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Common position

Common position adopted by the Council on 8 December 2005 with a view to the adoption of Decision of the European Parliament and of the Council laying down guidelines for trans-European energy networks and repealing Decision 96/391/EC and Decision No 1229/2003/EC

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**COUNCIL OF
THE EUROPEAN UNION**

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LEGISLATIVE ACTS AND OTHER INSTRUMENTS

Subject: Common position adopted by the Council on 8 December 2005 with a view to the adoption of Decision of the European Parliament and of the Council laying down guidelines for trans-European energy networks and repealing Decision 96/391/EC and Decision No 1229/2003/EC

DECISION .../2005 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

of

**laying down guidelines for trans-European energy networks and
repealing Decision 96/391/EC and Decision No 1229/2003/EC**

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 156 thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Economic and Social Committee¹,

Following consultation of the Committee of the Regions,

Acting in accordance with the procedure laid down in Article 251 of the Treaty²,

¹ OJ C 241, 28.9.2004, p. 17.

² Opinion of the European Parliament of 7 June 2005 (not yet published in the Official Journal).

Whereas:

- (1) Subsequent to the adoption of Decision No 1229/2003/EC of the European Parliament and of the Council of 26 June 2003 laying down a series of guidelines for trans-European energy networks¹, the need has arisen to integrate fully the new Member States accession and candidate countries in those guidelines and to adapt further, as appropriate, those guidelines to the new proximity policy of the European Union.
- (2) The priorities for trans-European energy networks stem from the creation of a more open and competitive internal energy market as a result of the implementation of Directive 2003/54/EC of the European Parliament and of the Council of 26 June 2003 concerning common rules for the internal market in electricity² and of Directive 2003/55/EC of the European Parliament and of the Council of 26 June 2003 concerning common rules for the internal market in natural gas³. Those priorities follow the conclusions of the Stockholm European Council of 23 and 24 March 2001 concerning the development of the infrastructure needed for the operation of the energy market. A special effort should be undertaken to achieve the objective of making greater use of renewable energy sources as a contribution to further a sustainable development policy. However, this should be achieved without creating disproportionate disturbances to the normal market equilibrium. Full account should also be taken of the objectives of the Community's transport policy and specifically the opportunity to reduce road traffic by using pipelines.

¹ OJ L 176, 15.7.2003, p. 11.

² OJ L 176, 15.7.2003, p. 37. Directive as amended by Council Directive 2004/85/EC (OJ L 236, 7.7.2004, p. 10).

³ OJ L 176, 15.7.2003, p. 57.

- (3) This Decision serves to move closer towards the target for the level of electricity interconnection between Member States which was agreed by the Barcelona European Council of 15 and 16 March 2002, and thus improve network reliability and integrity, ensure that there is security of supply and that the internal market functions properly.
- (4) As a rule the construction and maintenance of energy infrastructure should be subject to market principles. This is also in line with the common rules for the completion of the internal market in energy and the common rules on competition law which aim at the creation of a more open and competitive internal energy market. Community financial aid for construction and maintenance should therefore remain highly exceptional. Those exceptions should be duly justified.
- (5) Energy infrastructure should be constructed and maintained so as to enable the internal energy market to operate efficiently, with due regard to existing procedures for consulting the people affected, without detracting from strategic and, where appropriate, universal service criteria and public service obligations.
- (6) In the light of potential synergies between natural gas networks and olefin networks, due importance should be given to the development and integration of olefin networks in order to meet the olefin gas consumption needs of the industries in the Community.

- (7) The priorities for trans-European energy networks also stem from the growing importance of the trans-European energy networks for securing and diversifying the Community's energy supplies, incorporating the energy networks of the new Member States, accession and candidate countries, and ensuring the coordinated operation of the energy networks in the Community and in neighbouring countries after consulting the Member States concerned. Indeed neighbouring countries to the Community play a vital role in the Community's energy policy. They supply a major part of the Community's requirements of natural gas, are key partners for the transit of primary energy to the Community and will progressively become more important players in the Community's internal gas and electricity markets.
- (8) Among the projects relating to trans-European energy networks, it is necessary to highlight the priority projects, which are very important for the operation of the internal energy market or the security of energy supply.
- (9) The procedure for identifying projects of common interest in the context of trans-European energy networks should ensure the smooth application of Council Regulation (EC) No 2236/95 of 18 September 1995 laying down general rules for the granting of Community financial aid in the field of trans-European networks¹. That procedure should distinguish two levels: a first level establishing a restricted number of criteria for the identification of such projects, and a second level describing the projects in detail, referred to as "specifications".

¹ OJ L 228, 23.9.1995, p. 1. Regulation as last amended by Regulation of the European Parliament and of the Council (EC) No 807/2004 (OJ L 143, 30.4.2004, p. 46).

- (10) Priority for funding under Regulation (EC) No 2236/95 should be given to projects of European interest, i.e. projects of common interest referred to in this Decision and included in the axes for priority projects set out in this Decision.
- (11) Member States, when submitting projects under the relevant Community financial instruments, should give appropriate priority to projects covered by Annex I that meet the criteria of this Decision.
- (12) Since the project specifications are liable to change, they can only be given by way of indication. The Commission should therefore be empowered to update them. Since the projects may have considerable political, environmental and economic implications, it is important to find the appropriate balance between legislative oversight and flexibility in determining projects that deserve potential Community support.
- (13) Where appropriate for certain priority projects, or sections of priority projects, or groups of priority projects in order to improve their preparation and implementation for the duration of the priority projects concerned, the Commission, in consultation with the Member States involved, should ensure and coordinate cooperation with users and operators, with a view to ensuring that the necessary monitoring is carried out in order to keep the Community informed of progress. In so doing, the Commission should consult, together with the Member States concerned, operators, users, regional and local authorities and representatives of civil society with a view to gaining fuller knowledge of demand for transmission services, of the constraints and of the service parameters required to optimise the use of the infrastructure concerned.

- (14) Member States should be invited to coordinate implementation of certain projects, in particular cross-border projects or sections of cross-border projects.
- (15) A more favourable context for the development and construction of trans-European energy networks should be created, mainly by providing stimulus for technical cooperation between the entities responsible for networks, by facilitating the implementation of authorisation procedures applicable for network projects in the Member States in order to reduce delays and by mobilising as appropriate the Funds, instruments and financial programmes of the Community available for network projects. The Community should support Member States' measures taken in pursuit of that objective.
- (16) Since the budget allocated to the trans-European energy networks is mainly intended to finance feasibility studies, it is the Community Structural Funds, financial programmes and instruments that could enable, if necessary, funding to be provided for such - in particular interregional - interconnection networks.
- (17) The identification of projects of common interest, their specifications and priority projects should be without prejudice to the results of the environmental impact assessment of the projects and of the plans or programmes.
- (18) The measures necessary for the implementation of this Decision should be adopted in accordance with Council Decision 1999/468/EC of 28 June 1999 laying down the procedures for the exercise of implementing powers conferred on the Commission¹.

¹ OJ L 184, 17.7.1999, p. 23.

- (19) The Commission should periodically draw up a report on the implementation of this Decision.
- (20) Since this Decision covers the same subject matter and scope as Council Decision 96/391/EC of 28 March 1996 laying down a series of measures aimed at creating a more favourable context for the development of trans-European networks in the energy sector¹ and Decision No 1229/2003/EC, those two Decisions should be repealed,

HAVE ADOPTED THIS DECISION:

Article 1

Subject matter

This Decision defines the nature and scope of Community action to establish guidelines for trans-European energy networks. It establishes a series of guidelines covering the objectives, priorities and broad lines of action by the Community in respect of trans-European energy networks. These guidelines identify projects of common interest, including those which have priority, among trans-European electricity and gas networks.

¹ OJ L 161, 29.6.1996, p. 154.

Article 2

Scope

This Decision shall apply:

- 1) in electricity networks, to:
 - (a) all high-voltage lines, excluding those of distribution networks, and to submarine links, provided that this infrastructure is used for inter-regional or international transmission or connection;
 - (b) any equipment or installations essential for the system in question to operate properly, including protection, monitoring and control systems;
- 2) in gas networks (transporting natural gas or olefin gases), to:
 - (a) high-pressure gas pipelines, excluding those of distribution networks, making it possible to supply regions of the Community from internal or external sources;
 - (b) underground storage facilities connected to the abovementioned high-pressure gas pipelines;
 - (c) reception, storage and regaseification facilities for liquefied natural gas (LNG) and also LNG carriers according to the capacities to be supplied;
 - (d) any equipment or installations essential for the system in question to operate properly, including protection, monitoring and control systems.

Article 3
Objectives

The Community shall promote the interconnection, interoperability and development of trans-European energy networks and access to such networks in accordance with Community law in force, with the aim of:

- (a) encouraging the effective operation and development of the internal market in general and of the internal energy market in particular, while encouraging the rational production, transportation, distribution and use of energy resources and the development and connection of renewable energy resources, so as to reduce the cost of energy to the consumer and contribute to the diversification of energy sources;
- (b) facilitating the development and reducing the isolation of the less-favoured and island regions of the Community, thereby helping to strengthen economic and social cohesion;
- (c) reinforcing the security of energy supplies, for example by strengthening relations with third countries in the energy sector in the mutual interest of all parties concerned, in particular in the framework of the Energy Charter Treaty and cooperation agreements concluded by the Community;
- (d) contributing to sustainable development and protection of the environment, inter alia by involving renewable energies and by reducing the environmental risks associated with the transportation and transmission of energy.

Article 4
Priorities for action

The priorities for action by the Community on trans-European energy networks shall be compatible with sustainable development and shall be as follows:

- 1) for both electricity and gas networks:
 - (a) adapting and developing the energy networks in support of the operation of the internal energy market and, in particular, solving the problems of bottlenecks, especially transfrontier bottlenecks, congestion and missing links, and taking account of the needs arising from the functioning of the internal market for electricity and natural gas and the enlargement of the European Union;
 - (b) establishing energy networks in island, isolated, peripheral and ultraperipheral regions while promoting the diversification of energy sources and the use of renewable energy sources, together with the connection of those networks, where necessary;
- 2) for electricity networks:
 - (a) adapting and developing networks to facilitate the integration and connection of renewable energy production;

- (b) ensuring interoperability of electricity networks within the Community, and with those in the accession, candidate countries and other countries in Europe and the Mediterranean and Black Sea basins;
- 3) for gas networks:
- (a) developing of natural gas networks in order to meet the Community's natural gas consumption needs and to control its natural gas supply systems;
 - (b) ensuring interoperability of natural gas networks within the Community and with those in accession candidate countries and other countries in Europe, in the Mediterranean Sea, Black Sea and Caspian Sea basins, as well as in the Middle East and the Gulf regions, and diversification of natural gas sources and supply routes.

Article 5

Lines of action

The broad lines of action by the Community on trans-European energy networks shall be:

- (a) the identification of projects of common interest referred to in Article 6;
- (b) the creation of a more favourable context for development of those networks.

Article 6
Projects of common interest

1. The generic criteria to be applied when a decision is taken on identification, modifications, specifications to or applications for updating projects of common interest shall be the following:
 - (a) the projects fall within the scope of Article 2;
 - (b) the projects meet the objectives and priorities for action set out in Articles 3 and 4 respectively;
 - (c) the projects display potential economic viability.

The evaluation of the economic viability shall be based upon a cost-benefit analysis which takes account of all costs and benefits, including those in the medium and/or long term, in connection with environmental aspects, security of supply and the contribution to economic and social cohesion. Projects of common interest which relate to the territory of a Member State shall require the approval of the Member State concerned.

2. Additional criteria for identifying projects of common interest are set out in Annex II. Any changes to the additional criteria for identifying projects of common interest set out in Annex II shall be decided upon in accordance with the procedure laid down in Article 251 of the Treaty.

3. Only those projects listed in Annex III which fulfil the criteria laid down in paragraph 1 and those set out in Annex II shall be eligible for Community financial aid provided for under Regulation (EC) No 2236/95.
4. The indicative project specifications, comprising the detailed description of the projects and, where appropriate, their geographical description, are set out in Annex III. These specifications shall be updated in accordance with the procedure referred to in Article 11(2). Updates shall be of a technical nature and shall be limited to technical changes of projects, or to modification of a part of the specified routing, or to limited adaptation of the location of the project.
5. Member States shall take any measures they consider necessary to facilitate and speed up the completion of projects of common interest and to minimise delays while complying with Community law and international conventions on the environment. In particular, the necessary authorisation procedures shall be completed rapidly.
6. Where parts of projects of common interest are situated within the territory of third countries, the Commission may, by agreement with the Member States concerned, put forward proposals, where appropriate within the framework of the management of the agreements between the Community and those third countries and in accordance with the Energy Charter Treaty and other multilateral agreements in respect of third countries which are parties to that Treaty, for the projects also to be recognised as being of reciprocal interest by the third countries concerned, in order to facilitate their implementation.

Article 7
Priority projects

1. The projects of common interest referred to in Article 6 (3) and covered by the axes for priority projects set out in Annex I shall have priority for the grant of Community financial aid provided for under Regulation (EC) No 2236/95. Amendments to Annex I shall be decided upon in accordance with the procedure laid down in Article 251 of the Treaty.
2.
 - (a) As regards cross-border investment projects, Member States shall take the steps required to ensure that, under national authorisation procedures, the fact that such projects increase the capacity for interconnection of two or more Member States and consequently strengthen Europe-wide security of supply is treated as a criterion for the assessment by the competent national authorities.
 - (b) The Member States concerned and the Commission shall endeavour, each within its own sphere of competence, together with the responsible companies, to further the carrying out of the priority projects, especially cross-border projects.
3. Priority projects shall be compatible with sustainable development and meet the following criteria:
 - (a) they shall have a significant impact on the competitive operation of the internal market, and/or
 - (b) they shall strengthen security of supply in the Community, and/or
 - (c) they shall result in an increase in the use of renewable energies.

Article 8

More favourable context

1. In order to contribute to creating a more favourable context for the development of trans-European energy networks and their interoperability, the Community shall take account of Member States' efforts made in line with that objective, shall attach the greatest importance to and shall promote as necessary the following measures:
 - (a) technical cooperation between the entities responsible for the trans-European energy networks, in particular for the proper functioning of the connections mentioned in Annex II, points 1, 2 and 7;
 - (b) facilitating implementation of the authorization procedures for projects on trans-European energy networks in order to reduce delays;
 - (c) the provision of assistance to the projects of common interest from Community Funds, instruments and financial programmes applicable to those networks.
2. The Commission shall, in close collaboration with the Member States concerned, take all initiatives for promoting the coordination of the activities referred to in paragraph 1.
3. The measures necessary for the implementation of the activities referred to in points (a) and (b) of paragraph 1 shall be decided upon by the Commission in accordance with the procedure referred to in Article 11(2).

Article 9
Effects on competition

When projects are considered, their effects on competition and on security of supply shall be taken into account. Private financing or financing by the economic operators concerned shall be the main source for financing and shall be encouraged. Any competitive distortion between market operators shall be avoided, in accordance with the provisions of the Treaty.

Article 10
Restrictions

1. This Decision shall not prejudice financial commitments entered into by a Member State or by the Community.
2. This Decision shall be without prejudice to the results of the environmental impact assessment of projects and of the plans or programmes which define the future authorisation framework for such projects. The results of the environmental impact assessments, where such an assessment is requested in accordance with relevant Community legislation, shall be taken into consideration before a decision on the carrying out of the projects is actually taken in accordance with the relevant Community legislation.

Article 11
Committee procedure

1. The Commission shall be assisted by a Committee.
2. Where reference is made to this paragraph, Articles 5 and 7 of Decision 1999/468/EC shall apply, having regard to the provisions of Article 8 thereof.

The period laid down in Article 5(6) of Decision 1999/468/EC shall be set at three months.

3. The Committee shall adopt its rules of procedure.

Article 12
Report

Every two years the Commission shall draw up a report on the implementation of this Decision, which it shall submit to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions.

In this report, attention shall be given to the implementation and progress made in the carrying out of priority projects which concern cross-border connections as mentioned in Annex II, points 2, 4 and 7, as well as the detailed arrangements of their financing, especially as regards the contribution of Community funding.

Article 13

Repeal

Decision 96/391/EC and Decision No 1229/2003/EC are hereby repealed.

Article 14

Entry into force

This Decision shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union.

Article 15

Addressees

This Decision is addressed to the Member States.

Done at Brussels,

For the European Parliament

The President

For the Council

The President

ANNEX I

TRANS-EUROPEAN ENERGY NETWORKS Axes for Priority projects as defined in Article 7

Priority projects included on each axis are listed

ELECTRICITY NETWORKS

EL.1. France – Belgium – Netherlands – Germany:

electricity network reinforcements in order to resolve congestion in electricity flow through the Benelux States.

Priority projects include:

Avelin (FR) – Avelgem (BE) line

Moulaine (FR) – Aubange (BE) line

EL.2. Borders of Italy with France, Austria, Slovenia and Switzerland:

increasing electricity interconnection capacities.

Priority projects include:

Lienz (AT) – Cordignano (IT) line

New interconnection between Italy and Slovenia

Udine Ovest (IT) – Okroglo (SI) line

S. Fiorano (IT) – Nave (IT) – Gorlago (IT) line

Venezia Nord (IT) – Cordignano (IT) line

St. Peter (AT) - Tauern (AT) line

Südburgenland (AT) - Kainachtal (AT) line

Austria - Italy (Thaur-Brixen) interconnection through the Brenner rail tunnel

EL.3. France – Spain – Portugal:

increasing electricity interconnection capacities between these countries and for the Iberian peninsula and grid development in island regions.

Priority projects include:

Sentmenat (ES) – Becanó (ES) – Baixas (FR) line

Valdigem (PT) – Douro Internacional (PT) – Aldeadávila (ES) line and "Douro Internacional" facilities

EL.4. Greece – Balkan countries – UCTE System:

development of electricity infrastructure to connect Greece to the UCTE System and to enable the development of the South-Eastern Europe electricity market.

Priority projects include:

Philippi (EL) – Hamidabad (TR) line

EL.5. United Kingdom – Continental Europe and Northern Europe:

establishing/increasing electricity interconnection capacities and possible integration of offshore wind energy

Priority projects include:

Undersea cable to link England (UK) and the Netherlands

EL.6. Ireland – United Kingdom:

increasing electricity interconnection capacities and possible integration of offshore wind energy.

Priority projects include:

Undersea cable to link Ireland and Wales (UK)

EL.7. Denmark – Germany – Baltic Ring (including Norway – Sweden – Finland – Denmark – Germany – Poland – Baltic States – Russia):

increasing electricity interconnection capacities and possible integration of offshore wind energy.

Priority projects include:

Kassø (DK) – Hamburg/Dollern (DE) line

Hamburg/Krümmel (DE) - Schwerin (DE) line

Kassø (DK) – Revsing (DK) – Tjele (DK) line

Vester Hassing (DK) – Trige (DK) line

Submarine cable Skagerrak 4: between Denmark and Norway

Poland – Lithuania link, including necessary reinforcements of the Polish electricity network and the PL-DE profile in order to enable participation in the internal energy market

Submarine cable Finland – Estonia (Estlink)

Submarine cable Fennoscan' between Finland and Sweden

Halle/Saale (DE) - Schweinfurt (DE)

EL.8. Germany – Poland – Czech Republic – Slovakia – Austria – Hungary – Slovenia:

increasing electricity interconnection capacities.

Priority projects include:

Neuenhagen (DE) – Vierraden (DE) – Krajnik (PL) line

Dürnröhr (AT) – Slavětice (CZ) line

New interconnection between Germany and Poland

Veľké Kapušany (SK) – Lemešany (SK) – Moldava (SK) – Sajóivánka (HU),

Gabčíkovo (SK) - Veľký Ďur (SK) Stupava (SK) – south-east Vienna (AT)

EL.9. Mediterranean Member States – Mediterranean Electricity Ring

increasing electricity interconnection capacities between Mediterranean Member States and Morocco – Algeria – Tunisia – Libya – Egypt – Near-East countries – Turkey

Priority projects include:

Electricity connection to link Tunisia and Italy

GAS NETWORKS

NG.1. United Kingdom – Northern Continental Europe, including the Netherlands, Belgium, Denmark, Sweden and Germany – Poland – Lithuania – Latvia – Estonia – Finland – Russia:

Gas pipelines to connect some of the main sources of gas supply in Europe, improve network interoperability, and increase security of supply, including natural gas pipelines via the offshore route from Russia to the EU and the onshore route from Russia to Poland and Germany, new pipeline building and network capacity increases in and between Germany, Denmark, and Sweden, and in and between Poland, the Czech Republic, Slovakia, Germany, and Austria.

Priority projects include:

North European gas pipeline

Yamal – Europe gas pipeline

Natural gas pipeline linking Denmark, Germany and Sweden

Increase in transmission capacity on the Germany – Belgium – United Kingdom axis

NG.2. Algeria – Spain – Italy – France – Northern Continental Europe:

construction of new natural gas pipelines from Algeria to Spain, France and Italy, and increasing network capacities in and between Spain, France and Italy.

Priority projects include:

Algeria – Tunisia – Italy gas pipeline

Algeria-Italy gas pipeline, via Sardinia and Corsica, with a branch to France

Medgas gas pipeline (Algeria – Spain – France – Continental Europe)

NG.3. Caspian Sea countries – Middle East – European Union:

new natural gas pipeline networks to the European Union from new sources, including the Turkey – Greece, Greece – Italy, Turkey – Austria, and Greece – Slovenia – Austria (via the western Balkans) natural gas pipelines.

Priority projects include:

Turkey – Greece – Italy gas pipeline

Turkey – Austria gas pipeline

NG.4. Liquefied natural gas (LNG) terminals in Belgium, France, Spain, Portugal, Italy, Greece, Cyprus and Poland: diversifying sources of supply and entry points, including the LNG terminals' connections with the transmission grid.

NG.5. Underground natural gas storage in Spain, Portugal, France, Italy, Greece and the Baltic Sea Region:

increasing capacity in Spain, France, Italy and the Baltic Sea Region and construction of the first facilities in Portugal, Greece, and Lithuania.

NG.6. Mediterranean Member States – East Mediterranean Gas Ring:

Establishing and increasing natural gas pipeline capacities between the Mediterranean Member States and Libya – Egypt – Jordan – Syria – Turkey.

Priority projects include:

Libya-Italy gas pipeline

ANNEX II

TRANS-EUROPEAN ENERGY NETWORKS

Additional criteria for identifying Projects of common interest
referred to in Article 6(2)

ELECTRICITY NETWORKS

1. Developing electricity networks in island, isolated, peripheral and ultraperipheral regions while promoting the diversification of energy sources and enhancing the use of renewable energy, and connection of the electricity networks of those regions, if appropriate:
 - Ireland – United Kingdom (Wales)
 - Greece (islands)
 - Italy (Sardinia) – France (Corsica) – Italy (mainland)
 - Connections in island regions, including connections to the mainland
 - Connections in ultraperipheral regions in France, Spain, Portugal
2. Developing electricity connections between the Member States needed for the functioning of the internal market and in order to ensure the reliability and dependability of the operation of electricity networks:
 - France – Belgium – Netherlands – Germany
 - France – Germany
 - France – Italy

- France – Spain
- Portugal – Spain
- Finland – Sweden
- Finland – Estonia – Latvia – Lithuania
- Austria – Italy
- Italy – Slovenia
- Austria – Italy – Slovenia – Hungary
- Germany – Poland
- Germany – Poland – Czech Republic – Austria – Slovakia – Hungary
- Hungary – Slovakia
- Hungary – Austria
- Poland – Lithuania
- Ireland – United Kingdom (Northern Ireland)
- Austria – Germany – Slovenia – Hungary
- Netherlands – United Kingdom
- Germany – Denmark – Sweden
- Greece – Italy
- Hungary – Slovenia
- Malta – Italy
- Finland – Estonia
- Italy – Slovenia

3. Developing electrical connections within the Member States where this is needed in order to take advantage of the connections between the Member States, the functioning of the internal market or the connection of renewable energy sources:
 - All Member States

4. Developing electricity connections with the non-Member States, and more particularly with the candidate countries, thus contributing towards interoperability, the operational reliability and dependability of the electricity grids or the supply of electricity within the European Community:
 - Germany – Norway
 - The Netherlands – Norway
 - Sweden – Norway
 - United Kingdom – Norway
 - Baltic Electricity Ring: Germany – Poland – Belarus – Russia – Lithuania – Latvia – Estonia – Finland – Sweden – Norway – Denmark
 - Norway – Sweden – Finland – Russia
 - Mediterranean Electricity Ring: France – Spain – Morocco – Algeria – Tunisia – Libya – Egypt – Near Eastern countries – Turkey – Greece – Italy
 - Greece – Turkey
 - Italy – Switzerland
 - Austria – Switzerland
 - Hungary – Romania

- Hungary – Serbia
- Hungary – Croatia
- Italy – Tunisia
- Greece – Balkan countries
- Spain – Morocco
- Spain – Andorra – France
- EU – Balkan countries – Belarus – Russia – Ukraine
- Black Sea Electricity Ring: Russia – Ukraine – Romania – Bulgaria – Turkey – Georgia
- Bulgaria – Former Yugoslav Republic Of Macedonia/Greece – Albania – Italy or
Bulgaria – Greece – Italy

5. Actions improving the functioning of the interconnected electricity networks within the internal market and, in particular, identifying the bottlenecks and missing links, developing solutions in order to deal with congestion and adapting the methods of forecasting and of operating electricity networks:

- Identifying the bottlenecks and missing links, especially cross-border, within electricity networks
- Developing solutions for electricity flow management in order to deal with the problems of congestion within electricity networks
- Adapting the methods of forecasting and of operating electricity networks required by the functioning of the internal market and the use of a high percentage of renewable energy sources

GAS NETWORKS

6. Introducing natural gas into new regions, mainly island, isolated, peripheral and ultraperipheral regions and developing natural gas networks in these regions:
- United Kingdom (Northern Ireland)
 - Ireland
 - Spain
 - Portugal
 - Greece
 - Sweden
 - Denmark
 - Italy (Sardinia)
 - France (Corsica)
 - Cyprus
 - Malta
 - Ultraperipheral regions in France, Spain, Portugal

7. Developing natural gas connections in order to meet the needs of the internal market or strengthening of the security of supply, including connection of separate natural gas and olefin gas networks:

- Ireland – United Kingdom
- France – Spain
- France – Switzerland
- Portugal – Spain
- Austria – Germany
- Austria – Hungary
- Austria – Hungary – Slovakia – Poland
- Poland – Czech Republic
- Slovakia – Czech Republic – Germany – Austria
- Austria – Italy
- Greece –Balkan countries
- Austria – Hungary – Romania – Bulgaria – Greece – Turkey
- France – Italy
- Greece – Italy
- Austria – Czech Republic
- Germany – Czech Republic – Austria – Italy
- Austria – Slovenia – Croatia
- Hungary – Croatia
- Hungary – Romania

- Hungary – Slovakia
 - Hungary – Ukraine
 - Slovenia – Balkan countries
 - Belgium – Netherlands – Germany
 - United Kingdom – The Netherlands – Germany
 - Germany – Poland
 - Denmark – United Kingdom
 - Denmark – Germany – Sweden
 - Denmark – Netherlands
8. Developing capacities for receiving LNG and for storage of natural gas, needed in order to meet demand, control gas supply systems, and diversify sources and supply routes:
- All Member States
9. Developing natural gas transport capacity (gas supply pipelines) needed in order to meet demand and diversify supplies from internal and external sources, as well as supply routes:
- Nordic Gas Grid: Norway – Denmark – Germany – Sweden – Finland – Russia – Baltic States – Poland
 - Algeria – Spain – France
 - Russia – Ukraine – EU
 - Russia – Belarus – Ukraine – EU
 - Russia – Belarus – EU

- Russia – Baltic Sea – Germany
- Russia – Baltic States – Poland – Germany
- Germany – Czech Republic – Poland – Germany – Other Member States
- Libya – Italy
- Tunisia – Libya – Italy
- Caspian Sea countries – EU
- Russia – Ukraine – Moldavia – Romania – Bulgaria – Greece – Slovenia – Other Balkan countries
- Russia – Ukraine – Slovakia – Hungary – Slovenia – Italy
- The Netherlands – Germany – Switzerland – Italy
- Belgium – France – Switzerland – Italy
- Denmark – Sweden – Poland
- Norway – Russia – EU
- Ireland
- Algeria – Italy – France
- Algeria – Tunisia – Italy
- Middle East – East Mediterranean Gas Ring – EU
- Winksele blending installation on north-south axis (blending of H gas with nitrogen)
- Capacity upgrade on east-west axis: Zeebrugge – Eynatten

10. Actions improving the functioning of the interconnected natural gas networks within the internal market and transit countries, in particular, identifying the bottlenecks and missing links, developing solutions in order to deal with congestion and adapting methods of forecasting and of operating natural gas networks efficiently and safely:
- Identifying the bottlenecks and missing links, especially cross-border, within the natural gas networks.
 - Developing solutions for natural gas flow management in order to deal with the problems of congestion within the gas networks.
 - Adapting the methods of forecasting and operating natural gas networks required by the functioning of the internal market.
 - Increasing the overall performance, safety and security of the natural gas networks in transit countries.
11. Developing and integrating olefin gases transport capacity needed in order to meet demand within the internal market:
- All Member States

ANNEX III

TRANS-EUROPEAN ENERGY NETWORKS Projects of common interest and their specifications, currently identified according to the criteria set out in Annex II

ELECTRICITY NETWORKS

1. Developing electricity networks in isolated regions
 - 1.1. Submarine cable Ireland - Wales (UK)
 - 1.2. Connection of Southern Cyclades (EL) (to the Interconnected System)
 - 1.3. 30 kV Underwater cable link between the islands of Faial, Pico and S. Jorge (Azores, PT)
 - 1.4. Connection and reinforcement of the grid in Terceira, Faial and S. Miguel (Azores, PT)
 - 1.5. Connection and reinforcement of the grid in Madeira (PT)
 - 1.6. Submarine cable Sardinia (IT) - Italy mainland
 - 1.7. Submarine cable Corsica (FR) - Italy
 - 1.8. Connection Italy mainland - Sicily (IT): doubling of the connection Sorgente (IT)
-Rizziconi (IT)
 - 1.9. New connections in the Balearic and Canary Islands (ES)

2. Developing electricity connections between the Member States
 - 2.1. Moulaine (FR) - Aubange (BE) line
 - 2.2. Avelin (FR) - Avelgem (BE) line
 - 2.3. Interconnection between Germany and Belgium
 - 2.4. Vigy (FR) - Marlenheim (FR) line
 - 2.5. Vigy (FR) - Uchtelfangen (DE) line
 - 2.6. La Praz (FR) phase transformer
 - 2.7. Further increase of capacity through existing interconnection between France and Italy
 - 2.8. New interconnection between France and Italy
 - 2.9. New trans-Pyrenean interconnection between France and Spain
 - 2.10. Eastern Pyrenees connection between France and Spain
 - 2.11. Connections between northern Portugal and north-western Spain
 - 2.12. Sines (PT) - Alqueva (PT) - Balboa (ES) line
 - 2.13. Connection between southern Portugal and south-western Spain
 - 2.14. Valdigem (PT) - Douro Internacional (PT) - Aldeadávila (ES) line and "Douro Internacional" facilities

- 2.15. Connections north of the Gulf of Bothnia and and Fennoscan submarine cable between Finland and Sweden
- 2.16. Lienz (AT) - Cordignano (IT) line
- 2.17. Somplago (IT) - Wiirnbach (AT) interconnection
- 2.18. Austria-Italy (Thaur-Brixen) interconnection through the Brenner rail tunnel
- 2.19. Connection between Ireland and Northern Ireland
- 2.20. St. Peter (AT) - Isar (DE) line
- 2.21. Submarine cable between South-Eastern England and central Netherlands
- 2.22. Reinforcement of connections between Denmark and Germany, e.g. the Kassø - Hamburg line
- 2.23. Reinforcement of the connections between Denmark and Sweden
- 2.24. New interconnection between Slovenia and Hungary: Cirkovce (SI) – Hévíz (HU)
- 2.25. Sajóivánka (HU) – Rimavská Sobota (SK)
- 2.26. Moldava (SK) – Sajóivánka (HU)
- 2.27. Stupava (SK) – south-east Vienna (AT)
- 2.28. Poland – Germany line (Neuenhagen (DE) – Vierraden (DE) – Krajnik (PL))
- 2.29. Poland – Lithuania link (Elk – Alytus)
- 2.30. Submarine cable to link Finland and Estonia

- 2.31. Installation of flexible alternating current transmission systems linking Italy and Slovenia
- 2.32. New connections to link the UCTE and CENTREL systems
- 2.33. Dürnrohr (AT) – Slavětice (CZ)
- 2.34. Submarine electricity connection to link Malta (MT) and Sicily (IT)
- 2.35. New interconnections between Italy and Slovenia
- 2.36. Udine Ovest (IT) – Okroglo (SI) line
- 3. Developing electrical connections within the Member States
 - 3.1. Connections on the Danish East–West axis:
connection between Denmark's western (UCTE) and eastern (NORDEL) networks
 - 3.2. Connection on the Danish north–south axis
 - 3.3. New connections in northern France
 - 3.4. New connections in south-western France
 - 3.5. Trino Vercellese (IT) - Lacchiarella (IT) line
 - 3.6. Turbigo (IT) - Rho (IT) - Bovisio (IT) line
 - 3.7. Voghera (IT) - La Casella (IT) line
 - 3.8. S. Fiorano (IT) - Nave (IT) - Gorlago (IT) line
 - 3.9. Venezia Nord (IT) - Cordignano (IT) line
 - 3.10. Redipuglia (IT) - Udine Ovest (IT) line

- 3.11. New connections on the east–west axis of Italy
- 3.12. Tavarnuzze (IT) - Casellina (IT) line
- 3.13. Tavarnuzze (IT) - S.Barbara (IT) line
- 3.14. Rizziconi (IT) - Feroletto (IT) - Laino (IT) line
- 3.15. New connections on the north–south axis Italy
- 3.16. Network modifications for facilitating renewables connections in Italy
- 3.17. New wind energy connections in Italy
- 3.18. New connections on the north axis of Spain
- 3.19. New connections on the Mediterranean axis of Spain
- 3.20. New connections on the Galicia (ES) - Centro (ES) axis
- 3.21. New connections on the Centro (ES) - Aragón (ES) axis
- 3.22. New connections on the Aragón (ES) - Levante (ES) axis
- 3.23. New connections on the Spanish south-centre axis (ES)
- 3.24. New connections on the Spanish east-centre axis (ES)
- 3.25. New connections in Andalucía (ES)
- 3.26. Pedralva (PT) - Riba d'Ave (PT) line and Pedralva facilities

- 3.27. Recarei (PT) - Valdigem (PT) line
- 3.28. Picote (PT) - Pocinho (PT) line (upgrading)
- 3.29. Modification of the current Pego (PT) - Cedillo (ES)/Falagueira (PT) line and Falagueira facilities
- 3.30. Pego (PT) - Batalha (PT) line and Batalha facilities
- 3.31. Sines (PT) - Ferreira do Alentejo (PT) I line (upgrading)
- 3.32. New wind energy connections in Portugal
- 3.33. Pereiros (PT) - Zêzere (PT) - Santarém (PT) lines and Zêzere facilities
- 3.34. Batalha (PT) — Rio Maior (PT) I and II lines (upgradings)
- 3.35. Carrapatelo (PT) - Mourisca (PT) line (upgrading)
- 3.36. Valdigem (PT) - Viseu (PT) - Anadia (PT) line
- 3.37. Deviation of the current Rio Maior (PT) - Palmela (PT) line to Ribatejo (PT) and Ribatejo facilities
- 3.38. Thessaloniki (EL), Lamia (EL) and Patras (EL) substations and connecting lines
- 3.39. Connections of the regions of Evia (EL), Lakonia (EL) and Thrace (EL)
- 3.40. Strengthening of existing connections of peripheral regions in the mainland in Greece
- 3.41. Tynagh (IE) - Cashla (IE) line

- 3.42. Flagford (IE) - East Sligo (IE) line
- 3.43. Connections in the North-East and West of Spain, in particular to connect to the network wind-power generation capacities
- 3.44. Connections in the Basque country (ES), Aragón (ES) and Navarra (ES)
- 3.45. Connections in Galicia (ES)
- 3.46. Connections in Central Sweden
- 3.47. Connections in Southern Sweden
- 3.48. Hamburg (DE) - Schwerin region (DE) line
- 3.49. Halle/Saale region (DE) –region Schweinfurt (DE) line
- 3.50. New wind energy connections off-and onshore in Germany
- 3.51. Upgrading of 380 kV grid in Germany for connection of offshore windmill parks
- 3.52. Connections in Northern Ireland, in relation to the interconnections with Ireland
- 3.53. Connections in the North West of the United Kingdom
- 3.54. Connections in Scotland and England, with a view to the greater use of renewable sources in electricity generation
- 3.55. New offshore wind energy connections in Belgium, including upgrade of 380 kV grid
- 3.56. Borssele substation (NL)

- 3.57. Implementation of reactive power compensation equipment (NL)
- 3.58. Installation of phase shifters and/or capacitor batteries in Belgium
- 3.59. Upgrading of 380 kV grid in Belgium to increase import capacity
- 3.60. St. Peter (AT) - Tauern (AT) line
- 3.61. Süd-Burgenland (AT) - Kainachtal (AT) line
- 3.62. Dunowo (PL) – Żydowo (PL) – Krzewina (PL) – Plewiska (PL)
- 3.63. Pątnów (PL) – Grudziądz (PL)
- 3.64. Ostrów (PL) – Plewiska (PL)
- 3.65. Ostrów (PL) – Trębaczew (Rogowiec) (PL)
- 3.66. Plewiska (PL) – Pątnów (PL)
- 3.67. Tarnów (PL) – Krosno (PL)
- 3.68. Ełk (PL) – Olsztyn Matki (PL)
- 3.69. Ełk (PL) – Narew (PL)
- 3.70. Mikułowa (PL) – Świebodzice – Dobrzeń (Groszowice) (PL)
- 3.71. Pątnów (PL) – Sochaczew (PL) – Warszawa (PL)
- 3.72. Krsko (SI) – Bericevo (SI)

- 3.73. Upgrade of Slovene transmission system from 220 kV to 400 kV
- 3.74. Medzibrod (SK) – Liptovská Mara (SK)
- 3.75. Lemešany (SK) – Moldava (SK)
- 3.76. Lemešany (SK) – Veľké Kapušany (SK)
- 3.77. Gabčíkovo (SK) – Veľký Ďur (SK)
- 3.78. Connections in northern Sweden
- 3.79. Transferring Saaremaa (EE) supply to 110 kV
- 3.80. Improving Tartu (EE) power supply
- 3.81. Renovation of Eesti (EE) substation (330 kV)
- 3.82. Renovation of Kiisa (EE), Püssi (EE), and Viljandi (EE) substations (110kV)
- 3.83. Nošovice (CZ) – Prosenice (CZ): rebuilding of 400 kV single line as 400 kV double-circuit line
- 3.84. Krasíkov (CZ) – Horní Životice (CZ): new 400 kV single line
- 3.85. New wind energy connections in Malta (MT)

4. Developing electricity connections with the non-member States
 - 4.1. New interconnection Italy - Switzerland
 - 4.2. Philippi (EL) - Maritsa 3 (Bulgaria) line
 - 4.3. Amintao (EL) - Bitola (Former Yugoslav Republic Of Macedonia) line
 - 4.4. Kardia (EL) - Elbasan (Albania) line
 - 4.5. Elbasan (Albania) — Podgorica (Serbia and Montenegro) line
 - 4.6. Mostar (Bosnia–Herzegovina) substation and connecting lines
 - 4.7. Ernestinovo (Croatia) substation and connecting lines
 - 4.8. New connections between Greece and Albania, Bulgaria and Former Yugoslav Republic Of Macedonia
 - 4.9. Philippi (EL) - Hamidabad (TR) line
 - 4.10. Submarine cable between the north–east/east England and southern Norway
 - 4.11. Eemshaven (NL) - Feda (NO) link
 - 4.12. Submarine cable between South Spain and Morocco (strengthening of existing connection)
 - 4.13. Connections for the Baltic Electricity Ring: Germany - Poland - Russia - Estonia - Latvia - Lithuania - Sweden - Finland - Denmark - Belarus
 - 4.14. Southern Finland — Russia links
 - 4.15. New connections between North Sweden and North Norway

- 4.16. New connections between Mid Sweden and Mid Norway
- 4.17. Borgvik (SE) - Hoesle (NO) - Oslo region (NO) line
- 4.18. New connections between the UCTE/CENTREL system and the Balkan countries
- 4.19. Connections and interface between the UCTE system and Belarus, Russia and Ukraine, including relocation of HVDC conversion stations operating previously between Austria and Hungary, Austria and the Czech Republic, and Germany and the Czech Republic
- 4.20. Connections in the Black Sea Electricity Ring: Russia - Ukraine - Romania - Bulgaria - Turkey - Georgia
- 4.21. New connections in the Black Sea area with a view to interoperability of the UCTE system with the networks in the countries covered
- 4.22. New connections in the Mediterranean Electricity Ring: France - Spain - Morocco - Algeria - Tunisia - Libya - Egypt - Near-Eastern Countries - Turkey - Greece - Italy
- 4.23. Submarine cable between South Spain and north-west Algeria
- 4.24. Submarine cable between Italy and North Africa (Algeria, Tunisia, Libya)
- 4.25. Electricity connection between Tunisia and Italy
- 4.26. New connections in the Barents region/area
- 4.27. Upgrading of connections between Denmark and Norway
- 4.28. Obermoorweiler (DE) – Meiningen (AT) – Bonaduz (CH): further capacity increase

- 4.29. Békéscsaba (HU) – Oradea (RO)
- 4.30. Pécs (HU) – Sombor (Serbia and Montenegro)
- 4.31. Pécs (HU) – Ernestinovo (HR)
- 4.32. Veľké Kapušany (SK) – Ukraine border
- 4.33. Andorra (ES) – Encamp (AD): capacity increase to 220 kV
- 4.34. Spain – Andorra – France: upgrade of connections
- 5. Actions improving the functioning of the interconnected electricity networks within the internal market
(No specifications defined yet)

GAS NETWORKS

- 6. Introducing natural gas into new regions
 - 6.1. Developing gas network from Belfast towards the North–West region of Northern Ireland (UK) and, if appropriate, to the western coast of Ireland
 - 6.2. LNG in Santa Cruz de Tenerife, Canary Islands (ES)
 - 6.3. LNG in Las Palmas de Gran Canaria (ES)
 - 6.4. LNG in Madeira (PT)
 - 6.5. Development of gas network in Sweden

- 6.6. Connection between the Balearic Islands (ES) and the mainland Spain
- 6.7. High pressure branch to Thrace (EL)
- 6.8. High pressure branch to Corinth (EL)
- 6.9. High pressure branch to North–West Greece (EL)
- 6.10. Connection of Lolland (DK) and Falster (DK) islands
- 6.11. LNG in the island of Cyprus, Vasilikos Energy Center
- 6.12. Connection between Vasilikos (CY) LNG plant and Moni (CY) power station
- 6.13. LNG in the island of Crete (EL)
- 6.14. High pressure branch to Patra (EL)
- 6.15. LNG in Malta
7. Developing gas connections in order to meet the needs of the internal market or strengthening of the security of supply, including connection of separate natural gas networks
 - 7.1. Additional gas interconnection pipeline between Ireland and Scotland
 - 7.2. North–South interconnection, including Dublin - Belfast pipeline
 - 7.3. Compression station on the Lacq (FR) - Calahorra (ES) pipeline

- 7.4. Lussagnet (FR) - Bilbao (ES) pipeline
- 7.5. Perpignan (FR) - Barcelona (ES) pipeline
- 7.6. Increasing transport capacity of gas pipelines supplying Portugal through South Spain and Galicia and Asturias through Portugal
- 7.7. Puchkirchen (AT) - Burghausen (DE) pipeline
- 7.8. Andorf (AT) - Simbach (DE) pipeline
- 7.9. Wiener Neustadt (AT) - Sopron (HU) pipeline
- 7.10. Bad Leonfelden (AT) - Linz (AT) pipeline
- 7.11. North–West Greece - Elbasan (AL) pipeline
- 7.12. Greece - Italy interconnection pipeline
- 7.13. Compression station on the main pipeline in Greece
- 7.14. Connection between the networks of Austria and Czech Republic
- 7.15. Gas transport corridor in South–East Europe across Greece, Former Yugoslav Republic Of Macedonia, Serbia and Montenegro, Bosnia and Herzegovina, Croatia, Slovenia and Austria
- 7.16. Gas transport corridor between Austria and Turkey through Hungary, Romania and Bulgaria
- 7.17. Interconnecting pipelines between United Kingdom, the Netherlands and Germany, linking the main sources and markets of North–West Europe

- 7.18. Connection between north-east Germany (Berlin area) and north-west Poland (Szczecin area) with a branch from Schmölln to Lubmin (DE, Greifswald area)
- 7.19. Cieszyn (PL) – Ostrava (CZ) pipeline
- 7.20. Görlitz (DE) – Zgorzelec (PL): extension and interconnection of natural gas networks
- 7.21. Bernau (DE) – Szczecin (PL) extension
- 7.22. Connection between offshore facilities in the North Sea, or from Danish offshore to United Kingdom onshore facilities
- 7.23. Reinforcement of the capacity of transport between France and Italy
- 7.24. The Baltic gas interconnector between Denmark – Germany – Sweden
- 7.25. Winksele (BE) blending station on north-south axis
- 7.26. Zeebrugge (BE) – Eynatten (BE) capacity upgrade
- 7.27. Upgrading of capacity along north-west axis: Zelzate (BE) – Zeebrugge (BE)
- 7.28. Building of gas pipeline linking Denmark and the Netherlands and connecting existing North Sea production facilities
- 8. Developing capacities for receiving LNG and for storage of natural gas
 - 8.1. LNG at Le Verdon-sur-mer (FR, new terminal) and pipeline to Lussagnet (FR) storage
 - 8.2. LNG at Fos-sur-mer (FR)

- 8.3. LNG at Huelva (ES), extending existing terminal
- 8.4. LNG at Cartagena (ES), extending existing terminal
- 8.5. LNG at Galicia (ES), new terminal
- 8.6. LNG at Bilbao (ES), new terminal
- 8.7. LNG in the Valencia Region (ES), new terminal
- 8.8. LNG in Barcelona (ES), extending existing terminal
- 8.9. LNG in Sines (PT), new terminal
- 8.10. LNG at Revithoussa (EL), extending existing terminal
- 8.11. LNG on the North Adriatic Coast (IT)
- 8.12. LNG offshore in the North Adriatic Sea (IT)
- 8.13. LNG on the South Adriatic Coast (IT)
- 8.14. LNG on the Ionian Coast (IT)
- 8.15. LNG on the Tyrrhenian Coast (IT)
- 8.16. LNG on the Ligurian Coast (IT)
- 8.17. LNG at Zeebrugge (BE, second phase of capacity extension)

- 8.18. LNG at Isle of Grain, Kent (UK)
- 8.19. Construction of a second LNG terminal in continental Greece
- 8.20. Developing underground gas storage facilities in Ireland
- 8.21. Storage at South Kavala (EL), conversion of an offshore depleted gas field
- 8.22. Storage at Lussagnet (FR), extending existing site
- 8.23. Storage at Pecorade (FR), conversion of a depleted oil field
- 8.24. Storage in Alsace region (FR), developing of saline cavities
- 8.25. Storage in Centre region (FR), developing water table.
- 8.26. Storage on the North–South axis of Spain (new sites) in Cantabria, Aragon, Castilla y León, Castilla - La Mancha and Andalucia
- 8.27. Storage on the Mediterranean axis of Spain (new sites) in Catalonia, Valencia and Murcia
- 8.28. Storage in Carriço (PT), new site
- 8.29. Storage at Loenhout (BE), extending existing site
- 8.30. Storage at Stenlille (DK) and Lille Torup (DK), extending existing site
- 8.31. Storage at Tønder (DK), new site

- 8.32. Storage at Puchkirchen (AT), extending existing site, including pipeline to the Penta West system near Andorf (AT)
- 8.33. Storage at Baumgarten (AT), new site
- 8.34. Storage at Haidach (AT), new site, including pipeline to the European gas grid
- 8.35. Developing underground gas storage facilities in Italy
- 8.36. Storage at Wierzchowice (PL), extending existing site
- 8.37. Storage at Kossakowo (PL), developing underground storage
- 8.38. Malta (MT) – Sicily (IT) gas pipeline
- 8.39. Storage in Lithuania (new site)
- 9. Developing gas transport capacity (gas supply pipelines)
 - 9.1. Creation and development of connections Nordic Gas Grid: Norway - Denmark - Germany - Sweden - Finland - Russia - Baltic States - Poland
 - 9.2. The Mid-Nordic gas pipeline: Norway, Sweden, Finland
 - 9.3. The North European gas pipeline: Russia, Baltic Sea, Germany
 - 9.4. Gas pipeline from Russia to Germany, via Latvia, Lithuania and Poland, including developing underground gas storage facilities in Latvia ("Amber" project)

- 9.5. Gas pipeline Finland–Estonia
- 9.6. New gas pipelines from Algeria to Spain and France and related capacity increase of the internal networks in these countries
- 9.7. Increasing transport capacity of the Algeria - Morocco - Spain (up to Córdoba) pipeline
- 9.8. Córdoba (ES) - Ciudad Real (ES) pipeline
- 9.9. Ciudad Real (ES) - Madrid (ES) pipeline
- 9.10. Ciudad Real (ES) - Mediterranean coast (ES) pipeline
- 9.11. Branches in Castilla - La Mancha (ES)
- 9.12. Extension towards North-West Spain
- 9.13. Algeria - Spain submarine pipeline and pipelines for the connection to France
- 9.14. Increasing transport capacity from Russian resources to the European Union, via Ukraine, Slovakia and the Czech Republic
- 9.15. Increasing transport capacity from Russian resources to the European Union, via Belarus and Poland
- 9.16. Yamal – Europe II natural gas pipeline
- 9.17. Yagal Sud gas pipeline (between the STEGAL pipeline leading to the DE, FR, CH triangle)

- 9.18. SUDAL East gas pipeline (between MIDAL pipeline near Heppenheim to Burghausen connection with the PENTA pipeline in Austria)
- 9.19. Increasing transport capacity of the STEGAL gas pipeline for transport of additional gas from the Czech-German border and from the Polish-German border through Germany to other Member States
- 9.20. Gas pipeline from Libyan resources to Italy
- 9.21. Gas pipeline from resources in the Caspian Sea Countries to the European Union
- 9.22. Greece - Turkey gas pipeline
- 9.23. Increasing transport capacity from Russian resources to Greece and other Balkan countries, via Ukraine, Moldavia, Romania and Bulgaria
- 9.24. St. Zagora (BG) - Ihtiman (BG) gas pipeline
- 9.25. Trans-Adriatic pipeline – Natural gas pipeline to transport natural gas imported from the Caspian Sea region, Russia, or the Middle East, connecting Italy and the South-East European energy markets
- 9.26. Connecting pipelines between the German, Czech, Austrian and Italian gas networks
- 9.27. Gas pipeline from Russian resources to Italy, via Ukraine, Slovakia, Hungary and Slovenia
- 9.28. Increasing transport capacity of the TENP gas pipeline running from the Netherlands through Germany to Italy

- 9.29. Taisnières (FR) - Oltingue (CH) gas pipeline
 - 9.30. Gas pipeline from Denmark to Poland, possibly via Sweden
 - 9.31. Nybro (DK) - Dragør (DK) gas pipeline, including connecting pipeline to the storage at Stenlille (DK)
 - 9.32. Gas network from the Barents Sea resources to the European Union, via Sweden and Finland
 - 9.33. Gas pipeline from the Corrib field (IE), offshore
 - 9.34. Gas pipeline from Algerian resources to Italy, via Sardinia with a branch to Corsica
 - 9.35. Gas network from resources in the Middle East to the European Union
 - 9.36. Gas pipeline from Norway to the United Kingdom
 - 9.37. Pécs (HU) – Croatia connection
 - 9.38. Szeged (HU) – Oradea (RO) connection
 - 9.39. Vecsés (HU) – Slovakia connection
 - 9.40. Beregdaróc (HU) – Ukraine capacity increase
 - 10. Actions improving the functioning of the interconnected gas networks within the internal market
(No specifications defined yet)
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**COUNCIL OF
THE EUROPEAN UNION**

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STATEMENT OF THE COUNCIL'S REASONS

Subject : Common position adopted by the Council on 8 December 2005 with a view to the adoption of a Decision of the European Parliament and of the Council laying down guidelines for trans-European energy networks and repealing Decisions Nos 96/391/EC and 1229/2003/EC

STATEMENT OF THE COUNCIL'S REASONS

I. INTRODUCTION

On 10 December 2003, the Commission presented a proposal for a Decision of the European Parliament and of the Council laying down guidelines for trans-European energy networks and repealing Decisions Nos 96/391/EC and 1229/2003/EC ¹.

The Economic and Social Committee delivered its Opinion² on 2 June 2004. The Committee of the Regions decided not to present an opinion.

The European Parliament adopted its Opinion³ at first reading on 7 June 2005.

On 1st December 2005, the Council adopted its Common Position in accordance with Article 251 of the Treaty.

II. OBJECTIVE OF THE PROPOSAL

The main purpose of this proposal is to adapt the trans-European energy guidelines adopted in June 2003 ⁴, in particular with respect to new Member States, and allow for funding ⁵ of projects of common interest to the enlarged Union. The revision of the guidelines includes projects which will facilitate the integration of new Member States into the internal market of electricity and gas. It addresses also the need to include projects involving the "neighbouring countries".

¹ doc. 6218/04 ENER 49 RELEX 62 CODEC 198, not published in the Official Journal.

² OJ C 241, 28.9.2004, p. 17

³ doc. 9835/05 CODEC 471 ENER 92 RELEX 295, not published in the Official Journal.

⁴ Decision 1229/2003/EC of 26 June 2003 laying down a series of guidelines for trans-European energy networks and repealing Decision No 1254/96/EC, OJ L 176, 15.7.2003, p. 11

⁵ It is recalled that the granting of Community financial aid in the field of trans-European networks is governed by Regulation 2236/95 as amended by Regulation (EC) 807/2004 of 21 April 2004.

Furthermore, with respect to the mechanisms foreseen for the preparation and implementation of priority projects, the Commission proposed two new provisions, namely:

- a) a Declaration of European Interest for cross-border priority projects having a significant impact on the integration of the networks concerned and
- b) the possibility for the Commission to appoint a European Co-ordinator for a given priority axis or for an individual priority project.

Finally, the proposal also includes "olefin gases" in the scope of the Decision; however, projects related to olefin gases would not be eligible for Community funding under Regulation 2236/95.

III. ANALYSIS OF THE COMMON POSITION

1. General remarks and main changes introduced by Council

Generally speaking the Council endeavoured to simplify the structure of the Decision (in terms of levels of priorities and number of Annexes) and keep it as close as possible to Decision 1229/2003.

Council supports the main aim of the Commission's proposal: to adapt the trans-European energy network guidelines to the consequences of the recent enlargement of the Union. However, Council did not accept the new elements introduced by the Commission in this proposal (as compared to Decision No 1229/2003/EC) i.e. the creation of a new, additional category of "projects of European interest" (Art. 8), combined with provisions concerning the implementation of such projects (Art. 9) and the European coordinator (Art. 10).

It has been argued that these new provisions have been accepted by Council in relation with trans-European *transport* networks. However, two significant differences distinguish the trans-European energy networks from the trans-European transport networks: the very limited budget available for trans-European energy networks and the fact that energy infrastructure projects are normally undertaken by private investors. Thus, the effect that the creation of an additional category of "projects of European interest" could have in practice would be to effectively *exclude* TEN-financing altogether for a "normal priority project" which a private investor would be willing to consider. Regarding the provisions on a possible "European Coordinator", the Council is of the view that far less bureaucratic provisions could be retained for the same purpose as noted by the EP itself in its amendment 21.

The Council notes in this respect the wide scope of the enabling provision set out in Article 8(2). Taking into account the aforementioned two differences, and the negative effect which the creation of an extra category could have on the realisation of other viable projects, have led Council to the conclusion that the added cost and administrative burdens, imposed on Member States as a result of the provisions contained in Articles 8 - 10 of the Commission's proposal, are disproportionate in relation to their potential benefit.

During an informal triologue with the EP which took place during the preparation of the common position, compromises were reached on the issues of appropriate references to olefin gases and renewable sources of energy; these compromises are included in the common position.

2. European Parliament amendments

- Concerning the 30 amendments adopted by the European Parliament, the Council has accepted the following 20 amendments:
 - = fully (sometimes with redrafting): 1, 2, 4, 5 (recital 6), 6 (recital 11), 8 (recital 14a), 11, 16, 22 (Art. 8(1), 23 (Art. 9), 30;
 - = partly: 7 (recital 14), 12, 17, 24 - 29⁶.

⁶ Note: in amendments 24 - 29 which concern the Annexes, Council did not accept the references to "projects of European interest" as well as the changes made to Annex I, Electricity networks, EL.7.

Council rejected the following 10 amendments: 3, 9, 10, 13, 14, 15, 18, 19, 38, 21.

3. Other changes introduced by the Council

Concerning the Commission proposal, the Council has introduced a number of changes which are reflected below.

- In line with the deletion of Articles 8, 9 and 10, the Council also deleted in the recitals the references to the Declaration of European interest (Recital 6, second sentence) and the European coordinator (recital 9). However, in order to retain certain elements contained in these Articles and recitals, Council inserted new recitals 9, 10, 12 and 13 in its common position. A new recital 5 on olefins was also added.
- In Article 4(2)(b), a reference to "candidate countries" was inserted; the reference to olefin gases was deleted (Article 4(3)(c) in the Commission proposal).
- The reference to "priority projects" was deleted in Article 5(a).
- In Article 6(6), "after consulting" [the Member States] was replaced with "by agreement with", and a reference to multilateral agreements was added.
- A reference to "responsible companies" was added to Article 7(2).
- In Article 12 (Article 9 of the common position), it was specified that private financing or financing by economic operators shall be "the main source for financing".
- As regards the Annexes, it is recalled that Annexes I and IV were merged, and that some additional changes and corrections to the projects were made with the agreement of the Commission; these changes are reflected in Parliament's amendments 24 - 30.

IV. CONCLUSION

Council supports the main aim of the Commission's proposal, which is to adapt the trans-European energy network guidelines to the consequences of the recent enlargement of the Union. It has accepted, in the framework of an informal trialogue, compromise solutions on various issues. In view of the importance which the adaptation of the trans-European energy network guidelines holds, for the Union as a whole and in particular for the new Member States, Council is in favour of a quick adoption of an easy-to-implement Decision.



**COUNCIL OF
THE EUROPEAN UNION**

**Brussels, 17 October 2005 (18.10)
(OR. fr)**

**Interinstitutional File:
2003/0297 (COD)**

**13336/05
ADD 1**

**CODEC 879
ENER 152
RELEX 524**

ADDENDUM TO "I/A" ITEM NOTE

from : General Secretariat of the Council

to : COREPER/COUNCIL

No. Cion prop. : 6218/04 ENER 49 RELEX 62 CODEC 198

Subject : Proposal for a Decision of the European Parliament and of the Council laying down guidelines for trans-European energy networks and repealing Decisions No 96/391/EC and No 1229/2003/EC [**first reading**]

- Adoption (**cp + s**)
 - (a) of the common position
 - (b) of the statement of the Council's reasons
 - Statement
-

Statement by the Commission

The Commission notes the Council's unanimous political agreement.

The Commission would point to its proposal containing the possibility of appointing a "European Coordinator" and of granting a "Declaration of European Interest" for cross-border priority projects, and would emphasise that the Council should address this matter in a way that is consistent with what the Council and the European Parliament had already accepted in April 2004 concerning the guidelines for trans-European transport networks.



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 16.01.2006
COM(2005) 716 final

2003/0297 (COD)

**COMMUNICATION FROM THE COMMISSION
TO THE EUROPEAN PARLIAMENT**

pursuant to the second subparagraph of Article 251 (2) of the EC Treaty

concerning the common position of the Council on the adoption of a Decision of the European Parliament and of the Council laying down guidelines for trans-European energy networks and repealing Decisions No 96/391/EC and No 1229/2003/EC

**COMMUNICATION FROM THE COMMISSION
TO THE EUROPEAN PARLIAMENT**

pursuant to the second subparagraph of Article 251 (2) of the EC Treaty

concerning the common position of the Council on the adoption of a Decision of the European Parliament and of the Council laying down guidelines for trans-European energy networks and repealing Decisions No 96/391/EC and No 1229/2003/EC

1. BACKGROUND

Date of transmission of the proposal to the EP and the Council (document COM(2003) 742 – C5-0064/2004 – 2003/0297(COD)) 04.02.2004

Date of the opinion of the European Economic and Social Committee: 02.06.2004

Date of the opinion of the European Parliament, first reading: 07.06.2005

Date of adoption of the common position: 01.12.2005

2. OBJECTIVE OF THE COMMISSION PROPOSAL

The security of energy supply and the functioning of the internal energy market are key policy issues. This is mirrored in the Trans-European Energy (TEN-E) guidelines aiming at the installation of an electricity and gas network of truly European character by better linking the fragmented national networks.

Since the last adoption of the existing Guidelines for TEN-E in June 2003, the need has arisen to fully integrate the new Member states and candidate countries in these guidelines and to further adapt those guidelines to the new European Neighbourhood policy.

The revision of the TEN-E Guidelines proposed by the Commission in December 2003 aims at explicitly incorporating the ten new Member States into the priority projects. The TEN-E support is shifting from co-financing feasibility studies to supporting the most important interconnection capacity in the Annex IV of the original proposal. The main new elements of the proposed Guidelines are (i) designation of projects of European interest for the projects with a very significant cross-border dimension, and (ii) designation of a European coordinator who would be designated to contribute to their efficient preparation and their implementation within the agreed time frame. By accelerating the implementation of essential cross-border interconnections the new measures contribute to ensuring secure and competitive energy markets.

The Projects of European Interest have the objective to support the rapid implementation of the most important cross-border interconnection capacity. Projects are qualified as of European interest if they fulfil certain criteria in particular they have to be situated on a

priority axis, are of cross-border nature or have significant impact on cross-border transmission capacity and are mature in the sense that they could be started before end of 2006 and completed in 2010.

The European coordinator shall encourage cooperation with users and operators, promote the projects amongst private investors and financial institutions. A coordinator would be designated by the Commission, after consultation of the Member states concerned and will act in the name and on behalf of the Commission.

3. COMMENTS ON THE COMMON POSITION

3.1. Overall remarks on the common position

Council supports the main aim of the Commission's proposal: to adapt the trans-European energy network guidelines to the consequences of the recent enlargement of the Union. However, Council did not accept the new elements concerning implementation introduced by the Commission.

During an informal trilogue which took place in first reading, compromises were reached on the issues of appropriate references to olefin gases and renewable sources of energy; these compromises are included in the common position.

The Commission is of the opinion that the common position improves the Commission proposal by clarifying a number of issues, such as the project specification, the olefin networks and renewable sources of energy. The project specification is now listed in three annexes, where the character of a 'closed list' for the projects of European interest - originally listed in Annex IV but now merged into Annex I – is maintained. Further, the 'olefin networks' are included under the condition that the corresponding projects are not funded by the TEN-E budget line, but could receive support otherwise and additional references to renewable sources of energy are introduced.

The Council position basically did not change in relation to the issues referring to the declaration of European interest and the European coordinator from its position of June 2004. Therefore, the necessary **coordination of cross-border projects** and the corresponding cooperation of Member States are not established. The Council did not take up the proposal to coordinate better all Community funds and to give them the same priority, in particular for projects of European interest. Further, it did not accept the reporting requirements for all priority projects declared of European interest irrespective of possible funding by the Commission.

In the informal discussions the differences with regard to these issues could not be resolved. Consequently, the Commission regrets that despite in-depth informal discussions it was not possible to reach an agreement in first reading.

On the EP side, the rapporteur of the Committee on Industry, Research and Energy in the Parliament, Mrs Lapperouze, strongly supported the Commission proposal especially on projects of European interest and on the European Coordinator in her report to the EP. Furthermore, in Plenary Session and the subsequent vote of Parliament on 6-7 June in Strasbourg the report of Mrs Lapperouze was accepted by a very large majority.

Out of the 30 amendments adopted by EP (1-30, except 20, which was replaced by amendment 38) the Commission has accepted fully or partly: from 1 to 19 inclusive, 21 to 30 inclusive and amendment 38.

3.2. Amendments accepted by the Commission and incorporated in full or in part in the common position

Concerning the 30 amendments adopted by the European Parliament, the Council has accepted the following 20 amendments:

- fully (sometimes with redrafting): 1, 2, 4, 5 (recital 6), 6 (recital 11), 8 (recital 14a), 11, 16, 22 (Art. 8.1), 23 (Art. 9), 30;
- partly: 7 (recital 14), 12, 17, 24 - 29.

In amendments 24 - 29 which concern the Annexes, Council did not accept the references to "projects of European interest".

3.3. Amendments accepted by the Commission and not incorporated in the common position

Council rejected the following 10 amendments: 3, 9, 10, 13, 14, 15, 18, 19, 38, and 21.

AM 3 details the conditions for under which community aid is possible (The Council returns to the text of the Commission proposal). AM 13 is concerned about olefins; this issue is shifted to the additional recital (5) in the common position. AM 15 introduces 'environmental externalities'. The remaining amendments concern the declaration of European interest and the European coordinator.

The Council acknowledges in particular the restraint exercised by the European Parliament in its treatment of the Annexes, where Parliament has accepted the changes made and mutually agreed by the Commission and the Council, without making further changes itself. In the further legislative procedure regarding this dossier, any further changes to the Annexes could block a swift adoption of the Decision.

3.4. New elements introduced by the Council

Concerning the Commission proposal, the Council has introduced a number of changes which are reflected below.

- In line with the deletion of Articles 8, 9 and 10, the Council also deleted in the recitals the references to the Declaration of European interest (Recital 6, second sentence) and the European coordinator (recital 9). However, in order to retain certain elements contained in these Articles and recitals, Council inserted new recitals 9, 10 (concerning funding of priority projects), 12 and 13 (concerning coordination) in its common position. A new recital 5 on olefins was also added.
- In Article 4.2(b), a reference to "candidate countries" was inserted; the reference to olefin gases was deleted in Article 4.3(c).
- The reference to "priority projects" was deleted in Article 5(a).

- In Article 6.6, "after consulting" [the Member States] was replaced with "by agreement with", and a reference to multilateral agreements was added.
- A reference to "responsible companies" was added to Article 7.2.
- In Article 12 (Article 9 of the common position), it was specified that private financing or financing by economic operators shall be "the main source for financing".

The Commission considers the proposed additional recitals that specify measures for coordination and preference of financial support for priority projects as not appropriate to compensate the deletion of the declaration of European interest and the designation of a European coordinator.

4. CONCLUSION

The Commission considers that the common position unanimously adopted on 1 December 2005 further clarifies certain issues, but basically does not change from its position of June 2004.

In consequence, the Commission maintains its objection to the deletion of the proposed measures concerning the designation of a "European coordinator" and the separate category of "projects of European interest" notably in view of ensuring secure and competitive energy markets, and recalls that the Parliament's opinion at first reading accepted the Commission's proposal on this aspect. This is indicated in a statement for the Council minutes (see below).

The Commission stresses that the objectives of the TEN-E policy pursued in the revision are in line with the conclusions of the Informal Meeting of EU Heads of State or Government held at Hampton Court on 27 October, 2005 as expressed in the statement by Tony Blair: "in respect of energy, there was an agreement to take forward work in the energy sector, including how we try to establish a common European grid. Obviously there are already on a bilateral basis certain interconnections. There is a lot more we can do however, and it is important too that energy policy is something that we work on together as a European Union, given the fact that according to the European Commission, over the next few years we will start to import round about 90% of our oil and gas needs in Europe."

The Commission notes the unanimous political agreement in the Council.

The Commission recalls its proposal regarding the possibility of designating a "European Coordinator" and of granting the "Declaration of European interest" to the cross-border priority projects, and stresses that the Council's approach to the dossier needs to accord with what the Council and the European Parliament already accepted on 29 April 2004 in relation to the guidelines for the trans-European transport networks.