

**Ambitious new sectoral energy and climate goals will be included in Greece's first Climate Law, including the decommissioning of all lignite plants by 2028 at the latest. At the same time, the prohibition of oil use for heating and a large number of electric cars are expected to lead to significant CO2 reductions.**

The highlights of the draft Climate Law were presented by Greece's Minister of Environment and Energy Kostas Skrekas.

The new framework will become the roadmap for the country to achieve carbon neutrality by 2050 in line with the European Union's latest energy and climate goals.

"The new climate law is of capital importance, since it sets the framework of our country for gradually reducing greenhouse gases and achieving carbon neutrality by 2050," Skrekas said.

The revised climate goals, according to the proposed law, are as follows:

A 55% reduction in greenhouse gas emissions by 2030 compared to 1990,  
An 80% reduction in greenhouse gas emissions by 2040 compared to 1990,  
Climate neutrality by 2050.

The draft sets the end of 2028 as the latest possible date for the decommissioning of all lignite plants, with a review in 2023 in order to maintain the security of supply.

From 2023 onward, municipalities are obliged to prepare their own emission reduction plans in order to reduce CO2 emissions by 10% by 2025 and 30% by 2030 compared to 2019.

**Climate Law to envisage no more oil heating in buildings**

When it comes to buildings, from 2023 the installation of new oil boilers for heating is prohibited wherever there is a natural gas network available. From 2030 the use of oil boilers will be prohibited entirely.

In industries, warehouses, and commercial buildings of over 500 square meters built after the beginning of 2023, the installation of photovoltaic and solar thermal systems will be required in 30% of their available area. The only exceptions are touristic buildings, temples and buildings of special character.

**An end to internal combustion engines cars from 2030**

The climate law also includes provisions about electric mobility:

From 2023, one quarter of new corporate cars must be electric or hybrid, with emissions of up to 50 grams per kilometer,

From 2030, all new vehicles must have zero emissions,

From 2025, all new taxis and one third of new rental cars in Athens and Thessaloniki will have to be electric. The goal is to have 2,000 electric taxis by 2023. At the end of 2023, the measures will be reviewed with the goal of introducing them in other regions of the country.

## **Carbon footprint to be monitored in businesses and municipalities**

Businesses are another area of focus for the new law, since from 2023 specific corporations must submit annual reports for their carbon footprints of the previous year. They are listed companies, banks, insurance companies, water and waste utilities, telecoms, power and gas suppliers, retail businesses of over 500 employees, as well as logistics companies.

Regarding the reduction of emissions in non-connected islands, the law stipulates an 80% goal compared to 2019. From 2030 the use of fuel oil for power production is set to be prohibited.

Apart from the energy-related measures, the law also includes an obligatory climate risk insurance from 2025 for new buildings in vulnerable areas to be determined.

The climate law sets a carbon budget for each of the following sectors: power and heat production, transportation, industry, buildings, agriculture, waste and land use and forestry. Starting in 2023, a budget will be created for each sector for the following five years.

Last but not least, the law sets new policies for climate change adaptation and the creation of a new climate change adaptation observatory. At the same time, it foresees action for the protection of cultural and natural heritage.

## **New laws on offshore wind farms, energy storage and renewables licensing to be announced**

The market eagerly awaits new law bills concerning offshore wind, energy storage and the licensing of renewables, in order to make business decisions about new projects and investments in Greece. The ministry has announced the bills would be submitted for public consultation within the following two weeks in order to be voted on in parliament by the end of the year.

Given the issues with limited network connections and public acceptance of wind energy, renewable companies are looking forward to the new offshore regulatory framework in order to compete for large scale wind farms in the Aegean Sea. At the same time, the further simplification of licensing is expected to shorten the time needed for a renewable energy project, while the energy storage bill should provide new services to plant operators.

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