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3393rd Council meeting

Transport, Telecommunications and Energy

Energy issues

Luxembourg, 8 June 2015

President **Dana Reizniece-Ozola,**
Latvian Minister for the Economy

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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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ITEMS DEBATED

Energy security

Ministers assessed progress in the implementation of the European Energy Security Strategy (10409/14) and discussed the next steps, addressing in particular the security of supply. The debate was framed by two questions proposed by the presidency.

The Energy Security Strategy aims to develop EU resilience to shocks and disruptions to energy supplies in the short term and to reduce dependency on particular fuels, energy suppliers and routes in the long term.

In this perspective, Commissioner Cañete informed ministers of recent contact with other suppliers such as Algeria, Morocco and Norway, and expressed the view that it was necessary to step up engagement with Mediterranean countries and Central Asia. He also welcomed the good progress in work relating to the Southern Gas Corridor and the Trans Adriatic pipeline.

The Commission confirmed that it intends to present a proposal for the revision of the security of gas supply regulation by the end of the year and a strategy on liquefied natural gas (LNG) and storage.

The Commission stressed the need to secure transit routes and reinforce reverse flow capacities. It is preparing an energy diplomacy action plan, in close collaboration with High Representative Federica Mogherini.

In general ministers,

- agreed that regional cooperation, energy market design and infrastructure development were essential elements of the EU energy policy and the necessary steps towards integration of the EU internal energy market
- called for an increase in energy production in the EU and for progress in diversifying supply routes and sources
- underlined the need for a transparent and flexible model of governance for the Energy Union
- stressed the importance of energy efficiency as a major element in energy security
- recommended strengthening emergency and solidarity mechanisms

- recalled the need for effective and consistent implementation of the third energy package by all member states
- called for cost-effective investments in strategic and smart infrastructure, in particular through projects of common interest (PCIs) and making full use of EU programmes and funding such as Connecting Europe and the European Fund for Strategic Investments (EFSI)

Several ministers and the Commission also welcomed the signing, in the margins of the Council, of declarations on regional cooperation on security of electricity supply in the framework of the Pentalateral Energy Forum and of a memorandum of understanding with the Baltic Energy Market Interconnection Plan (BEMIP).

The outcome of the debate will provide useful input for the Commission's upcoming market design initiative as regards electricity and will also contribute to the Commission's ongoing preparatory work on the expected review of the security of gas supply regulation.

Energy union

The Council [adopted conclusions](#) on the implementation of the [Energy Union](#) strategy, focusing on how to provide consumers - both households and businesses - with secure, sustainable and affordable energy and to encourage the investment needed in this area.

The conclusions set out guidelines for achieving one of the main goals of the Energy Union strategy, which is to give consumers secure, sustainable, competitive and affordable energy.

The Energy Union strategy has five main dimensions, which are closely interrelated and mutually reinforcing. The implementation of all five dimensions, including the agreed [2030 climate and energy framework](#), will require the development of a reliable and transparent governance system, in line with the March 2015 and October 2014 [European Council](#) conclusions.

Commissioner Šefčovič gave a brief presentation on the governance dimension, which he proposes to develop along the following lines:

- a streamlined and more integrated governance system, taking into account different dimensions (in particular, economic, environmental, climate and transport policy issues)
- a factual basis, with improved data collection
- simplified and aligned reporting obligations
- development of energy and climate national plans based on validated country "fiches"
- very close cooperation between member states, the Commission, the Council and the European Parliament

This work will feed into the preparation of the state of the Energy Union report, which will be presented in the autumn.

In particular, the conclusions:

- underline the important role of regional cooperation in the implementation of the Energy Union and as an essential part of the governance system
- acknowledge that a reliable and flexible governance system will step up the role and rights of consumers, increase transparency and predictability for investors and facilitate coordination of national energy policies
- reiterate the need to address the lack of energy interconnections, which may contribute to higher energy prices
- stress the need to protect vulnerable consumers and reinforce solidarity mechanisms
- emphasise the importance of energy efficiency in reducing energy costs for consumers, while reducing greenhouse gas emissions
- call for cost-effective investments in strategic and smart infrastructure, in particular through Projects of Common Interest PCIs and making full use of EU programmes and funding such as Connecting Europe and the EFSI
- call for initiatives to stimulate EU technology and innovation leadership in energy and climate while promoting growth and jobs

Other business

– External energy relations

Trilateral talks

The Council was briefed by the Commission on the state of play regarding the trilateral talks between Ukraine, Russia and the EU ([9090/15](#)).

The Commission expects that a follow-up to the October 2014 winter package can be swiftly agreed, which is essential to provide a stable framework for gas supplies to Ukraine, and therefore to ensure gas transit to Europe, until the underlying dispute on the contracts between Naftogaz and Gazprom are settled by a decision of the Stockholm Arbitration Court, expected in June 2016 at the earliest.

Energy Community

The Council was informed by the Commission on the latest developments concerning the strengthening of the Energy Community in view of the Tirana ministerial meeting in October 2015.

The Energy Community is an international organisation dealing with energy policy, whose mission is to extend the EU internal energy market to south-east Europe and beyond on the basis of a legally binding framework.

As of October 2013, the Energy Community has eight contracting parties: Albania, Bosnia and Herzegovina, Kosovo, the former Yugoslav Republic of Macedonia, Moldova, Montenegro, Serbia and Ukraine. Georgia, Armenia, Norway and Turkey participate as observers.

– European Nuclear Energy Forum (ENEF)

The Council took note of information from the Czech delegation on the outcome of the 10th plenary meeting of the **ENEF**, which took place in Prague on 26 and 27 May 2015 ([9093/15](#)).

The main items on the agenda were the role of nuclear energy in the Energy Union strategy and its contribution to EU decarbonisation efforts, the role of the EU as a world leader in nuclear safety and the decommissioning of nuclear power plants in the EU.

– *Work programme of the incoming presidency*

The Luxembourg delegation presented its main priorities for the next 6 months to the Council ([9091/15](#)):

- implementation of a governance system for the Energy Union with a forward-looking climate policy
- review of the energy labelling directive
- work on forthcoming market design and retail market communications, LNG and storage, and heating and cooling strategies
- organisation of a Strategic Energy Technology Plan (SET Plan) conference, which will be followed by an informal Energy Council
- financing issues relating to a sustainable energy transition, in the context of the implementation of the EFSI
- development of international energy relations, in particular with North America and Mediterranean countries

OTHER ITEMS APPROVED

ENERGY

International Energy Charter

The Council approved its statement concerning the declaration by the Commission on behalf of the European Union on the applicability of the part of the International Energy Charter devoted to dispute settlement mechanisms.

The position of the European Union and Euratom on the adoption and the signature of the International Energy Charter - which took place in The Hague on 20 and 21 May 2015 - is established in document ([8416/15](#)).

The fundamental aim of the Energy Charter Treaty is to strengthen the rule of law on energy issues, by creating rules to be observed by all participating governments, thereby limiting risks associated with energy-related investment and trade.

Capacity allocation and congestion management

The Council decided not to oppose the adoption of a Commission regulation establishing a guideline on capacity allocation and congestion management ([7745/15](#)).

The Commission act is subject to what is known as the regulatory procedure with scrutiny¹.

This means that now that the Council has given its consent, the Commission may adopt it, unless the European Parliament objects.

¹ Council decision [1999/468/EC](#) of 28 June 1999 laying down the procedures for the exercise of implementing powers conferred on the Commission (OJ L 184, 17.7.1999, p. 23), as amended by decision [2006/512/EC](#) (OJ L 200, 22.7.2006, p. 11)

FOREIGN AFFAIRS

Implementation of UN sanctions against two Yemenis

The EU imposed an arms embargo and further targeted sanctions against a Houthi leader and the son of ex-President Saleh. This decision reflects UN Security Council resolution 2216 (2015) of 14 April 2015 and implements it for the EU.

[More information](#)

2nd EU-CELAC Summit

The Council approved the state of preparations for the second EU-CELAC Summit, to be held in Brussels on 10 and 11 June 2015.

7th EU-Mexico Summit

The Council approved the state of preparations for the EU-Mexico Summit, to be held in Brussels on 12 June 2015.

EU strategy on citizen security in Central America and the Caribbean

The Council adopted the action plan for the EU strategy on citizen security in Central America and the Caribbean. The strategy, adopted on 30 July 2014, aims to support both regions in their efforts to address citizen security challenges with a comprehensive approach. The action plan focuses on building a shared political agenda on citizen security, strengthening the ability of governments to deliver quality public services in the area of security through capacity building, and fostering international cooperation on these operational activities.

COMMON SECURITY AND DEFENCE POLICY

EUSEC mission in the Democratic Republic of the Congo

The Council extended the EU mission to provide advice and assistance for security sector reform in the Democratic Republic of the Congo (EUSEC RD Congo) until 30 June 2016. At the same time, it refocused its activities in this final mandate: EUSEC will focus on strategic advice and support for the military education system while preparing the transfer of these activities to the armed forces of the Democratic Republic of the Congo.

EUSEC RD Congo was launched in June 2005 and has its headquarters in Kinshasa. The mission's aim is to contribute to the evolution and viability of the defence and security sector the Democratic Republic of the Congo in order to create the conditions for economic and social development.

ECONOMIC AND FINANCIAL AFFAIRS

Banking - Own funds requirements

The Council decided not to object to the adoption by the Commission of a regulation amending delegated regulation 241/2014, which supplemented the so-called capital requirements regulation (CRR), regulation 575/2013, with regard to regulatory technical standards for own funds requirements for institutions.

The regulation sets out new rules in respect of the treatment of indirect and synthetic holdings arising in situations not previously covered.

The regulation is a delegated act pursuant to article 290 of the Treaty on the Functioning of the EU. The act can now enter into force, unless the European Parliament objects.

EUROPEAN ECONOMIC AREA

Amendments to the EEA agreement

The Council adopted decisions on the position to be taken, on behalf of the EU, in the EEA joint committee concerning amendments to the EEA agreement:

- [amendment to annex II on technical regulations, standards, testing and certification](#) (novel foods)
- [amendment to protocol 31 in order to continue cooperation concerning free movement of workers, coordination of social security systems and measures for migrants, including migrants from third countries](#) (budget line 04.03.01.03)
- [amendment to protocol 31 in order to extend the cooperation of the contracting parties concerning the environment and research and technological development](#) (Copernicus programme)
- [amendment to protocol 31 in order to extend social cooperation between the contracting parties](#) (Programme for Employment and Social Innovation (EaSI))

COHESION POLICY

Use of European structural and investment funds for public private partnership agreements

The Council decided not to object to a Commission regulation aimed at facilitating the use of European structural and investment funds to support operations which are implemented under public private partnership (PPP) agreements ([8447/15](#)).

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 decided not to object to it, the act can enter into force, unless the European Parliament objects.

APPOINTMENTS

New Director-General in the Council General Secretariat

The Council has appointed Ms Christine Roger as Director-General responsible for Justice and Home Affairs at the General Secretariat of the Council as from 1 July 2015.

Ms Roger is currently Director in the Council General Secretariat, responsible for Home Affairs.

See her [CV](#).
