

REVISION OF THE EU GAS DIRECTIVE

[DEPARTED]

>  FIT FOR 55 PACKAGE UNDER THE EUROPEAN GREEN DEAL

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As part of the European Green Deal, the European Commission announced a legislative proposal on 15 December 2021 to substantially revise the 2009 EU gas directive. This is part of the hydrogen and decarbonised gas markets package, which also includes a recast of the 2009 EU gas regulation and revisions to the 2017 regulation on security of gas supply. The 2009 EU gas directive is part of the third energy package that set the legislative framework for the EU's internal energy market. Whereas the electricity component of the third energy package was revised in 2019 to align it with the EU's more ambitious climate and energy goals, the gas component of the third energy package has so far undergone only targeted revisions. A more profound transformation of gas markets is necessary to help the EU make reductions in greenhouse gas emissions of at least 55 % by 2030 and achieve the long term goal of climate-neutrality by 2050.

Between 26 March and 18 June 2021, the Commission held a public consultation on revising the gas directive and the gas regulation, as part of the preparation for its legislative proposal.

The revised gas directive consists of 10 chapters comprising 90 articles, with significant changes compared to the 2009 directive:

- The scope and definitions in the directive are modified to incorporate renewable gases and hydrogen as key components of the future gas market.
- Rules are set up to ensure competitive, consumer-centred, flexible and nondiscriminatory gas markets. This includes sustainability and certification rules for renewable and low-carbon gases, which are set to become a much bigger share of an internal gas market hitherto dominated by fossil fuels.
- Consumer rights in the future EU gas market are further strengthened and the regulatory framework for citizen energy communities is defined.
- Existing EU gas market principles of third party access, unbundling of transmission and distribution system operators, and independent regulatory authorities are refined and fully extended to cover hydrogen and renewable gases.
- A comprehensive legal framework for cross-border EU hydrogen networks is developed, which incorporates existing EU networks as well as cross-border networks with third countries.

In the European Parliament, the file has been referred to the Committee on Industry, Research and Energy (ITRE), which appointed Jens Geier (S&D, Germany) as its rapporteur. On 22 March 2022, the ITRE committee organised a hearing on reform of the third gas package followed by a political discussion. The rapporteur produced a draft report in June 2022, which was opened to amendments until July 2022. These amendments are currently in the process of being negotiated. The Committee for Internal Market and Consumer Protection (IMCO) has been associated to this report under Rule 57 of the European Parliament's Rules of Procedure.

In the Council of the EU, the file has been discussed extensively in the Working Party on Energy and later by COREPER, with a policy debate held during the Council meeting of energy ministers on 25 October 2022.

References:

- EP Legislative Observatory, [Gas and hydrogen markets directive \(common rules\)](#), 2021/0425(COD)
- European Commission, [Proposal for a directive on common rules for the internal markets in renewable and natural gases and in hydrogen](#), COM (2021) 803
 - [Directive 2009/73/EC of 13 July 2009 concerning common rules for the internal market in natural gas](#) (consolidated version incorporating subsequent revisions)
- European Commission, [Communication on the European Green Deal](#), COM/2019/640
- European Commission, [State of the Union: Commission raises climate ambition and proposes 55% cut in emissions by 2030](#), Press Release, 17 September 2020.

Further reading:

- European Parliament, EPRS, [Revision of the third energy package for gas: Decarbonising the gas market. Regulation 715/2009/EU and Directive 2009/73/EU](#), Briefing - Implementation Appraisal, December 2021.
- European Parliament, EPRS, [EU directive on hydrogen and gas networks, Briefing - Legislation in Progress](#), March 2022.

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