**Document N 99**

**Energy Strategy 2050**

*Draft document for consultations*

Prepared by the Government of the State of Burabarra,

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The core objective of the Energy Strategy 2050 Document (hereinafter, Strategy), consists of enhancing efficient use of energy resources, increasing competitiveness for sustainable economic development, increasing quality of life, and reducing energy poverty. The present Document sets objectives and implementation mechanisms for the period up to 2050.

The structure of the Strategy contains the following elements:

1. Main principles of the Energy Strategy 2050

2. Specific objectives for the lignite industry

3. Specific objectives for the gas industry

4. Specific objectives for the power sector

4,a Specific objectives for renewable energy sources (RES)

1. Basic Objectives of the Energy Strategy

Three main dimensions of Burabarra energy policy are:

* 1. Energy security: defined as supply availability, transit and demand security, and energy poverty abatement. [*especially inclusion of an access to energy for remote regions under the definition of energy security may be negotiated*]
	2. Competitiveness: in the context of growing economic competition, energy must be affordable for consumers. The State of Burabarra plans to increase revenues from gas exports. [*Increased competitiveness also requires electricity and gas sector restructuring, negotiate whether the restructuring of electricity and gas sectors should be mentioned in the strategy*]
	3. Sustainable development: the Strategy should avoid non-sustainable policy options. Sustainability is defined as adequate supply for the current economic system that does not hinder long term interests. The Strategy includes targets related to improvement of the ecological situation in the country. Objective is to reduce GHG emissions by[*45%*]by

[*2050*].

1.4. Commitments of the Energy Strategy should be translated into the updated version of the

 NDC and submitted to the UNFCCC before COP28 meeting in Dubai, in November 2023.

1. Specific targets for the lignite industry
	1. The decline in coal production rates necessitates social spending, especially for regions with a higher depletion rate. There is a need to consider various options of labour requalification and new investments.
	2. Energy policy must target the ecological situation in the lignite producing regions.
	3. Lignite-based power generation needs to be replaced by cleaner fuels by [*80%*] by [*2050*].
	4. Overall emissions from lignite thermal generation shall fall by [*80%*] by [*2050*].
2. Specific targets for the gas industry
	1. Reforms of the domestic gas industry and an increase of competitiveness
		1. Third Party Access to networks for independent producers [*2025*]
		2. Subsidies removal by [*2025*]
		3. Partial privatization of Burabarr Gas [*2030*]
	2. Establishment of a Welfare Fund constituted from gas export revenues by [*2030*]
	3. Revenue management to be in accordance with Extractive Industries Transparency Initiative (EITI) principles.
	4. In order to increase revenues in the Welfare Fund, there is a need to double gas exports by 2040.
3. Specific targets for the electricity sector
	1. Restructuring of the electricity sector by 2030.
	2. Transition from coal generation power plants to cleaner sources.
	3. GHG emissions reduction by [*30%*] in [*2040*] and [*45%*] in [*2050*] compared to the level of 2010.

4,a Specific targets for RES

* 1. The Government sets a binding target to increase RES-based electricity generation by [*40%*] by [*2050*].
	2. To achieve these targets, [*new market mechanisms to be set*].

Energy outlook according to the Strategy 2050 objectives

There is a need to respond to the main challenges for both domestic sustainability and external competitiveness. On these grounds, the Energy Strategy plans to correct the Baseline scenario. In particular, the Strategy sets an objective to increase gas export potential by decreasing domestic gas demand growth rates. In addition, the Strategy sets various options for RES support mechanisms.

[*Table*]

|  |  |  |  |
| --- | --- | --- | --- |
| % | 2030 | 2040 | 2050 |
| *Coal* | *[50]* | *[30]* | *[20]* |
| *Gas* | *[40]* | *[45]* | *[50]* |
| *RES* | *[10]* | *[25]* | *[30]* |

The gas sector outlook according to the Strategy would look as follows:

[*Table*]

|  |  |  |  |
| --- | --- | --- | --- |
| Bcm | 2030 | 2040 | 2050 |
| *Export* | *5* | *10* | *15* |
| *Domestic market* | *10* | *25* | *30* |
| *Total production* | *15* | *35* | *45* |