

COUNCIL OF THE EUROPEAN UNION



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PRESS RELEASE

3145th Council meeting

Transport, Telecommunications and Energy

Energy items

Brussels, 14 February 2012

President Mr Martin Lidegaard, Danish Minister for Climate, Energy and Building



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Main results of the Council

In a public session, ministers held an orientation debate on a draft regulation on **trans-European** *energy infrastructure*, focusing on two aspects of the proposal: regional groups and regulatory measures.

The Council also held a public policy debate on its contribution to the European Semester, the new cycle of economic policy coordination under the **Europe 2020 strategy** for jobs and growth, in the light of the 2012 Annual Growth Survey. Ministers addressed in particular the main obstacles to the achievement of the Europe 2020 energy objectives and measures in the field of energy efficiency and renewable energy which have the greatest potential to contribute to growth and job creation.

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¹ • Where declarations, conclusions or resolutions have been formally adopted by the Council, this is indicated in the heading for the item concerned and the text is placed between quotation marks.

- Documents for which references are given in the text are available on the Council's Internet site (http://www.consilium.europa.eu).
- Acts adopted with statements for the Council minutes which may be released to the public are indicated by an asterisk; these statements are available on the Council's Internet site or may be obtained from the Press Office.

PARTICIPANTS

Belgium: Mr Melchior WATHELET

Bulgaria: Mr Delian DOBREV

Czech Republic: Mr Frantisek PAZDERA

Denmark: Mr Martin LIDEGAARD Mr Morten BÆK SØRENSEN

Germany: Mr Philipp RÖSLER

Estonia: Mr Gert ANTSU

Ireland: Mr Fergus O'DOWD

<u>Greece:</u> Mr Giorgos PAPACONSTANTINOU

<u>Spain:</u> Mr José Manuel SORIA LOPÉZ

<u>France:</u> Mr Eric BESSON

Italy: Mr Vincenzo GRASSI

<u>Cvprus:</u> Ms Praxoula ANTONIADOU KYRIACOU

Latvia: Mr Daniels PAVĻUTS

<u>Lithuania:</u> Mr Arvydas SEKMOKAS

Luxembourg: Mr Etienne SCHNEIDER

<u>Hungary:</u> Mr Tamás Iván KOVÁCS

<u>Malta:</u> Mr George PULLICINO

<u>Netherlands:</u> Mr Maxime VERHAGEN

<u>Austria:</u> Mr Reinhold MITTERLEHNER State Secretary for the Environment, Energy and Mobility, attached to the Minister for the Interior, and State Secretary for Institutional Reforms, attached to the Prime Minister

Deputy Minister for Economy, Energy and Tourism

Deputy Minister for Energy

Minister for Climate, Energy and Buildings Deputy Permanent Secretary, Ministry of Climate, Energy and Building

Federal Minister for Economic Affairs and Technology and Vice Chancellor

Deputy Permanent Representative

Minister of State with responsibility for the NewEra Project (Departments of Communications, Energy and Natural Resources and the Environment, Community and Local Government)

Minister for the Environment, Energy and Climate Change

Minister for Industry, Energy and Tourism

Minister with responsibility for Industry, Energy and the Digital Economy, attached to the Minister for Economic Affairs, Finance and Industry

Deputy Permanent Representative

Minister for Commerce, Industry and Tourism

Minister for the Economy

Minister for Energy

Minister for Economic Affairs and Foreign Trade

Deputy State Secretary for EU Affairs and International Relations, Ministry of National Development

Minister for Resources and Rural Affairs

Minister for Economic Affairs, Agriculture and Innovation, Deputy Prime Minister

Federal Minister for Economic Affairs, the Family and Youth

Poland: Mr Tomasz TOMCZYKIEWICZ Deputy Minister of Economy Portugal: Mr Henrique GOMES State Secretary for Energy <u>Romania:</u> Mr Cristian BADESCU Deputy Permanent Representative <u>Slovenia:</u> Mr Uroš VAJGL Deputy Permanent Representative <u>Slovakia:</u> Mr Kristian TAKÁČ State Secretary, Ministry of Economy Finland: Mr Jyri HÄKÄIMIES Minister for Economic Affairs Sweden: Ms Anna-Karin HATT Minister for Information Technology and Regional Affairs Mr Jan OLSSON Deputy Permanent Representative **United Kingdom:** Mr Charles HENDRY Minister of State for Energy and Climate Change

Commission: Mr Günther OETTINGER

Member

The government of the acceding state was represented as follows:

<u>Croatia:</u>

Ms Tamara OBRADOVIĆ MAZAL

Deputy Minister, Ministry of Economy

ITEMS DEBATED

Energy infrastructure

In a public session, the Council held a policy debate on a draft regulation on guidelines for trans-European energy infrastructure.

In order to provide guidance for future work on this proposal, ministers focused their discussions on two issues in particular: regional groups, a topic linked to project selection (Chapter II), and regulatory measures (Chapter IV) (*see <u>6009/12</u>*).

From the debate, the presidency highlighted the following points:

As regards discussions on the regional groups, several member states underlined the need for a stronger role for member states in the final adoption of the single Union-wide list of projects of common interest, and in the preparatory stages that take place in the regional groups. After all, the member states have the full strategic perspective and have a key role in implementing the projects and ensuring public acceptance of them. Furthermore, the selection of projects of common interest should take place in a transparent manner that excludes political influence and that will help to facilitate public acceptance. It was also underlined that the regional groups should be based on the existing groups; the lists should be based on existing projects if these were already agreed, and projects already under way should continue. Delegations recognised that the draft regulation was linked to the Connecting Europe Facility, the Multiannual Financial Framework and the European Council goals for the internal energy market for 2014 and for connecting isolated markets by 2015.

Concerning discussions regarding regulatory measures, delegations supported a harmonised, system-wide cost-benefit analysis at Union level for all projects of common interest; however, several member states wanted to have a decisive say in the methodology that would be used. Most delegations supported in principle the cost-allocation mechanism for cross-border projects of common interest, though several questions on its functioning remained to be decided, and here too the member states underlined their own role.

The proposal is intended to help the EU deliver the huge investments in energy infrastructure required to replace ageing infrastructure, to ensure security of supply, to make the transition to a low-carbon economy and to complete the internal energy market.

The aim is to overhaul the existing trans-European energy networks (TEN-E) policy and financing framework in order to improve it and adapt it to the current challenges facing the energy sector and to general EU energy policy goals. The proposal would give priority to twelve strategic trans-European energy corridors and areas and addresses in particular the selection of projects of common interest, the streamlining of authorisation procedures and cost-allocation rules.

The Commission presented its proposal in October (<u>15813/11</u>), following the call by the European Council in February 2011 (<u>2/1/11</u>).

The EU funding related to this regulation is to be negotiated in the context of the "Connecting Europe Facility" financing instrument relating to the next multiannual financial framework (2014-2020). The Commission presented this proposal in June 2011 (16176/11) with the aim of promoting the completion of priority energy, transport and digital infrastructures with a single fund of EUR 40 billion, of which EUR 9.1 billion is allocated to energy infrastructure.

Europe 2020 strategy

Like several other Council configurations, the Energy Council held a public policy debate on its contribution to the European Semester, the cycle of economic policy coordination under the Europe 2020 strategy for jobs and growth, in the light of the 2012 Annual Growth Survey (<u>17229/11</u>).

On the basis of a presidency note $(\underline{6103/12})$, ministers addressed in particular the main obstacles to the achievement of the Europe 2020 energy objectives and measures in the field of energy efficiency and renewable energy which have the greatest potential to contribute to growth and job creation.

By way of introduction to this discussion, the presidency summarised the point on energy efficiency, underlining that all member states confirmed their commitment to the EU 2020 20% energy efficiency target and their will to reach early agreement on the proposed energy efficiency directive. Future work will focus in particular on the following issues:

- member states agreed to work on binding measures, stressing the need for sufficient flexibility,
- the importance of drawing up a methodology to assess energy savings,
- clarification of the possible forms of financing.

The outcome of the debate will provide the TTE Council's input to the overall report on the implementation of the Europe 2020 Strategy, to be presented to the March European Council.

The EU's 2020 energy policy objectives of increasing the share of renewables in final energy consumption to 20% and moving towards a 20% increase in energy efficiency (together with the objective for greenhouse gas emission reductions) are among the five headline targets agreed by the European Council in 2010 for the overall Europe 2020 strategy.

OTHER BUSINESS

Energy efficiency directive

The Presidency briefed the Council on the state of play of the energy efficiency directive (5355/12). Facilitating early adoption of this proposal is a key priority for the Danish presidency, in line with the clear expectation of the European Council (*EUCO 139/1/11, page 3*).

The aim of the proposal is to contribute to the achievement of the Union's 2020 20% energy efficiency target and pave the way towards further energy efficiency improvements beyond 2020. The proposal addresses in particular efficiency targets, efficiency in energy use (public bodies, obligation schemes, audits, metering and billing) efficiency in energy supply (heating and cooling, transformation, transmission and distribution) and energy services.

Intergovernmental agreements in the field of energy - Information exchange mechanism

The presidency briefed the Council on the state of play concerning the draft decision setting up an information exchange mechanism with regard to intergovernmental agreements between member states and third countries in the field of energy (5333/12).

The February 2011 European Council invited member states to inform the Commission of all their new and existing bilateral energy agreements with third countries; it also invited the Commission to make this information available to all other member states in an appropriate form, having regard to the need for protection of commercially sensitive information (*EUCO 2/1/11, paragraph 11*). The Commission proposal was presented in September 2011 (*13943/11*).

Rio+20 UN conference on sustainable development

The Presidency briefed the Council on the preparations for this conference, which will take place in Rio de Janeiro on 20-22 June 2012 (5779/12).

The conference will focus on two themes: a green economy in the context of sustainable development and poverty eradication, and the institutional framework for sustainable development. The conference will mark the 20th anniversary of the United Nations Conference on Environment and Development held in Rio in 1992 and the 10th anniversary of the 2002 World Summit on Sustainable Development held in Johannesburg.

International energy relations

The Commission briefed the Council on recent developments in the field of international energy relations ($\frac{5830/12}{2}$). The briefing covered, in particular, Iran, the Southern Gas Corridor, Russia-Ukraine and the EU-Mediterranean Energy partnership.

Electricity coordination group

The Commission briefed the Council on activities of the electricity coordination group (6108/12).

This coordination group was proposed at the informal Energy Council in Wroclaw in September 2011. It provides a platform for strategic exchanges of views between member states, national regulators, the Agency for the Cooperation of Energy Regulators (ACER), the European Network of Transmission System Operators for Electricity (ENTSO-E) and the Commission on electricity policy, with a special emphasis on national decisions on the energy mix that might have an effect on other member states.

OTHER ITEMS APPROVED

TRANSPORT

Air services agreement with Indonesia *

The Council authorised the conclusion of an agreement on certain aspects of air services between the EU and Indonesia, following the consent given by the European Parliament (decision on the conclusion: <u>13238/11</u>; statement: <u>5649/12</u>; agreement: <u>Official Journal L 264 of 8.10.2011, pp. 2–11</u>).

The agreement, which was signed in June 2011, supersedes or complements the existing bilateral agreements between individual member states and Indonesia, bringing their provisions into line with EU law, in particular as regards non-discriminatory access of all EU air carriers to routes between the EU and Indonesia, the taxation of aviation fuel and competition rules.

TRADE POLICY

Autonomous trade preferences - Pakistan

The Council adopted a decision establishing that the EU's position within the WTO should be to approve a WTO waiver on additional autonomous trade preferences granted by the EU to Pakistan (5912/12).

Protection of geographical indications - Agreement with Georgia

The Council adopted a decision approving the conclusion of an agreement with Georgia on the protection of geographical indications of agricultural products and foodstuffs. The agreement was signed on 14 July 2011.

<u>INTERNAL MARKET</u>

Motor vehicles type-approval - Safety

The Council incorporated regulation No 29 of the United Nations Economic Commission for Europe (UNECE) on the protection of the occupants of the cab of a commercial vehicle into the EU type-approval system for motor vehicles (<u>13894/11</u>).

The Council also adopted a decision whereby future UNECE regulations concerning pedestrian safety and light emitting diode (LED) light sources would be incorporated into the EU type-approval system (<u>13895/11</u>).

The standardised requirements of the UNECE are intended to remove technical barriers to the trade in motor vehicles and to ensure a high level of safety and protection.

<u>FISHERIES</u>

Partnership agreement between EU and Morocco - Opening of negotiations

The Council adopted a decision authorising the opening of negotiations for a new protocol to the fisheries partnership agreement (FPA) between the EU and the Kingdom of Morocco. The Swedish delegation voted against while the Finnish, the United Kingdom and the Netherlands delegations abstained.

The new protocol should define the fishing opportunities offered to EU vessels based on the surplus available in the fisheries resources in the Moroccan fishing zones, as well as the financial contribution due, separately, for access rights and for contribution in development aid for Morocco's sectoral fisheries policy. The criteria outlined by the European Parliament in its resolution on the FPA between the EU and Morocco should be taken into account.

This FPA is among the EU's three biggest FPAs; the EU paid EUR 144 million for fishing rights during the previous protocol's four-year period of validity. This protocol is important for the EU's long-distance fleets as it allows vessels from 11 member states to operate in Moroccan waters. In recent years the EU has had about 100 vessels operating in Moroccan waters, with a broad economic and social impact on the fishing sector in the member states involved.

The Council concluded the FPA between the EU and Morocco in 2006. The agreement itself does not have any expiry date. However, the previous 4-year protocol having expired, a new protocol was initialled on 25 February 2011, essentially to extend the provisions of the expired protocol for one year (covering the period from 28 February 2011 to 27 February 2012), with the allocation key remaining unchanged.

However, on 14 December 2011 the European Parliament decided not to consent to the conclusion of this protocol. In its resolution it outlined the criteria which should be fulfilled by a protocol to receive a favourable decision by Parliament. Immediately afterwards, fishing by EU vessels in Moroccan waters stopped, and Council subsequently repealed its decision on provisional application of the - rejected - protocol (<u>18687/11</u>).

DECISIONS ADOPTED BY WRITTEN PROCEDURE

Public access to documents

The European Council today approved the reply to confirmatory application 01/c/01/12 (*EUCO 23/12*).