

16602/14

(OR. en)

PRESSE 631
PR CO 67

PRESS RELEASE

3355th Council meeting

Transport, Telecommunications and Energy

Energy issues

Brussels, 9 December 2014

President **Claudio de Vincenti**
Deputy Minister for Economic Development

P R E S S

Rue de la Loi 175 B – 1048 BRUSSELS Tel.: +32 (0)2 281 6319 / 6319 Fax: +32 (0)2 281 8026
press.office@consilium.europa.eu <http://www.consilium.europa.eu/press>

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Main results of the Council

Climate and Energy framework

The Council held a policy debate on the **2030 climate and energy framework** as part of the follow-up to the October European Council conclusions. It focused on the new governance process, which will underpin the implementation of the framework and help ensure that the EU meets its energy policy goals.

Internal energy market

The Council adopted conclusions on the **completion of the internal energy market**.

Minister Claudio de Vicenti, who chaired the meeting, said: "the conclusions are an important step on a subject that we placed at the core of our semester. As already stated in the informal meeting of Energy ministers in Milan, a fully integrated energy market contributes to all energy policy traditional objectives: it reduces energy costs, increasing energy security and allowing the market integration of renewables. In the light of the objectives of the completion of the internal energy market by 2014 and to put an end to energy isolation by 2015, the conclusions identify priority actions for further efforts".

2020 strategy

The Council held a policy debate on the **mid-term review of the Europe 2020 strategy**. Ministers addressed, from an energy policy point of view, the success of the strategy so far, as well as possible new priorities for its remaining duration.

Indirect land-use change (biofuels)

The Council also adopted, without debate, its position at first reading on the draft directive on **indirect land-use change (ILUC)**, which amends the fuel quality and renewable energy directives.

This adoption will pave the way for the forthcoming negotiations with the European Parliament. The aim of the proposed directive is to start a transition to biofuels that deliver substantial greenhouse gas savings, while protecting investments made and providing a clearer investment perspective.

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- Where declarations, conclusions or resolutions have been formally adopted by the Council, this is indicated in the heading for the item concerned and the text is placed between quotation marks.
 - Documents for which references are given in the text are available on the Council's Internet site (<http://www.consilium.europa.eu>).
 - Acts adopted with statements for the Council minutes which may be released to the public are indicated by an asterisk; these statements are available on the Council's Internet site or may be obtained from the Press Office.

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PARTICIPANTS

Belgium:

Ms Marie-Christine MARGHEM

Minister for Energy, the Environment and Sustainable Development

Bulgaria:

Ms Temenuzhka PETKOVA

Minister for Energy

Czech Republic:

Mr Pavel ŠOLC

Deputy Minister for Industry and Trade

Denmark:

Mr Ole TOFT

Deputy Permanent Representative

Germany:

Mr Sigmar GABRIEL

Federal Minister for Economic Affairs and Energy and Vice Chancellor

Mr Rainer BAAKE

State Secretary, Federal Ministry of Economic Affairs and Energy

Estonia:

Mr Clyde KULL

Minister for Economic Affairs and Communications

Ireland:

Mr Tom HANNEY

Deputy Permanent Representative

Greece:

Mr Yannis MANIATIS

Minister for the Environment, Energy and Climate Change

Spain:

Mr José Pascual MARCO MARTINEZ

State Secretary for Energy

France:

Mr Alexis DUTERTRE

Deputy Permanent Representative

Croatia:

Mr Goran ŠTEFANIĆ

Deputy Permanent Representative

Italy:

Mr Claudio DE VINCENTI

Deputy Minister for Economic Development

Cyprus:

Mr. Georgios LAKKOTRYPIS

Minister for Energy, Commerce, Industry and Tourism

Latvia:

Ms Dana REIZNIECE-OZOLA

Minister for the Economy

Lithuania:

Mr Rokas MASIULIS

Minister for Energy

Luxembourg:

Mr Georges FRIDEN

Deputy Permanent Representative

Hungary:

Mr András ARADSZKI

Minister of State for Energy, Ministry of National Development

Malta:

Mr Neil KERR

Deputy Permanent Representative

Netherlands:

Mr Wepke KINGMA

Deputy Permanent Representative

Austria:

Mr Gregor SCHUSTERSCHITZ

Deputy Permanent Representative

Poland:

Mr Tomasz TOMCZYKIEWICZ

State Secretary, Ministry for the Economy

Portugal:

Mr Artur TRINDADE

State Secretary for Energy

Romania:

Mr Răzvan-Eugen NICOLESCU

Minister with responsibility for Energy

Slovenia:

Mr Klemen GREBENŠEK

State Secretary at the Ministry of Infrastructure

Slovakia:

Mr Alexander MICOVČIN

Deputy Permanent Representative

Finland:

Ms Sirkku LINNA

State Secretary to the Minister for Economic Affairs

Sweden:

Mr Ibrahim BAYLAN

Minister for Energy

United Kingdom:

Ms Shan MORGAN

Deputy Permanent Representative

Commission:

Mr Maroš ŠEFČOVIČ

Vice-President

ITEMS DEBATED

2030 climate and energy framework

The Council held a policy debate on the 2030 climate and energy framework as a follow-up to the October European Council (*European Council conclusions*) on the basis of questions prepared by the Presidency (*16113/14*) regarding the governance of the framework.

The Commission highlighted the link between the development of the Energy Union and the governance process to be established for the 2030 framework.

Regarding the new governance process, which is to underpin the implementation of the agreed framework, ministers in general considered that the new process would contribute to the consistency of EU policies in this field but must be kept as flexible as possible, since it would be applicable for a rather long period and should not add to the administrative burden.

The debate confirmed that reaching a consensus on the key energy indicators for the monitoring of climate/energy policies would require further consideration. Ministers put forward some other aspects that could be covered by the monitoring, in addition to the ones proposed by the Commission.

Most member states also expressed the wish to be closely involved in the development of the governance process in order to ensure genuine co-ownership with the Commission and to boost its efficiency.

The main issues highlighted in the debate were the following:

- potential of regional cooperation and coordination in planning processes to support market integration, taking into account member states' specific circumstances
- importance of decarbonisation, in particular of the transport sector, which is one of the most energy intensive sectors and is also transboundary
- continue to address carbon leakage, in order to guarantee competitiveness of European industries
- strengthen consumers' role
- ensure affordable energy prices for consumers and industry

- importance of the completion of electricity and gas interconnections between member states and the development of "smart grids"
- explore the potential of energy and climate sector to attract investments in the framework of Commission President Juncker's proposed investment plan

The presidency said that ministers' contributions would be taken into account by the Commission in its further reflections on developing the governance process together with member states. The incoming Latvian presidency is preparing further discussions on the topic.

Completion of the internal energy market

The Council adopted [conclusions](#) on the completion of the internal energy market. They are divided into three parts:

- measures to be taken in order to complete the internal energy market.
- wholesale markets
- retail markets

They focus in particular on

- the adoption and implementation of network codes
- implementation of projects of common interest
- interconnections
- cooperation at EU level between national administrations, national regulatory authorities and network operators
- regional market integration
- cross-border cooperation
- increasing awareness and involvement of consumers

The Presidency pointed out that the European Council had reiterated on several occasions the ambitious goal of completing the internal energy market by the end of 2014, as well as developing proper interconnections, so as to put an end to any isolation of member states from EU gas and electricity networks by 2015.

The Commission stated its willingness to work closely with member states in order to identify possible barriers to the completion of the internal market in order to help them to speed up proceedings.

The Council called for a follow-up review by the Commission on the progress made by 2016.

Mid-term review of the Europe 2020 strategy

The Council held a policy debate on the mid-term review of the Europe 2020 strategy. The outcome of the debate will be part of the synthesis report to be endorsed by the European Council in December and will provide guidance for subsequent Commission proposals aimed at improving implementation of the strategy.

To steer the debate the presidency put three questions to be addressed from the energy policy point of view concerning the success of the strategy so far and possible new priorities for its remaining duration ([16114/14](#)).

Ministers agreed in general on the importance of the Europe 2020 strategy as a tool to ensure the consistency of EU policies. As far as energy and climate were concerned, it also contributed to a greater visibility and sense of commitment, since the EU was well on track to meet its targets in this field.

The climate/energy policies linked to the Europe 2020 strategy not only appeared to increase the sustainability of the energy sector, but could also contribute to economic growth and job creation by ensuring more competitive and affordable energy for households and businesses.

It was highlighted that they also provided greater security of energy supply and reduced the cost of energy imports, while favouring the emergence of new green and innovative sectors and increasing jobs in energy-related sectors.

Further work was, however, still required to reach those goals, and certain related areas, such as market integration and network development, were lagging behind.

Concerns were also expressed as to the risk of overlapping governance processes, relating in particular to the 2030 framework and the European Semester. Member States were therefore in favour of minimising the reporting obligations, while contributing to the initiatives.

The mid-term review of Europe 2020 should therefore not bring in further goals or legislation, but integrate the ones already agreed by the European Council.

Several member states pleaded for a closer involvement of national parliaments and interested parties in the European semester process.

Giving greater importance to European reindustrialisation and competitiveness in the strategy was also advocated.

The Commission underlined that Europe 2020 had also contributed to an increasing awareness of the need to combat climate change, even on the part of industry, and mentioned the EU's leading position in this field. It also pointed out that reflection on the future governance of the European Semester was an ongoing process, and that member states' contributions were welcomed.

International relations

The presidency and the Commission briefed ministers on recent developments in the field of external energy relations.

– EU-US Energy Council

The EU-US Energy Council meeting held on 3 December 2014 in Brussels ended with a joint press statement which focused in particular on Ukraine, energy security, energy policy and energy research and technology as well as climate and energy.

- [EU-US Energy Council joint press statement](#)

– Ukraine-Russia-EU gas agreement

Ukraine, Russia and the EU signed a trilateral gas agreement on winter gas supplies on 30 October 2014. Commission Vice-President Šefčovič said that the Commission intended to support energy reform in Ukraine.

– Energy Community

The 12th meeting of the Ministerial Council of the Energy Community was held on 23 September 2014 in Kyiv, Ukraine. It focused on the investment climate, the implementation of the Energy Community *acquis*, and better functioning of the Energy Community institutions.

– *Energy Charter Treaty*

The 25th meeting of the Energy Charter Conference, which took place on 26 and 27 November 2014 in Astana, Kazakhstan, adopted the Astana Declaration 2015-2019, which sets the priorities of the Energy Charter process for the next five years.

- [Astana Declaration](#)

– *Strategic Group for International Energy Cooperation*

The Strategic Group for International Energy Cooperation met on 7 November 2014 in Brussels, to discuss EU-Central Asia energy relations. The Commission also gave an update on the latest developments on the Southern Gas Corridor.

– *Euro-Mediterranean relations and high-level conference*

The Italian presidency and the Commission re-launched the Euro-Mediterranean energy dialogue and cooperation at a high-level conference held on 18 and 19 November 2014 in Rome. The conference discussed, in particular, building a Euro-Mediterranean energy bridge: the strategic importance of Euromed gas and electricity networks in the context of energy security.

- [High-level conference: final statement by the presidency and the Commission](#)

– *Eastern Partnership*

The 12th Eastern Partnership Platform meeting was held on 23 October in Brussels. It discussed, in particular, security of supply issues.

– *International Energy Agency*

The Commission briefed ministers on the latest state of play as regards the EU's close cooperation with the International Energy Agency.

Other business

Future of the European Nuclear Energy Forum

The Slovak delegation briefed ministers on the Visegrad Group countries' position on the future of the [European Nuclear Energy Forum](#) and the Commission's initiative to incorporate it into the broader [Berlin Forum](#) (16366/14).

Commission Vice-President Šefčovič said that no decision had been taken about merging the European Nuclear Energy Forum into the Berlin Forum and that the way forward would be discussed together with Slovakia and the Czech Republic in January.

Work programme of the incoming Latvian presidency

The incoming Latvian presidency presented its energy work programme for the first half of 2015 (16145/14).

The Latvian presidency will work on defining the main principles of the Energy Union concept. It will also concentrate on the completion and further development of the internal energy market, the implementation of the European energy security strategy and the first elements of the governance structure in line with the 2030 climate and energy policy framework.

The presidency will also try to reach an agreement with the European Parliament on the indirect land-use change directive.

OTHER ITEMS APPROVED

ENERGY

Indirect land-use change

The Council adopted its position at first reading ([10710/14](#)) and the statement of the Council's reasons (10710/14 ADD1) on the draft directive on indirect land-use change (ILUC) amending the fuel quality (98/70/EC) and renewable energy (2009/28/EC) directives. The common position follows the political agreement reached at the Energy Council on 13 June 2014.

The aim of the proposed directive is to start a transition to biofuels that deliver substantial greenhouse gas savings when provisional estimated indirect land-use change emissions are also reported, while protecting existing investments. The directive also acknowledges and addresses the ILUC phenomenon, starts a transition to biofuels with lower ILUC risks and provides a clearer investment perspective while protecting investments made.

The Belgian delegation voted against and the Portuguese delegation abstained.

For more details see [press release](#).

GENERAL AFFAIRS

Amendment to the Council's rules of procedure - update of EU population figure

The Council adopted a decision amending its rules of procedure in order to update the population figures of each member state for the year 2015 ([15832/14](#)).

According to new rules in force since 1 November 2014, when a decision is to be taken by the Council by qualified majority it must be verified that the member states constituting the qualified majority represent at least 65 % of the population of the EU. A decision by qualified majority requires the support by at least 55% of the member states, i.e. currently 16 member states.

See also factsheet: [New method of calculating a qualified majority in the Council](#)

TRADE POLICY

World Trade Organization - Accession of the Seychelles

The Council adopted a decision establishing the position to be taken by the EU within the WTO's General Council on the accession of the Republic of Seychelles.

The EU's position is to approve the accession of the Seychelles to the WTO.

ENVIRONMENT

EU Ecolabel - extension of the validity of the ecological criteria

The Council decided not to oppose the adoption of a Commission decision amending Decisions 2009/563/EC, 2009/564/EC, 2009/578/EC, 2010/18/EC, 2011/263/EU, 2011/264/EU, 2011/382/EU and 2011/383/EU in order to prolong the validity of the ecological criteria for the award of the EU Ecolabel to certain products ([15099/14](#)).

The Commission decision is subject to the regulatory procedure with scrutiny. This means that now that the Council has given its consent, the Commission may adopt the decision, unless the European Parliament objects.

Emission performance standards for new passenger cars

The Council decided not to object to a Commission delegated regulation of 31 November 2014 amending Annex I to Regulation (EC) No 443/2009 of the European Parliament and of the Council in order to take into account the evolution of the mass of new passenger cars registered in 2011, 2012 and 2013 ([15079/14](#)).

Regulation (EC) No 443/2009 sets emission performance standards for new passenger cars as part of the Community's integrated approach to reduce CO₂ emissions from light-duty vehicles. The average mass value used for the purpose of calculating the specific emissions of CO₂ for each new passenger car is to be adjusted every three years to take into account any changes in the average mass of new vehicles registered in the EU.

The regulation is a delegated act pursuant to article 290 of the Treaty on the Functioning of the EU. This means that now that the Council has given its consent, the act can enter into force, unless the European Parliament objects to it.

Capture and geological storage of CO₂ and renewable energy - Demonstration projects

The Council decided not to oppose the adoption of a Commission decision amending Decision 2010/670/EU as regards the extension of certain time limits laid down in article 9 and article 11(1) of that decision ([15014/14](#)).

Decision 2010/670/EU sets criteria and measures for the financing of commercial demonstration projects that aim at the environmentally safe capture and geological storage of CO₂ as well as demonstration projects of innovative renewable energy technologies under the scheme for greenhouse gas emission allowance trading.

The Commission decision is subject to the regulatory procedure with scrutiny. This means that now that the Council has given its consent, the Commission may adopt the decision, unless the European Parliament objects.

FOOD LAW

Recycled plastic materials in contact with foods

The Council decided not to oppose the adoption of a regulation amending Commission Regulation 282/2008 on recycled plastic materials and articles intended to come into contact with foods ([14231/14](#)).

The Commission regulation is subject to the regulatory procedure with scrutiny. This means that now that the Council has given its consent, the Commission may adopt it, unless the European Parliament objects.
