



Council of the
European Union

Brussels, 7 July 2017
(OR. en)

10725/17

PV/CONS 44
TRANS 301
TELECOM 177
ENER 312

DRAFT MINUTES

Subject: **3554th** meeting of the Council of the European Union
(Transport, Telecommunications and **Energy**),
held in Luxembourg on 26 June 2017

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1. Adoption of the agenda

10377/17 OJ CONS 41 TRANS 285 TELECOM 168 ENER 296

The Council adopted the above-mentioned agenda.

NON-LEGISLATIVE ACTIVITIES

2. Approval of the list of "A" items

10395/17 PTS A 54

The Council adopted the "A" items listed in 10395/17.

LEGISLATIVE DELIBERATIONS

(Public deliberation in accordance with Article 16(8) of the Treaty on European Union)

3. Approval of the list of "A" items

10394/17 PTS A 53

The Council adopted the "A" items listed in 10394/17.

Details on the adoption of these items are set out below:

1. Regulation of the European Parliament and of the Council setting a framework for energy labelling and repealing Directive 2010/30/EU [First reading]

= Adoption of the legislative act

PE-CONS 19/17 ENER 138 ENV 345 CONSOM 134 CODEC 567

The Council approved the European Parliament's position at first reading and the proposed act has been adopted, pursuant to Article 294(4) of the Treaty on the Functioning of the European Union. (Legal basis: Article 194(2) TFEU).

The Commission, European Parliament and Council, the Commission, and BG made statements, as set out in the Annex.

2. Decision of the European Parliament and of the Council on the participation of the Union in the Partnership for Research and Innovation in the Mediterranean Area (PRIMA) jointly undertaken by several Member States [First reading]

= Adoption of the legislative act

PE-CONS 18/17 RECH 105 MED 32 AGRI 212 MIGR 57 CODEC 448

The Council approved the European Parliament's position at first reading and the proposed act has been adopted, with the United Kingdom abstaining, pursuant to Article 294(4) of the Treaty on the Functioning of the European Union. (Legal basis: Articles 185 and 188(2) TFEU).

The Commission and the UK made statements, as set out in the Annex.

3. Regulation of the European Parliament and of the Council amending Regulation (EU) No 1303/2013 as regards specific measures to provide additional assistance to Member States affected by natural disasters [First reading]

= Adoption of the legislative act

PE-CONS 21/17 FSTR 39 FC 40 REGIO 55 SOC 309 EMPL 232

BUDGET 16 AGRISTR 42 PECHE 188 CADREFIN 53 CODEC 733

The Council approved the European Parliament's position at first reading and the proposed act has been adopted, pursuant to Article 294(4) of the Treaty on the Functioning of the European Union. (Legal basis: Article 177 TFEU).

4. Proposal for a Directive of the European Parliament and of the Council amending Directive 2012/27/EU on energy efficiency [First reading]

Interinstitutional file: 2016/0376 (COD)

= General approach

10284/17 ENER 289 ENV 611 TRANS 275 ECOFIN 538 RECH 235
CODEC 1045 IA 109

+ COR 1

15091/16 ENER 413 ENV 754 TRANS 473 ECOFIN 1149 RECH 340
IA 124 CODEC 1789

+ ADD 1

+ ADD 1 REV 1 (sv)

The Council adopted a general approach on the above as set out in 10536/17. HU, LV, PL, RO, SK and UK could not support the general approach and BG, and SI abstained. FR, DK, DE, IE, LU, PT and SE submitted a statement as set out in the Annex.

5. **Proposal for a Directive of the European Parliament and of the Council amending Directive 2010/31/EU on the energy performance of buildings [First reading]**

Interinstitutional file: 2016/0381 (COD)

= General approach

10288/17 ENER 292 ENV 614 TRANS 276 ECOFIN 540 RECH 236
CODEC 1049 IA 110

+ ADD 1

15108/16 ENER 416 ENV 756 TRANS 477 ECOFIN 1152 RECH 341
IA 125 CODEC 1797

+ ADD 1

The Council adopted a general approach on the above as set out in 10729/17. SE presented a statement, as set out in the Annex.

6. **Clean energy package [First reading]**

a) **Proposal for a Regulation of the European Parliament and of the Council on the internal market for electricity (recast)**

Interinstitutional file: 2016/0379 (COD)

15135/16 ENER 418 ENV 758 CLIMA 169 COMPET 637 CONSOM 301
FISC 221 IA 131 CODEC 1809

+ REV 1 (en)

+ REV 2 (da)

+ ADD 1

+ ADD 1 REV 1 (en)

+ ADD 2

+ ADD 2 REV 1 (en)

b) **Proposal for a Directive of the European Parliament and of the Council on common rules for the internal market in electricity (recast)**

Interinstitutional file: 2016/0380 (COD)

15150/16 ENER 420 ENV 760 CLIMA 171 COMPET 640 CONSOM 302
FISC 222 IA 133 CODEC 1816

+ REV 1 (en)

+ REV 2 (fr, it)

+ ADD 1

+ ADD 1 REV 1 (en)

c) **Proposal for a Regulation of the European Parliament and of the Council on risk-preparedness in the electricity sector and repealing Directive 2005/89/EC**

Interinstitutional file: 2016/0377 (COD)

15151/16 ENER 421 IA 136 CODEC 1817
+ ADD 1

d) **Proposal for a Regulation of the European Parliament and of the Council establishing a European Union Agency for the Cooperation of Energy Regulators (recast)**

Interinstitutional file: 2016/0378 (COD)

15149/16 ENER 419 IA 134 CODEC 1815
+ ADD 1

- e) **Proposal for a Directive of the European Parliament and of the Council on the promotion of the use of energy from renewable sources (recast)**
Interinstitutional file: 2016/0382 (COD)
 15120/16 ENER 417 CLIMA 168 CONSOM 298 TRANS 479 AGRI 650
 IND 261 ENV 757 IA 130 CODEC 1802
 + REV 1 (en)
 + ADD 1
 + ADD 1 REV 1 (en)
- f) **Proposal for a Regulation of the European Parliament and of the Council on the Governance of the Energy Union, amending Directive 94/22/EC, Directive 98/70/EC, Directive 2009/31/EC, Regulation (EC) No 663/2009, Regulation (EC) No 715/2009, Directive 2009/73/EC, Council Directive 2009/119/EC, Directive 2010/31/EU, Directive 2012/27/EU, Directive 2013/30/EU and Council Directive (EU) 2015/652 and repealing Regulation (EU) No 525/2013**
Interinstitutional file: 2016/0375 (COD)
 15090/1/16 ENER 412 CLIMA 167 IA 123 CODEC 1788 REV 1
 + ADD 1 REV 1
- = Progress report
 9578/17 ENER 250 CLIMA 145 COMPET 439 CONSOM 230 FISC 113
 TRANS 205 AGRI 283 IND 137 ENV 537 CODEC 902

The Council took note of the progress report contained in 9578/17.

7. **Interconnections: Status update and their treatment in the Clean energy package**

- = Exchange of views
 10089/1/17 ENER 276 CLIMA 174 COMPET 480 CONSOM 249 FISC 135
 TRANS 254 AGRI 319 IND 154 ENV 591 REV 1

The Council held an exchange of views on the basis of the information provided by ES and PT in 10089/1/17 REV 1.

8. **Any other business**

- a) **Recommendation for a Council Decision authorising the opening of negotiations on an agreement between the European Union and the Russian Federation on the operation of the Nord Stream 2 pipeline**
 = Information from the Commission

The Council took note of the information on the above recommendation, as presented by the Commission.

b) Recent developments in the field of external energy relations

= Information from the Commission
9990/17 ENER 272 RELEX 494

The Council took note of the information on external relations in the field of energy, as presented by the Commission.

c) Work programme of the incoming Presidency

= Information from the Estonian delegation
9992/17 ENER 273

The Council took note of the work programme of the incoming Presidency as set out in 9992/17.

STATEMENTS FOR THE COUNCIL MINUTES

LEGISLATIVE DELIBERATIONS

(Public deliberation in accordance with Article 16(8) of the Treaty on European Union)

Ad "A" item 1: **Draft Regulation of the European Parliament and of the Council setting a framework for energy labelling and repealing Directive 2010/30/EU**
[First reading]
= **Adoption of the legislative act**

STATEMENT BY THE EUROPEAN PARLIAMENT, THE COUNCIL AND THE COMMISSION ON ARTICLES 290 AND 291 TFEU

"Recalling the Interinstitutional Agreement of 16 April 2016 on Better Law-Making, in particular, its paragraph 26, the European Parliament, the Council and the Commission declare that the provisions of this Regulation shall be without prejudice to any future position of the institutions as regards the application of Articles 290 and 291 TFEU in other legislative files."

COMMISSION STATEMENT ON FINANCIAL COMPENSATION FOR CONSUMERS

"In view of its ongoing efforts to strengthen the enforcement of Union harmonisation legislation for products, the Commission - in order to address potential financial loss by consumers due to wrongly labelled products or inferior energy and environmental performance than labelled - should investigate whether compensation for consumers in case of non-compliance with regard to energy class displayed on the label can be addressed."

STATEMENT BY BULGARIA

"Bulgaria considers that the adoption of the Regulation of the European Parliament and of the Council setting a framework for energy efficiency labelling and repealing Directive 2010/30/EU will not be used as a precedent for ensuring conformity with the New Legislative Framework (NLF) when redrafting any other legislation in the field of products, in particular Directive 2009/125/EC of the European Parliament and of the Council of 21 October 2009 establishing a framework for the setting of ecodesign requirements for energy-related products."

Ad "A" item 2: **Draft Decision of the European Parliament and of the Council on the participation of the Union in the Partnership for Research and Innovation in the Mediterranean Area (PRIMA) jointly undertaken by several Member States [First reading]**
= **Adoption of the legislative act**

STATEMENT BY THE COMMISSION ON FINANCIAL GUARANTEES FOR THE PRIMA IMPLEMENTATION STRUCTURE

- "1. In relation to the PRIMA initiative, the EU Financial Regulation in its Article 58(1)(c)(vi) stipulates that the Commission may entrust implementation of the Union budget to a body governed by private law with a public service mission (Implementation Structure – IS). Such a body must provide adequate financial guarantees.
2. In order to respect sound financial management of EU funds, these guarantees should cover, without limitation of scope or amounts, any debt of the IS towards the Union related to all implementation tasks as foreseen in the Delegation Agreement. The Commission normally expects the guarantors to accept the joint and several liability for debts of the IS.
3. However, on the basis of a detailed risk assessment, in particular if the outcome of the ex-ante pillar assessment carried out to the IS in line with Article 61 of the Financial Regulation is deemed to be adequate, the Commission Authorising Officer in charge of PRIMA will envisage that:
 - Taking into account the principle of proportionality, the financial guarantees requested from the IS may be limited to the maximum amount of the Union contribution.
 - In accordance, the liability of each guarantor may be proportionate to the share of their contribution to PRIMA.

The guarantors may agree on the modalities in which they will cover this liability in their respective letters of declaration on liabilities."

STATEMENT BY THE UNITED KINGDOM

"The United Kingdom acknowledges the importance of the PRIMA initiative to the Euro-Mediterranean region and that the topic of food security, which is the current focus of PRIMA, is pertinent both to the Euro-Mediterranean region itself and to the wider world.

We acknowledge the opportunity for developing better research and innovation links with the participating countries in the Euro-Mediterranean region and in particular with Southern Neighbourhood countries.

However the UK is concerned about the potential for the PRIMA initiative to set a precedent for the allocation of EU research and innovation funding on the basis of geography rather than excellence. We believe that excellence should be the main criterion for the allocation of Horizon 2020 funding. The UK has therefore abstained from this decision."

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Ad "B" item 4: **Proposal for a Directive of the European Parliament and of the Council amending Directive 2012/27/EU on energy efficiency [First reading]**
Interinstitutional file: 2016/0376 (COD)
= **General approach**

STATEMENT BY FRANCE, DENMARK, GERMANY, IRELAND, LUXEMBOURG, PORTUGAL AND SWEDEN

"An ambitious European energy efficiency policy is paramount to deliver the commitments undertaken by all EU Member States under the Paris agreement.

Today the Council adopted, at a qualified majority and after numerous rounds of negotiations, a compromise position on the proposal for a directive of the European Parliament and of the Council amending the Directive 2012/27/EU on energy efficiency.

France, Denmark, Germany, Ireland, Luxembourg, Portugal and Sweden take note of the compromise adopted by the Council, and stand ready to pursue the negotiations with a view to improve the ambition of the directive."

Ad "B" item 5: **Proposal for a Directive of the European Parliament and of the Council amending Directive 2010/31/EU on the energy performance of buildings [First reading]**
Interinstitutional file: 2016/0381 (COD)
= **General approach**

STATEMENT BY SWEDEN

"Buildings are playing an increasingly important role in the energy system. Not only because buildings consume 40% of the energy in the EU, but also because they are an important interface between the active consumer and the energy system. Therefore Sweden has been generally supportive of a revised Directive on the energy performance of buildings to integrate buildings into the energy system on market based conditions.

A paramount issue for Sweden in the negotiations has been to increase the flexibility in the Annex I for how to calculate the energy performance of a building with regard to the renewable energy that is produced and consumed on site. Flexibility is needed to strike a balance between energy efficiency and renewable energy on the national and local level, especially in situations with an already very high share of renewable energy off site.

Sweden regrets that the Council's general approach does not give Member States sufficient flexibility in this respect. Sweden would have preferred full freedom to account or not account for renewable energy."