annex I to Directive (EU) 2018/2001, as adapted and adopted by Ministerial Council Decision [xxxx],, or a Contracting Party’s early progress towards its national binding target for 2020;”;
- in point (b) of definition (20), the following two text segments are deleted: “contribution to the Union’s binding target” and “of at least 32 % of renewable energy in 2030 as measured against its national reference points for renewable energy”. The following text is added at the end of point (b): “in the trajectory towards its 2030 target”;
- definition (21) shall read: “‘regional cooperation’ means cooperation between two or more Contracting Parties and/or Member States of the European Union engaged in a partnership covering one or more of the five dimensions of the Energy Union;”.

### 3) In Article 3,

- in paragraph 1 the date “31 December 2019” shall be replaced by the date “30 June 2024”. The first half of the third sentence of paragraph 1 shall read as follows: “The first plan shall cover the period from 2025 to 2030”;
  - in point (f) of paragraph 2, the term “of this paragraph” is added following the term “to meet the objectives referred to in point (b)”;
  - in the first sentence of point (d) of paragraph 3, the term “Commission” shall be replaced by the term “European Commission”. The term “as adapted for the Energy Community by the Energy Community Secretariat” is added to the end of the same sentence;
- paragraph 5 shall be replaced with the following text: “The Secretariat shall inform the Permanent High Level Group about any delegated acts adopted pursuant to Article 3 paragraph 5 of Regulation (EU) 2018/1999 within one week of their adoption. The Permanent High Level Group is empowered pursuant to Article 53(d) of the Energy Community Treaty to take measures to incorporate the relevant delegated acts into the Energy Community acquis”.

### 4) In Article 4,

- in point (a), subparagraph (1) the term “Union” shall be replaced by the term “Contracting Parties”;
- in point (a), subparagraph (1), point (i) the following text shall be deleted: “and the annual binding national limits pursuant to Regulation (EU) 2018/842”;
- in point (a), subparagraph (1), point (ii) shall be deleted;
- in point (a), subparagraph (1), point (iii) shall read as follows: “where applicable to meet the objectives of the Energy Union, the targets of the Contracting Parties and the Contracting Party’s long-term greenhouse gas emissions commitments consistent with the Paris Agreement, other objectives and targets, including sector targets and adaptation goals.”;
- in point (a), subparagraph (2), first subparagraph, the first sentence shall read as follows: “With a view to achieving the Contracting Parties’ economy-wide target of the relevant share of renewable energy in 2030 a contribution to that target in terms of each Contracting Party’s share of energy from renewable sources in gross final consumption of energy in 2030 not lower than the share to be adopted by Ministerial Council Decision with an indicative trajectory for that contribution from 2025 onwards.” The second and third sentences in the same sub-paragraph are deleted.
- in point (a), subparagraph (2), second subparagraph, the third sentence shall read as follows: “The Contracting Party’s indicative trajectories, taken together, shall add up to the Contracting Parties reference point in 2027 and to the Contracting Parties target of renewable energy in

2030.” The fourth sentence of the same subparagraph shall read as follows: “Separately from its contribution to the Contracting Parties’ target and its indicative trajectory for the purposes of this Regulation, each Contracting Party shall be free to indicate higher ambitions for national policy purposes;”

- in point (b), subparagraph (1), first subparagraph the text “Union’s energy efficiency targets of at least 32,5 % in 2030” shall be replaced by the following text: “the Energy Community 2030 headline target for energy efficiency”;
- in point (b), subparagraph (1), second subparagraph the date “2021” shall be replaced by the date “2025”;
- in point (b), subparagraph (2), the date “2021” shall be replaced by “2025”;
- in point (b), subparagraph (3), the term “Union’s energy efficiency targets” shall be replaced by the term “Energy Community’s energy efficiency 2030 target”;
- in point (b), subparagraph (4), the date “2021” shall be replaced by the date “2025”;
- in point (d), subparagraph (1), the first sentence shall read as follows: “the level of electricity interconnectivity that the Contracting Party aims for in 2030 in consideration of the electricity interconnection target for 2030 , with a strategy with the level from 2025 onwards defined in close cooperation with the Contracting Parties and Member States of the European Union affected, taking into account the indicators of the urgency of action based on price differential in the wholesale market, nominal transmission capacity of interconnectors in relation to peak load and to installed renewable generation capacity as set out in point 2.4.1 of Section A of Part I of Annex I.”;
- in point (e), subparagraph (1), the text in the first sentence “and, where relevant, of the SET-Plan” shall be deleted.

5) In Article 5,

- in point (b) of paragraph 1, the text “to reach the energy efficiency target” shall be replaced by “to reach its energy efficiency target”;
- the text of point (e), sub-point (v) of paragraph 1 shall read as follows: “the level of power interconnection between Contracting Parties and between Contracting Parties and Member States of the European Union”
- paragraph 2 shall read as follows: “Contracting Parties shall ensure that the sum of their contributions amounts to a target of energy from renewable sources in gross final energy consumption at Energy Community level by 2030.”

6) In Article 6,

- The first sentence in paragraph 1 shall read as follows: “In its indicative national energy efficiency contribution for 2030 and for the last year of the period covered for the subsequent national plans pursuant to point (b)(1) of Article 4, each Contracting Party shall take into account that, in accordance with Article 3 of Directive 2012/27/EU, as adapted and adopted by Ministerial Council Decision 2015/08/MC-EnC; the Energy Community’s energy consumption in 2020 is to be no more than 187 Mtoe of primary energy or no more than 137 Mtoe of final energy and the Energy Community’s energy consumption in 2030 is to be no more than a quantity of Mtoe of primary energy and/or no more than a quantity of Mtoe of final energy to be decided by the Ministerial Council on the basis of the relevant study(ies) to this effect.”

7) In Article 7, the text at the end of the first sentence “including mobilisation of Union programmes and instruments.” shall be replaced by the following text: “including mobilisation of programmes and instruments by international financial organisations.”

8) In Article 9,

- the date “31 December 2018” in paragraph 1 shall be replaced by the date “30 June 2023”;
- in point (a) of paragraph 2, the word “collectively” shall be deleted.

9) In Article 10, the reference to the year “2021” in the first paragraph 2 shall be replaced by the year “2025”.

10) In Article 12,

- in paragraph 1 the text “and with Member States of the European Union” shall be inserted in the first sentence after the following text: “Contracting Parties shall cooperate with each other”;
- the text of paragraph 2 shall read as follows: “ Each Contracting Party shall, well before submitting its draft integrated national energy and climate plan to the Energy Community Secretariat pursuant to Article 9(1) — as regards the plans for the 2025 to 2030 period, in the preparation of the final plan well before its adoption — identify opportunities for regional cooperation and consult neighbouring Contracting Parties and Member States, including in the Energy and Climate Committee and regional cooperation fora. If deemed appropriate by the Contracting Party authoring the plan, that Contracting Party may consult other Contracting Parties, Member States or third countries that have expressed an interest. Contracting Parties without energy interconnections to other Contracting Parties and Member States shall carry out such consultations with neighbouring Contracting Parties and Member States with maritime borders. The Contracting Parties and Member States consulted should be given a reasonable time within which to react. Each Contracting Party shall set out in its draft integrated national energy and climate plan — as regards the plans for the 2025-2030 period, in its final national energy and climate plan — at least the provisional results of such regional consultations, including, where applicable, how the comments of the Contracting Parties, Member States or third countries consulted have been taken into account.”;
- in the first sentence of paragraph 3, the text: “the Energy and Climate Committee and” shall be inserted after the text: “Contracting Parties may engage in voluntary joint drafting of parts of their integrated national energy and climate plans and progress reports, including in”;
- in the first sentence of paragraph 4, the text “the Energy and Climate Committee and” shall be inserted before the text: “relevant regional cooperation fora with a view to their finalization”;
- in paragraph 5, the term “Member States” shall be replaced by the term: “Contracting Parties and Member States”;
- in paragraph 6, the term “the Energy and Climate Committee and” shall be added after the text: “For the purposes referred to in paragraph 1, Contracting Parties shall continue to cooperate at regional level, and, as appropriate, in”
- paragraph 7 shall be deleted.

11) In Article 13, point (a) shall read as follows: “the objectives, targets and contributions are sufficient for the achievement of the Energy Union objectives and, for the first five-year period in particular, the Energy Community's 2030 targets;

12) In Article 14,

- in paragraph 1, the term “30 June 2023, and subsequently by” shall be deleted and the word “subsequently” shall be added following the term “1 January 2033 and”;
- in paragraph 2, the term “30 June 2024, and subsequently by” shall be deleted and the word “subsequently” shall be added following the term “1 January 2034 and”;
- in paragraph 3, the term “Union” shall be replaced by the term “Contracting Parties”;
- in paragraph 5 the following text shall be deleted: “the latest country-specific recommendations issued in the context of the European Semester as well as”.

13) In Article 15,

- paragraph 1 shall read as follows: “By the time this Regulation comes into force, and subsequently by 1 January 2029 and every 10 years thereafter, each Contracting Party shall prepare and submit to the Secretariat its long-term strategy with a 30 years perspective and consistent with the Energy Community's climate-neutrality objective. Contracting Parties should, where necessary, update those strategies every five years.”
- paragraph 2 shall be deleted;

- paragraph 3, the term “and the Union’s” shall be deleted;
- in point (a) of paragraph 3, the term “Union’s and the” shall be deleted;
- point (c) of paragraph 3 shall read as follows: “achieving long-term greenhouse gas emission reductions and enhancements of removals by sinks in all sectors in accordance with the Energy Community’s objective, in the context of necessary reductions and enhancements of removals by sinks according to the Intergovernmental Panel on Climate Change (IPCC) to reduce the Contracting Parties’ greenhouse gas emissions in a cost-effective manner and enhance removals by sinks in pursuit of the long-term temperature goals in the Paris Agreement so as to achieve a balance between anthropogenic emissions by sources and removals by sinks of greenhouse gases within the Energy Community and, as appropriate, achieve negative emissions thereafter.”;
- in paragraph 4, the text: “and the Union’s” shall be deleted;
- paragraph 5 shall be replaced as follows: “The Secretariat shall inform the Permanent High Level Group about any delegated acts adopted pursuant to Article 15 paragraph 5 of Regulation (EU) 2018/1999 within one week of their adoption. The Permanent High Level Group is empowered pursuant to Article 53(d) of the Energy Community Treaty to take measures to incorporate the relevant delegated acts into the Energy Community acquis”.
- paragraph 7 shall read as follows: “Contracting Parties shall inform and make available to the public forthwith their respective long- term strategies and any updates thereof, including by means of the dedicated section of the Energy Community e-platform referred in Article 28. Contracting Parties shall make relevant data of the final results available to the public, taking into account commercially sensitive data and compliance with the data protection rules.”;
- paragraph 9 shall be replaced as follows: “The Energy Community Secretariat shall assess whether the national long-term strategies are adequate for the achievement of the objectives of the Energy Union and the targets of the Energy Community set out in Article 1 and shall provide information on any remaining gap”

14) Article 16 shall read as follows: “Given the high global warming potential and relatively short atmospheric lifetime of methane, the purpose of reducing the short- and middle-term impact of methane emissions on Contracting Parties’ greenhouse gas emissions, as well as taking into account the circular economy objectives as appropriate, the Contracting Parties assisted by the Energy Community Secretariat shall consider policy options for rapidly addressing methane emissions and shall put forward a strategic plan for methane at Energy Community level.”

15) In Article 17,

- in paragraph 1, the date “15 March 2023” shall be replaced by the date “15 March 2025”;
- in point (b) of paragraph 2 the text: “including progress towards the Energy Community’s climate-neutrality objective,” shall be inserted following the text: “information on the progress accomplished towards reaching the objectives.”;
- at the end of paragraph 2, the following text shall be deleted: “The Union and the Member States shall submit biennial reports in accordance with Decision 2/CP.17 of the Conference of the Parties to the UNFCCC, and national communications in accordance with Article 12 of the UNFCCC to the UNFCCC Secretariat.”;
- paragraph 4 shall be replaced as follows: “The Secretariat shall inform the Permanent High Level Group about any implementing acts adopted pursuant to Article 17 paragraph 4 of Regulation (EU) 2018/1999 within one week of their adoption. The Permanent High Level Group is empowered pursuant to Article 53(d) of the Energy Community Treaty to take measures to incorporate the relevant delegated acts into the Energy Community acquis”.
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16) In Article 18,

- in paragraph 1, the text “By 15 March 2024, and every two years thereafter, “ shall be deleted. Point (a) shall read as follows: “their national policies and measures or group of measures as set out in Annex VI by 15 March 2023 and every two years thereafter, and”. Point (b) shall read as follows: “their national projections of anthropogenic greenhouse gas emissions by sources

and removals by sinks, organized by gas or group of gases (Hydrofluorocarbons and Perfluorocarbons) listed in Part 2 of Annex V, by 15 March 2025 and every two years thereafter. National projections shall take into consideration any policies and measures adopted at Energy Community level and shall include the information set out in Annex VII.”

- in paragraph 2, the term “Union” shall be replaced by the term “Contracting Parties”.
- in paragraph 4, the term “Union” shall be replaced by the term “Contracting Parties”.

17) In Article 19,

- in the title, the term “auctioning” shall be replaced by the term “carbon price”;
- in paragraph 1, the date “15 March 2021” shall be replaced by the date “15 March 2023”;
- paragraph 2 shall read as follows: “By 31 July 2023 and every year thereafter (year X), Contracting Parties shall report to the Energy Community Secretariat information on the use of any revenues generated by the Contracting Party from carbon price mechanisms, including the information specified in Part 3 of Annex VIII.”;
- in paragraph 3 the date “30 September 2021” shall be replaced by the date “30 September 2025”;
- paragraph 5 shall be replaced as follows: “The Secretariat shall inform the Permanent High Level Group about any implementing acts adopted pursuant to Article 19 paragraph 5 of Regulation (EU) 2018/1999 within one week of their adoption. The Permanent High Level Group is empowered pursuant to Article 53(d) of the Energy Community Treaty to take measures to incorporate the relevant delegated acts into the Energy Community acquis”.

18) In Article 20,

- in subparagraph (1), subparagraph (2) and subparagraph (3) of point (a) the date “2021 to 2030” shall be replaced by the date “2025 to 2030”;
- in subparagraph (1) of point (b) the term “binding Union” shall be replaced by “Energy Community”;
- in subparagraph (3) of point (b) the term “including Union support and the use of Union funds,” shall be deleted.

19) In Article 21,

- in subparagraph (1) of point (a), the date “2021 to 2030” shall be replaced by the date “2025 to 2030”;
- in subparagraph (2) of point (a), the term “Union’s” shall be replaced by the term “Contracting Parties”;
- in subparagraph (7) of point (c), the text: “including Union support and the use of Union funds,” shall be deleted.

20) In point (g) of Article 22, the term: “including Union support and the use of Union funds,” shall be deleted.

21) In Article 23,

- in point (a) of paragraph 1, the text: “Energy Community’s” shall be added before the text: “electricity interconnection target for 2030”. The term “of at least 15%” in the same sentence shall be deleted;
- point (c) of paragraph 1 shall read as follows: “where applicable, main infrastructure projects envisaged other than Projects of Energy Community Interest or Projects of Mutual Interest, including infrastructure projects involving Member States of the European Union and third countries, and, to the extent feasible, a general assessment of their compatibility with, and contribution to, the aims and targets of the Contracting Parties;”;

- in point (j) of paragraph 1, the term “including Union support and the use of Union funds,” shall be deleted.

22) In Article 25,

- point (a) shall be deleted;
- point (f) shall read as follows: “cooperation with other Contracting Parties or Member States in implementing the objectives and policies referred to in points (b) to (d), such as alignment of research programmes and common programmes;”;
- point (g) shall read as follows: “financing measures in this area at national level and from non-domestic sources, where applicable.”

23) In Article 26,

- in paragraph 1, the date “15 March 2021” shall be replaced by the date “15 March 2023” and point (b) shall be deleted;
- in paragraph 2, the date “31 July 2021” shall be replaced by the date “31 July 2025”;
- in paragraph 3, the year “2023” shall be replaced by the year “2025”, the following text should be added after the wording “15 January each year”: “in line with timelines under UNFCCC flexibilities”, and the term “Climate Change Committee” shall be replaced by the term “Energy and Climate Committee”;
- in paragraph 4, the first sentence shall be deleted. The word “annually” in the second sentence shall be deleted. The following text from the second sentence in this paragraph shall be deleted: “and shall submit them to the UNFCCC Secretariat by 15 April each year”;
- paragraph 5 and paragraph 6 shall be deleted;
- paragraph 7 shall be replaced as follows: “The Secretariat shall inform the Permanent High Level Group about any implementing acts pursuant to Article 26 paragraph 6 of Regulation (EU) 2018/1999 within one week of their adoption. The Permanent High Level Group is empowered pursuant to Article 53(d) of the Energy Community Treaty to take measures to incorporate the relevant delegated acts into the Energy Community acquis”.

24) In Article 28, the term “e-platform” shall be preceded by the term “Energy Community”. In paragraph 3, the date “1 January 2020” shall be replaced by the date “1 January 2023”.

25) In the title of Chapter 5, the term “Union” shall be replaced by the term “Contracting Parties”.

26) In Article 29,

- in paragraph 1, the date “31 October 2021” shall be replaced by the date “31 October 2025”. The term “European” shall be removed from the same sentence. In point (a) the term “Union” shall be replaced by the term “Contracting Parties” and the term “as a whole” shall be inserted following the term “level”. In point (b), the term “including progress towards the Energy Community’s climate-neutrality objective,” shall be inserted following the text: “the progress made by each Contracting Party towards meeting its objectives,”. Point (e) shall be deleted;
- in paragraph 2, the term “Union” shall be replaced by the term “Contracting Parties”. The term “from 20%” and “18 % in 2022, 43% in 2025 and” shall be deleted. The term “of at least 32%” shall be deleted;
- paragraph 3 shall read as follows: “In the area of energy efficiency, as part of its assessment referred to in paragraph 1, the Energy Community Secretariat shall assess progress towards achieving a maximum energy consumption at Contracting Parties’ level of primary energy and of final energy in 2030 in accordance with Article 3(5) of Directive 2012/27/EU, as adapted and adopted by Ministerial Council Decision 2015/08/MC-EnC.”. Point (a) shall read as follows: “consider whether the Contracting Parties’ milestone of primary energy and of final energy in 2020 is achieved;”. In point (b) the term “Union” shall be replaced by the term “Contracting Parties” and the term “the first subparagraph” shall be replaced by the term “Article 2(11)”. Point (c) shall read as follows: “use results from modelling exercises in relation to future trends in

- energy consumption at level of Contracting Parties as a whole and national level and use other complementary analysis;
- in paragraph 5, the date “31 October 2021” shall be replaced by the date “31 October 2023”. The term “Union and its” shall be deleted in the same sentence. Point (b) shall be deleted; In point (c) the term “the first ten-year period” shall be replaced by “the first five-year period”;
  - paragraph 6 shall be deleted;
  - paragraph 7 shall read as follows: “The Energy Community Secretariat shall report on its assessment in accordance with this Article as part of the annual implementation report.”

27) In Article 30,

- the term in the title “and targets under Regulation (EU) 2018/842” shall be deleted;
- paragraph 2 shall be deleted.

28) In Article 31,

- paragraph 1 shall read as follows: “Where, on the basis of its assessment of the draft integrated national energy and climate plans pursuant to Article 9 or its assessment of the draft updates of the final plans pursuant to Article 14, and as part of the iterative process, the Energy Community Secretariat concludes that the objectives, targets and contributions of the Contracting Parties are insufficient for the achievement of the Energy Union objectives and in particular, for the 2025 to 2030 period, for the Energy Community's 2030 target for renewable energy and the the Energy Community 2030 headline target for energy efficiency, it shall — as regards the Energy Community's target for renewable energy — and may — as regards the other Energy Union objectives — issue recommendations to Contracting Parties whose contributions it deems insufficient to increase their ambition in order to ensure a sufficient level of ambition.”
- in paragraph 2, the terms “collective”, “the formula set out in” and “the results from the formula set out in” in one instance shall be deleted;
- in paragraph 3, the term “collective” shall be deleted and the term “first ten-year” shall be replaced by the term “2025 to 2030”.

29) In Article 32,

- the title shall read as follows: “Response to insufficient progress towards the energy and climate objectives and targets of Contracting Parties as a whole”;
- the first sentence of paragraph 2 shall read as follows: “Where, on the basis of its aggregate assessment of Contracting Parties' integrated national energy and climate progress reports pursuant to point (a) of Article 29(1), and supported by other information sources, as appropriate, the Energy Community Secretariat concludes that the Contracting Parties are at risk of not meeting the objectives of the Energy Union and, in particular, for the 2025 to 2030 period, the targets of the Energy Community's 2030 targets, it may issue recommendations to all Contracting Parties pursuant to Article 34 to mitigate such a risk.” In point (a), the text “to Directive 2009/125/EC of the European Parliament and of the Council and” shall be deleted;
- the first sentence of paragraph 3 shall read as follows: “Where, in the area of renewable energy the Energy Community Secretariat concludes, based on its assessment pursuant to Article 29(1) and (2), that the reference point of the indicative Contracting Parties' trajectory in 2027 referred to in Article 29(2) was not met, Contracting Parties that have fallen below their national reference point in 2027 as referred to in point (a)(2) of Article 4 shall ensure that additional measures are implemented within one year following the date of reception of the Secretariat's assessment in order to cover the gap compared to their national reference point, such as”. Point (d) shall read as follows: “making a voluntary financial payment to the Energy Community renewable energy financing mechanism once set up, contributing to renewable energy projects as set out in Article 33”;
- in paragraph 4, the year “2021” shall be replaced by the year “2022”. The last sentence of the fourth paragraph shall be deleted;



- in paragraph 5, the term “2022, 2025 and” shall be deleted;
- in paragraph 6, the term “collectively” shall be deleted and the term “Union’s” shall be replaced by “Contracting Parties”. The year “2022” shall be deleted.

30) In Article 33, paragraph 1 shall read as follows: “By 2023, the European Commission may make a proposal to include the Contracting Parties in the European Union’s renewable energy financing mechanism as established in accordance with Article 33 of Regulation 1999/2018”. Paragraph 2, paragraph 3, paragraph 4 and paragraph 5 shall be deleted.

31) In Article 34, point (a) of paragraph 2 shall read as follows: “the Contracting Party concerned shall take due account of the recommendation in a spirit of solidarity between Contracting Parties and the Energy Community and between Contracting Parties, and Contracting Parties and Member States;”. Point (c) of paragraph 2 shall be deleted.

32) In Article 35,

- the title shall read: “Implementation report”;
- paragraph 1 shall read as follows: “By 31 October of every year, the Energy Community Secretariat shall submit to Ministerial Council its annual Implementation Report.”;
- the first sentence of paragraph 2 shall read as follows: “Besides the state of implementation by Contracting Parties of the *acquis communautaire* under the Treaty, the Implementation Report shall include the following elements”. Point (c) shall read as follows: “the report on the development of carbon pricing instruments in the Contracting Parties and in the Energy Community and when relevant, a report on the functioning of the carbon market or any carbon pricing instruments;”. In point (d), the term “Union” shall be deleted, and the term “of Contracting Parties as a whole” shall be inserted after the term “bioenergy sustainability”. In point (e), the term “adopted a decision” shall be replaced by “issued an opinion”. In point (g), the term “pursuant to Article 52 of that Directive” shall be deleted. Point (l) and point (p) shall be deleted. In point (o), the term “Energy Union” shall be replaced by the term “*acquis communautaire*”.

33) In Article 36 the term “State of the Energy Union” shall be replaced by the term “Implementation Report”. The term “Energy Union on all dimensions of Energy and Climate policies” shall be replaced by the term “Contracting Parties in this respect”.

34) The title of Chapter 6 shall read as follows: “National systems on greenhouse gas emissions and removals by sinks”.

35) In Article 37,

- in paragraph 1, the year “2021” shall be replaced by the year “2023”;
- paragraph 2 shall read as follows: “Contracting Parties shall ensure that their competent inventory authorities have access to the information specified in Annex XII to this Regulation, and are able to undertake the annual consistency checks referred to in point (j) of Part 1 of Annex V to this Regulation.”;
- the first sentence of paragraph 3 shall read as follows: “Unless Contracting Parties can be included in the European Union’s inventory system established in accordance with Article 37 of Regulation (EU) 1999/2018, an Energy Community inventory system to ensure the timeliness, transparency, accuracy, consistency, comparability and completeness of national inventories with regard to the Energy Community greenhouse gas inventory shall be established”;
- in paragraph 4 and paragraph 5, the following text shall be inserted at the beginning of the sentence: “In the case envisaged by paragraph 3”;
- paragraph 6 shall be deleted;
- paragraph 7, shall be replaced as follows: “The Secretariat shall inform the Permanent High Level Group about any implementing and delegated acts adopted pursuant to Article 37 paragraph 6 and paragraph 7, respectively, of Regulation (EU) 2018/1999 within one week of their adoption. The Permanent High Level Group is empowered pursuant to Article 53(d) of the Energy Community Treaty to take measures to incorporate the relevant implementing and delegated acts into the Energy Community *acquis*”.

36) In Article 38,

- paragraph 1 shall read as follows: “With a view to monitoring Contracting Parties' greenhouse gas emission reductions or limitation targets set out in Energy Community law, the Energy Community Secretariat shall, in 2027 and 2032, carry out a comprehensive review of the national inventory data submitted by Contracting Parties. Contracting Parties shall participate fully in that process.”;
- point (c) and the last sentence in paragraph 2 shall be deleted;
- paragraph 3 shall read as follows: “The Secretariat shall inform the Permanent High Level Group about any implementing acts adopted pursuant to Article 38 paragraph 3 of Regulation (EU) 2018/1999 within one week of their adoption. The Permanent High Level Group is empowered pursuant to Article 53(d) of the Energy Community Treaty to take measures to incorporate the relevant delegated acts into the Energy Community acquis”.
- paragraph 4 shall read as follows: “The Energy Community Secretariat shall determine the total sum of emissions for the relevant years arising from the corrected inventory data for each Contracting Party upon completion of the review of emission data referred to in point (c) of Part 1 of Annex V to this Regulation.”;
- paragraph 5 and paragraph 6 shall be deleted.

37) In Article 39,

- the title shall read as follows: “National systems for policies and measures and projections”;
- in paragraph 1, the date “2021” shall be replaced by the date “2023”, and the term “respectively” shall be deleted;
- paragraph 3 shall read as follows: “The Secretariat shall inform the Permanent High Level Group about any implementing acts adopted pursuant to Article 39 paragraph 3 of Regulation (EU) 2018/1999 within one week of their adoption. The Permanent High Level Group is empowered pursuant to Article 53(d) of the Energy Community Treaty to take measures to incorporate the relevant delegated acts into the Energy Community acquis”.

38) Article 40 shall be deleted.

39) In Article 41,

- the title shall read as follows: “Cooperation between the Contracting Parties, and Energy Community Secretariat”;
- in paragraph 1, the first sentence shall read as follows: “The Contracting Parties shall cooperate with each other and with Member States of the European Union and the Energy Community Secretariat and coordinate fully with each other in relation to obligations under this Regulation, in particular concerning:”. Point (e), point (f) and point (g) shall be deleted.

40) In Article 42,

- the first sentence shall read as follows: “The European Environment Agency, based on a bilateral arrangement, may assist the Energy Community Secretariat in its work as regards the decarbonisation and energy efficiency dimensions to comply with Articles 15 to 21, 26, 28, 29, 35, 37, 38, 39 and 41 in accordance with its annual work programme”;
- point (d) shall read as follows: “compiling data, wherever available taken from European statistics and appropriate in terms of timing, as required for Implementation Report prepared by the Energy Community Secretariat”;
- point (e) shall be deleted;

41) Article 43 shall be deleted.

42) Article 44 shall read as follows: "The Energy Community Secretariat shall closely cooperate with the Energy and Climate Committee of the Energy Community."

43) Articles 45, 46, 47, 48 and 49 shall be deleted.

44) In Article 51, the term "overall progress report to the European Parliament and to the Council as an annex to the State of the Energy Union Report referred to in Article 35 of Regulation (EU) 2018/1999 of the European Parliament and of the Council" shall be replaced by the term "annual Implementation Report to the Ministerial Council."

45) In Article 53,

– the first paragraph shall read as follows: "An Article 2a is included as follows:

#### Article 2a

##### Long-term renovation strategy

1. Each Contracting Party shall establish a long-term renovation strategy to support the renovation of the national stock of residential and non-residential buildings, both public and private, into a highly energy efficient and decarbonised building stock by 2050, facilitating the cost-effective transformation of existing buildings into nearly zero-energy buildings. Each long-term renovation strategy shall encompass:

(a) an overview of the national building stock, based, as appropriate, on statistical sampling and expected share of renovated buildings in 2020;

(b) the identification of cost-effective approaches to renovation relevant to the building type and climatic zone, considering potential relevant trigger points, where applicable, in the life-cycle of the building;

(c) policies and actions to stimulate cost-effective deep renovation of buildings, including staged deep renovation, and to support targeted cost-effective measures and renovation for example by introducing an optional scheme for building renovation passports;

(d) an overview of policies and actions to target the worst performing segments of the national building stock, split-incentive dilemmas and market failures, and an outline of relevant national actions that contribute to the alleviation of energy poverty;

(e) policies and actions to target all public buildings;

(f) an overview of national initiatives to promote smart technologies and well-connected buildings and communities, as well as skills and education in the construction and energy efficiency sectors; and

(g) an evidence-based estimate of expected energy savings and wider benefits, such as those related to health, safety and air quality.

2. In its long-term renovation strategy, each Contracting Party shall set out a roadmap with measures and domestically established measurable progress indicators, with a view to the long-term 2050 goal of reducing greenhouse gas emissions in the Energy Community by 80-95 % compared to 1990, in order to ensure a highly energy efficient and decarbonised national building stock and in order to facilitate the cost-effective transformation of existing buildings into nearly zero-energy buildings. The roadmap shall include indicative milestones for 2030, 2040 and 2050, and specify how they contribute to achieving the Energy Community's energy efficiency targets in accordance with Directive 2012/27/EU, as incorporated and adapted by the Energy Community.

3. To support the mobilisation of investments into the renovation needed to achieve the goals referred to in paragraph 1, Contracting Parties shall facilitate access to appropriate mechanisms for:

(a) the aggregation of projects, including by investment platforms or groups, and by

consortia of small and medium-sized enterprises, to enable investor access as well as packaged solutions for potential clients;

(b) the reduction of the perceived risk of energy efficiency operations for investors and the private sector;

(c) the use of public funding to leverage additional private-sector investment or address specific market failures;

(d) guiding investments into an energy efficient public building stock, in line with Eurostat guidance; and

(e) accessible and transparent advisory tools, such as one-stop-shops for consumers and energy advisory services, on relevant energy efficiency renovations and financing instruments.

4. The Energy Community Secretariat shall collect and disseminate, at least to public authorities, best practices on successful public and private financing schemes for energy efficiency renovation as well as information on schemes for the aggregation of small-scale energy efficiency renovation projects. The Energy Community Secretariat shall identify and disseminate best practices on financial incentives to renovate from a consumer perspective taking into account cost-efficiency differences between Contracting Parties.

5. To support the development of its long-term renovation strategy, each Contracting Party shall carry out a public consultation on its long-term renovation strategy prior to submitting it to the Energy Community Secretariat. Each Contracting Party shall annex a summary of the results of its public consultation to its long-term renovation strategy.

Each Contracting Party shall establish the modalities for consultation in an inclusive way during the implementation of its long-term renovation strategy.

6. Each Contracting Party shall annex the details of the implementation of its most recent long-term renovation strategy to its long-term renovation strategy, including on the planned policies and actions.

7. Each Contracting Party may use its long-term renovation strategy to address fire safety and risks related to intense seismic activity affecting energy efficiency renovations and the lifetime of buildings.

8. Each Contracting Party's long-term renovation strategy shall be submitted to the Energy Community Secretariat as part of its final integrated national energy and climate plan referred to in Article 3 of Regulation (EU) 2018/1999, as incorporated in the Energy Community. As a derogation from Article 3(1) of that Regulation, the first long-term renovation strategy under paragraph 1 of this Article shall be submitted to the Energy Community Secretariat by 10 March 2023.

– In paragraph 3, the text “State of the Energy Union report referred to in Article 35 of Regulation (EU) 2018/1999” shall be replaced by “annual Implementation Report”.

46) In Article 54, in point (a) of paragraph 3, the reference to paragraph 4 shall be deleted

47) Articles 55, 56, 57 and 59 shall be deleted

48) Article 58 shall read as follows: “Until adoption by the Ministerial Council of the Energy Community 2030 targets, including the energy efficiency headline target, and/or the targets for energy and climate of each Contracting Party, as appropriate, this Regulation shall be applied on the basis of Contracting Parties' National Domestic Contributions or targets or any other more ambitious targets or contributions that they have undertaken under any national or international legal and/or policy text.”

49) Annex II and annex XIII shall be deleted. The remaining Annexes shall be adapted in accordance with the consolidated texts attached to this Decision.

#### Article 7

### **Specific adaptations of Delegated Regulation (EU) 2020/1044**

Commission Delegated Regulation (EU) 2020/1044 of 8 May 2020 supplementing Regulation (EU) 2018/1999 of the European Parliament and of the Council with regard to values for global warming potentials and the inventory guidelines and with regard to the Union inventory system and repealing Commission Delegated Regulation (EU) No 666/2014 shall be adapted as follows:

- 1) In Article 1, the year “2021” shall be replaced by the year “2023”.
- 2) In Articles 2 and 3, the term “4 and 5” shall be deleted.
- 3) In Article 4, the term “Union” shall be replaced by the term “Contracting Parties”.
- 4) In Article 5, the term “Union” shall be replaced by the term “Energy Community Secretariat”. Paragraph 3 shall be deleted
- 5) In Article 6,
  - In point (f), the term “European Union’s emission trading” shall be replaced by the term “Energy Community information”
  - In point (i), the term “Union” shall be replaced by the term “Energy Community Secretariat” and the term “where applicable” shall be included after the term “UNFCCC reviews”
- 6) Articles 7, 8 and 9 shall be deleted.

#### Article 8

#### **Specific adaptations of Implementing Regulation (EU) 2020/1208**

Commission Implementing Regulation (EU) 2020/1208 of 7 August 2020 on structure, format, submission processes and review of information reported by Member States pursuant to Regulation (EU) 2018/1999 of the European Parliament and of the Council and repealing Commission Implementing Regulation (EU) No 749/2014 shall be adapted as follows:

- 1) In Article 1, point (a), in the title of Chapter II, in the title of Article 5, in the title of Annex II, the term “auctioning” shall be replaced by the term “carbon price mechanism”.
- 2) In Article 2, the year “2021” shall be replaced by the year “2023”.
- 3) In Article 5, the term “auctioning allowances” shall be replaced by the term “carbon price mechanisms”.
- 4) In Article 7, point (b) shall be deleted.
- 5) In the title of Article 14 the term “with data from the EU Emissions Trading System” shall be deleted.
- 6) Article 15 shall be deleted.
- 7) In the first sentence of Article 16, the term “who have incorporated Regulation (EU) 517/2014” shall be inserted before the term “shall report the information on the results”.
- 8) Articles 19, 20, 21, 22, 23 and 24 shall be deleted.
- 9) In Article 25, the term “and the UNFCCC review” shall be deleted from the title and the third paragraph shall be deleted.
- 10) In Article 38,
  - Point (a) of paragraph 2 shall be deleted;
  - Subparagraph (2) in point (b) of paragraph 2 shall be deleted;
  - Paragraph 3 shall read as follows: “In the reports on projections to be provided pursuant to Article 18(1) of Regulation (EU) 2018/1999 as adapted and adopted by Ministerial Council Decision [xxxx], Contracting Parties shall take into account the harmonised values for key parameters for projections – at least for oil, gas, and coal import prices as well as for carbon

prices under national mechanism or carbon price mechanism– which the Secretariat has recommended, in consultation with the Contracting Parties, 12 months before the deadline for submission of the reports.”

11) Articles 39, 40 and 41 shall be deleted.

12) The following annexes of the of Commission Implementing Regulation (EU) 2020/1208 shall be deleted: Annex XIII, XV, XVI, XVII, XVIII, XIX, XX, XXII.

13) The following sections of the respective annexes shall be deleted:

- In Annex II – Tables 3, 4, 5 and 6
- In Annex XXV – Tables 1b, 5a, 5b, 6.

14) The remaining Annexes shall be adapted in accordance with the consolidated texts attached to this Decision.

Article 9

### **Repeal**

The following acts are repealed:

- (c) (a) Decision 2012/04/MC-EnC of 18 October 2012 on the implementation of Directive 2009/28/EC and amending Article 20 of the Energy Community Treaty;
- (d) (b) Recommendation 2016/02/MC-EnC of 14 October 2016 on preparing for the implementation of Regulation (EU) 525/2013 on a mechanism for monitoring and reporting greenhouse gas emissions.

Article 10

### **Entry into force and addressees**

This Decision enters into force on the day of its adoption and is addressed to the Contracting Parties and the institutions of the Energy Community.

Done in Belgrade, on 30 November 2021

For the Ministerial Council



Presidency