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16986/23

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OUTCOME OF PROCEEDINGS

From: General Secretariat of the Council

To: Delegations

No. prev. doc.: 16891/23 + COR 1

No. Cion doc.: 16140/23

Subject: Proposal for a COUNCIL REGULATION amending Regulation (EU) 2022/2577 laying down a framework to accelerate the deployment of renewable energy

- Political agreement

- Decision to use the written procedure for the adoption

Delegations will find in the Annex the text of the draft Council Regulation amending Regulation (EU) 2022/2577 laying down a framework to accelerate the deployment of renewable energy following the political agreement at the TTE (Energy) Council on 19 December 2023.

Changes compared to ST 16891/23 are marked in **bold underline**.

The text in the Annex is subject to legal-linguistic revision.

The Council decided to authorise the use of written procedure for adoption of this Regulation.

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TREE.2.B

COUNCIL REGULATION (EU) 2023/...

of ...

amending Regulation (EU) 2022/2577 laying down a framework to accelerate the deployment of renewable energy

THE COUNCIL OF THE EUROPEAN UNION.

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 122(1) thereof,

Having regard to the proposal from the European Commission,

Whereas:

(1) Council Regulation (EU) 2022/2577¹ introduces urgent and targeted measures to accelerate the pace of deployment of renewable energy sources. The deployment of renewable energy in the Union can significantly contribute to mitigating the effects of the energy crisis, by strengthening the Union's security of supply, reducing volatility in the market and energy prices. As lengthy and complex permitting procedures formed a key obstacle hampering the speed and scale of investments in renewables and related infrastructure, Regulation (EU) 2022/2577 aimed at introducing additional urgent and targeted measures to achieve the immediate acceleration of some of the permit-granting procedures applicable to specific renewable energy technologies and types of projects which have the most potential for quick deployment in order to mitigate the effects of the energy crisis. Regulation (EU) 2022/2577 will apply until 30 June 2024.

Council Regulation (EU) 2022/2577 of 22 December 2022 laying down a framework to accelerate the deployment of renewable energy (OJ L 335, 29.12.2022, p. 36).

Directive (EU) 2023/2413 of the European Parliament and of the Council² which amends (2) Directive (EU) 2018/2001 of the European Parliament and of the Council³ entered into force on 20 November 2023, introducing changes to the legislative framework regulating renewable energy until 2030 and beyond, including provisions to streamline permitting procedures applicable to renewable energy projects. Some of the measures introduced by Regulation (EU) 2022/2577 were also included in Directive (EU) 2018/2001 by means of Directive (EU) 2023/2413. However, Directive (EU) 2023/2413 did not mirror some of the more exceptional measures contained in Regulation (EU) 2022/2577, thus delimiting their exceptional and temporary nature of those measures. Instead, that Directive introduced a stable and long-term permanent regime to accelerate permit-granting procedures which establishes dedicated steps and procedures which require a longer implementation time. Member States have the obligation to transpose Directive (EU) 2023/2413 into their national law by 21 May 2025, with the exception of some of the provisions as regards permitgranting procedures, which have an earlier transposition date, i.e.-on 1 July 2024, which is immediately after the date of end of validity of Regulation (EU) 2022/2577. Following the transposition of Directive (EU) 2023/2413, renewable energy projects will benefit from the provisions introduced by that Directive to streamline permit-granting procedures.

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²

Directive (EU) 2023/2413 of the European Parliament and the Council of 18 October 2023 amending Directive (EU) 2018/2001, Regulation (EU) 2018/1999 and Directive 98/70/EC as regards the promotion of energy from renewable sources, and repealing Council Directive (EU) 2015/652 (OJ L, 31.10.2023, ELI: http://data.europa.eu/eli/dir/2023/2413/oj).

³ Directive (EU) 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources (recast) (OJ L 328, 21.12.2018, p. 82).

- (3) Pursuant to Regulation (EU) 2022/2577, the Commission carried out a review of that Regulation by 31 December 2023, in view of the development of the security of supply and energy prices and the need to further accelerate the deployment of renewable energy, and presented a report on the main findings of that review to the Council. The Commission, based on that review, has proposed that the validity of some provisions of that Regulation should be prolonged.
- (4) In its Report of 28 November 2023 on the review of Council Regulation (EU) 2022/2577 of 22 December 2022 laying down a framework to accelerate the deployment of renewable energy, the Commission found that the conditions for thea prolongation of the validity of Regulation (EU) 2022/2577 were met and proposed to prolong selected measures that have the greatest potential for the acceleration of the deployment of renewables, which are different from the measures in Directive (EU) 2018/2001, and which appear to bring about an important acceleration into the permitting process of renewable energy and for related grid infrastructure projects or which have the significant potential to do so. The fact that Directive (EU) 2023/2413 introduceds certain provisions to streamline permitting procedures applicable to renewable energy projects in Directive (EU) 2018/2001, including rules on the same or similar topics as those covered by Regulation (EU) 2022/2577 was taken into account. The fact that permitting rules introduced by Directive (EU) 2023/2413, except those related to renewables acceleration areas pursuant to Articles 15c and 16a of that Directive, have to be transposed by 1 July 2024, immediately after the date of end of validity of Regulation (EU) 2022/2577 was also taken into account.

(5) Since the entry into force of Regulation (EU) 2022/2577, the level of preparedness in the electricity market and the Union's security of supply have improved. However, severe risks persist for the Union's security of energy supply. The global situation on the gas market remains very tight. Gas prices are still considerably higher than pre-crisis with inevitable consequences on Union citizens' purchasing power and the competitiveness of Union businesses. This is exacerbated by high market volatility stemming *inter alia* from tense geopolitical circumstances. Recent episodes of significant price volatility in the summer and autumn of 2023, when prices increased by more than 50 % within a few weeks, caused by events such as the strike in Australian liquefied natural gas (LNG) facilities, the Middle East crisis or the disruption of the Balticconnector, show that markets are still-fragile and vulnerable to even relatively small shocks on demand and supply. Under such conditions, the fear of scarcity resulting from even an isolated event may trigger negative systemic reactions across the Union with serious repercussions on energy prices. Furthermore, due to the significant decrease in Russian pipeline gas imports over the past year, the availability of gas supplies to the Union has considerably decreased as compared to pre-crisis conditions. With the current level of pipeline gas imports, the Union is expected to receive approximately 20 billion cubic meters (bcm) of Russian gas-approximately 110 bcm less than in 2021. Therefore, a serious risk remains that gas shortages will occur in the Union.

- (6) Global gas markets remain very tight and are expected to remain so for a certain period of time. As noted by the International Energy Agency (IEA) in its Medium-Term Gas Report 2023, global LNG supply grew only modestly in 2022 (by 4 %) and in 2023 (by 3 %). In its World Energy Outlook 2023, the IEA expects that market balances will remain precarious in the immediate future despite the fact that new LNG capacities are set to come online as of 2025.
- (7) Such severe difficulties are exacerbated by a number of additional risks, including a rebound in Asian LNG demand, which could reduce the availability of gas on the global gas market, a cold winter which could lead to an increase in the demand for gas of up to 30 bcm, extreme weather conditions potentially affecting hydropower storage and nuclear production due to low water levels which would lead to the subsequent increase in demand for gas-fired power generation, further disruptions of critical infrastructures, such as the acts of sabotage against the Nord Stream pipelines in September 2022 or the disruption of the Baltic connector pipeline in October 2023, and a deterioration of the geopolitical environment, in particular in countries and regions relevant to Union energy security of supply, such as Ukraine, Azerbaijan, and the Middle East.
- (8) Given the current tight supply and demand balance, even a minor disruption to the supply of energy could have a wide impact on the gas and electricity prices and could cause serious and lasting harm to the European economy, thereby affecting its competitiveness, and also causing lasting harm to the citizens of the Union. The current situation is therefore exposing the entire Union to risks of energy shortage and high energy prices.

(9) An accelerated deployment of renewable energy played an essential role in the Union strategy to address the energy crisis and has been instrumental in increasing security of supply and in protecting consumers from price volatility by reducing the Union's overall gas demand. In its Renewable Energy Market Update of June 2023, entitled "How much money are European consumers saving thanks to renewables?", the IEA estimated that average wholesale electricity prices would have been 8 % higher in all European markets in 2022 without the additional installed renewable capacities. In 2022, higher electricity production from renewable energy sources replaced circa 107 TWh of fossil-based electricity generation which is equivalent to circa 10 bcm of gas and which led to estimated savings of more than EUR 10 billion.

While Regulation (EU) 2022/2577 has been in force for a limited period, the Commission's (10)report has shown that it has positively contributed to accelerating the pace of deployment of renewable energy sources in the Union, notably by streamlining the procedures applicable to specific permit-granting processes, and by raising political awareness regarding the importance of the acceleration of the permit-granting process of renewable energy. While most of the effects of that Regulation will be visible in the months to come, initial available data on the production, deployment and permit granting process of renewable energy and related infrastructure projects for the period after the entry into force of Regulation (EU) 2022/2577 suggests acceleration, at least in some Member States. According to Eurostat, in the first half of 2023, renewable energy production in the Union was at a record high in replacing further gas volumes. The Commission's report also highlights positive developments in terms of the increase in renewable energy deployment in the months following the entry into force of Regulation (EU) 2022/2577. According to initial industry data, in three quarters of 2023, the Union installed more solar photovoltaic capacities than during 2022 in its entirety. Wind capacity also significantly increased in several Member States. Available data gathered in the Commission's report also signals that several Member States have experienced double-digit increases in the volume of permits issued for renewable energy projects since the entry into force of Regulation (EU) 2022/2577. Additionally, at least in one Member State, grid projects that are important for increased penetration for renewables and that amount to over 2 000 km in total also benefit from accelerated permit granting process.

- (11) Given that risks for energy supplies and prices persist, a quicker pace of deployment of renewable energy projects would still be required for a certain period of time after the end of June 2024, to phase out the remaining Russian gas imports. There is no doubt that higher shares of energy from renewable sources would strengthen the Union's resilience even further. Moreover, the faster the rollout of renewables, the higher the positive impact on the Union's resilience, security of energy supply, energy prices and independence from Russian fossil fuels.
- (12)Due to the urgent and yet unstable energy situation faced by the Union, it is necessary to prolong the application of certain provisions of Regulation (EU) 2022/2577, namely those provisions which have shown the greatest potential for the immediate acceleration of renewable energy sources and which are different from the measures included in Directive (EU) 2018/2001, thereby ensuring that the prolongation of the application of Regulation (EU) 2022/2577 does not duplicate that Directive. Moreover, those measures include appropriate safeguards to ensure environmental protection in the form of specific conditions for their application. Measures included in Directive (EU) 2018/2001 shall apply in parallel to this Regulation, complementing it with additional emergency measures for a limited period of time. Without the prolongation of the application of Regulation (EU) 2022/2577 the risk of slowing down the pace of permitting and deployment of renewables and related infrastructure would be created, in particular in Member States which have made extensive use of that Regulation. For example, according to Germany, the installation of around 41 GW of wind power onshore could be delayed and could take approximately two years longer or in some cases be halted altogether without extension of the application of Regulation (EU) 2022/2577, in particular as regards the acceleration of the permit-granting process of renewable energy projects and for related grid infrastructure which is necessary to integrate renewables into the system. The speed of the permit-granting process regarding a number of planned large transmission grid projects totalling thousands of kilometres in length would equally be slowed down, by an estimated one to three years.

One of the temporary measures introduced by Regulation (EU) 2022/2577, which has shown positive effects and which has significant acceleration potential in the future, is the introduction in Article 3(1) of a rebuttable presumption that renewable energy projects are of overriding public interest and serve public health and safety for the purposes of specific derogations foreseen in the relevant Union environmental legislation, except where there is clear evidence that such projects have major adverse effects on the environment which cannot be mitigated or compensated for. Directive (EU) 2018/2001, by means of Article 16f thereof, introduced a rebuttable presumption that renewable energy projects are of overriding public interest and serve public health and safety, with almost identical wording as compared to the wording of Article 3(1) of Regulation (EU) 2022/2577. Therefore, it is not necessary to prolong the application of Article 3(1) of Regulation (EU) 2022/2577 since such a rebuttable presumption will apply by virtue of Article 16f of Directive (EU) 2018/2001.

(14)However, Article 3(2) of Regulation (EU) 2022/2577 requires priority to be given to projects that are recognised as being of overriding public interest whenever the balancing of legal interests is required in individual cases and where those projects introduces additional compensation requirements for species protection. An analogous provision is not present in Directive (EU) 2018/2001. The first sentence of Article 3(2) of Regulation (EU) 2022/2577 has the potential, in the current urgent and still unstable energy situation on the energy market which the Union is facing, to further accelerate renewable energy projects since it requires Member States to promote those renewable energy projects by giving them priority when dealing with different conflicting interests beyond environmental matters in the context of Member States' planning and the permit-granting process. The Commission's report demonstrated the value of the first sentence of Article 3(2) of Regulation (EU) 2022/2577 which recognises the relative importance of renewable energy deployment in the current difficult energy context beyond the specific objectives of the derogations foreseen in the Directives referred to in Article 3(1) of Regulation (EU) 2022/2577. Given the particularly severe situation in the supply of energy which the Union is currently facing, it is appropriate to prolong the application of Article 3(2) of Regulation (EU) 2022/2577 in order to appropriately recognise the crucial role played by renewable energy plants to fight climate change and pollution, reduce energy prices, decrease the Union's dependence on fossil fuels and to ensure the Union's security of supply in the context of the balancing of legal interests carried out by permitting authorities or national courts. At the same time, it is also appropriate to keep the environmental safeguard that, for projects recognised as being of overriding public interest, appropriate species conservation measures, underpinned by sufficient financial resources, are adopted.

As shown in the Commission's report, challenges exist in the application of another (15)condition to apply specific derogations foreseen in the Union environmental legislation, namely the requirement regarding the absence of other alternative solutions. Such challenges limit the practical usefulness of the rebuttable presumption that renewable energy projects, their connection to the grid, the related grid itself and storage assets are of overriding public interest, because it is a considerable hurdle to prove that a project could not take place elsewhere, if the territory of a whole country has to be considered, and even more if other renewable energy technologies have to be considered. Therefore, in order to speed up the deployment of renewables, their connection to the grid, and the building of the grid infrastructure necessary to integrate renewable energy into the electricity system which is a key objective recognised in the Commission's Communication of 28 November 2023, entitled "Grids, the missing link - An EU Action Plan for Grids", it is appropriate to specify, for the purpose of this Regulation, how the conditions for applying specific derogations as foreseen in the Union environmental legislation, can be attained, as regards the scope of the relevant alternative conditions that have to be considered. In particular, for the purposes of relevant Union environmental law, in the necessary case-by-case assessments to ascertain whether there are satisfactory alternative solutions to the specific renewable energy project or grid infrastructure project which is necessary to integrate renewable energy into the electricity system, it is necessary to specify that the scope of the assessment to of alternatives solutions can cover solutions that ensure the achievement of the same objectives as the project in question within the same or similar timeframe and without resulting in significantly higher costs. When comparing the timeframe and cost of satisfactory alternative solutions, Member States should take into account the need to deploy renewable energy and grid infrastructure which is necessary to integrate renewable energy into the electricity system in an accelerated and cost-effective manner in accordance with the priorities set out in their integrated national energy and climate plans and updates thereof submitted pursuant to Regulation (EU) 2018/1999 of the European Parliament and the Council⁴ and the expected speed to achieve those priorities. Such a temporary specification

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Regulation (EU) 2018/1999 of the European Parliament and the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action, amending Regulations (EC) No 663/2009 and (EC) No 715/2009 of the European Parliament and of the Council, Directives 94/22/EC, 98/70/EC, 2009/31/EC, 2009/73/EC, 2010/31/EU, 2012/27/EU and 2013/30/EU of the European Parliament and of the Council, Council Directives 2009/119/EC and (EU) 2015/652 and repealing Regulation (EU) No 525/2013 of the European Parliament and of the Council (OJ L 328, 21.12.2018, p. 1).

is justified in view of the current situation on the energy markets in order to facilitate the uptake of renewable energy plants and the related grid infrastructure, thereby recognising their role in fighting climate change and pollution, reducing energy prices, decreasing the Union's dependence on fossil fuels and ensuring the Union's security of supply.

(15a) When applying the relevant derogation foreseen in Council Directive 92/43/EEC, Member States face additional challenges concerning the requirement to adopt compensatory measures concerning the plant or installation for the production of energy from renewable sources, or the related grid infrastructure which is necessary to integrate renewables into the electricity system. This can cause considerable delays. Therefore, in order to speed up such projects, while preserving a high level of environmental protection, it is appropriate to specify, for the purpose of this Regulation, that the compensatory measures may be carried out in parallel with the implementation of the project under strict conditions. These conditions, namely that the ecological processes essential for maintaining the structure and functions of the site are not irreversibly affected before the compensatory measures are in place and that the overall coherence of the Natura 2000 network is not compromised, ensure that the environmental integrity of the site is preserved and that a high level of protection of the Natura 2000 sites is ensured. Such a temporary specification is justified in view of the current situation on the energy markets in order to facilitate the uptake of renewable energy plants and the related grid infrastructure.

(16) Another provision with potential for the significant acceleration of the pace of deployment of renewable energy sources is Article 5(1) of Regulation (EU) 2022/2577. That Article imposes a six-month maximum deadline for the repowering of existing renewable energy plants. Repowering existing renewable energy plants has the significant potential of rapidly increasing renewable power generation, thus allowing the reduction of gas consumption. It enables the continued use of sites with significant renewable energy potential, which reduces the need to designate new sites for renewable energy projects. Repowering a wind energy power plant with more efficient turbines usually allows for the existing capacity to be maintained or increased but with fewer, larger and more efficient turbines. Repowering also benefits from the existing grid connection, a likely higher degree of public acceptance and knowledge of environmental impacts.

In its review pursuant to Regulation (EU) 2022/2577, the Commission found that there was (17)scope for further streamlining the permit-granting process applicable to the repowering of renewable energy projects, in particular in the Member States that have greater repowering potential. Directive (EU) 2023/2413 introduces several provisions in this regard into Directive (EU) 2018/2001, including maximum deadlines as regards permit-granting. Article 16b of Directive (EU) 2018/2001 introduces a maximum deadline of one year for the repowering of renewable energy projects located outside renewable acceleration areas, while Article 16a of that Directive includes a six-month deadline for renewable energy projects in the renewables acceleration areas. Given that the implementation deadline for the designation of renewable acceleration areas is 27 months from the entry into force of the Directive (EU) 2018/2001 (meaning renewable acceleration areas would have to be designated by 20 February 2026), and even if those renewables acceleration areas could be designated earlier, it is appropriate to prolong the application of Article 5(1) of Regulation (EU) 2022/2577. Such prolongation includes a targeted amendment regarding the scope of Article 5(1) of Regulation (EU) 2022/2577, in order to limit its application to the areas designated pursuant to Article 6 of Regulation (EU) 2022/2577. Prolonging the application of Article 5(1) of that Regulation, together with the application of Article 6 thereof, should ensure that an ambitious permitting deadline applies immediately for the repowering of renewable energy projects located in the specific areas identified by Member States voluntarily under Regulation (EU) 2022/2577, while the maximum deadlines for the repowering of renewable energy projects contained in Directive (EU) 2018/2001 would apply to the rest of the territory. Moreover, this is consistent with the differentiation introduced by Directive (EU) 2023/2413 between renewable acceleration areas and areas that do not have such a status.

- Article 6 of Regulation (EU) 2022/2577 allows Member States, under certain conditions to (18)ensure environmental protection, to introduce exemptions from certain environmental assessment obligations set in Union environmental legislation for renewable energy projects and for energy storage projects and electricity grid projects that are necessary for the integration of renewable energy into the electricity system. The application of Article 6 of Regulation (EU) 2022/2577 is optional for Member States. That Article provides them with an effective tool to accelerate the deployment of renewable energy and related infrastructure projects by ensuring a careful balance between the need to deploy renewables at a much faster speed and the need to ensure protection of environmentally sensitive areas. As explained in the Commission report, Article 6 of Regulation (EU) 2022/2577 has led to tangible positive results both in terms of the number of successful renewable energy and electricity grid projects that are being deployed, and of acceleration potential and the shortening of permit-granting process time in the Member States that have made use of it. According to the findings in the Commission's report based on estimates provided by Member States and stakeholders, such acceleration could range from several months and even up to three years for offshore projects.
- (19) Based on the evidence gathered in the Commission's report, the prolongation of the application of Article 6 of Regulation (EU) 2022/2577 appears necessary in view of the particularly tense situation for supply on the energy markets to ensure an immediate strong acceleration of renewable energy projects. That Article can and should co-exist, for a limited period of time, with the provisions of Directive (EU) 2018/2001 as regards the designation of renewables acceleration areas and areas for grid and storage infrastructure necessary to integrate renewable energy into the electricity system and does not in any way prevent the designation of such areas.

(20)Directive (EU) 2018/2001 imposes the obligation on Member States to designate renewables acceleration areas for one or more renewable energy technologies within a deadline of 27 months from the entry into force of Directive (EU) 2023/2413. Even if Member States could designate renewables acceleration areas from the moment Directive (EU) 2023/2413 enters into force, without waiting until its transposition deadline, such designation requires time, which is expected to be longer than the time needed to designate the dedicated renewable or grid areas referred to in Article 6 of Regulation (EU) 2022/2577. This is because that Article does not require establishing upfront appropriate rules as part of the plan designating renewable acceleration areas for theose areas on effective mitigation measures to be adopted for the installation of renewable energy plants and co-located energy storage in those areas and it does not introduce specific procedures to be followed in those areas. Therefore, in order to further facilitate the construction of renewable energy projects during a temporary period, the application of Article 6 of Regulation (EU) 2022/2577 should be prolonged, so that it is possible for Member States to designate specific areas in a streamlined manner, without prejudice to the possibility to designate in parallel renewable acceleration areas pursuant to Directive (EU) 2018/2001 in order to ensure that such areas are set up within the deadline prescribed in that Directive

- (21) Directive (EU) 2018/2001 includes a provision granting Member States the possibility of designating areas for grid and storage infrastructure necessary to integrate renewable energy into the electricity system under certain conditions. In view of the optional nature of Article 6 of Regulation (EU) 2022/2577 and Article 15e of Directive (EU) 2018/2001, there is no legal risk of contradiction since Member States can decide which provision to apply or even apply both during the period of application of that Regulation in order to identify different grid areas in parallel, following the different conditions set in those legal acts, respectively.
- (22) The provisions of the United Nations Economic Commission for Europe (UNECE)

 Convention on Access to Information, Public Participation in Decision-Making and Access to Justice in Environmental Matters ('the Aarhus Convention') as regards access to information, public participation in decision-making, and access to justice in environmental matters, and in particular, the obligations of Member States relating to public participation and to access to justice, remain applicable.
- Member States. In implementing the principle of energy solidarity, the proposed measures allow for cross-border distribution of the effects of faster deployment of renewable energy projects. The measures apply to renewable energy installations in Member States and capture a wide scope of projects. Given the degree of integration of Union energy markets, any increase in renewable energy deployment in a Member State should also be beneficial to for other Member States in terms of security of supply and lower prices. It should assist renewable electricity flows across the borders to where it is most needed and ensure that cheaply produced renewable electricity is exported to Member States where electricity production is more expensive. In addition, the newly installed renewable energy capacities in the Member States will have an impact on the overall gas demand reduction across the Union.

(24)Article 122(1) of the Treaty on the Functioning of the European Union (TFEU) enables the Council to decide, without prejudice to any other procedures provided for in the Treaties, on a proposal from the Commission and in a spirit of solidarity between Member States, upon the measures appropriate to the economic situation, in particular if severe difficulties arise in the supply of certain products, notably in the area of energy. In view of such considerations, the urgent and yet unstable energy situation and the urgent need to immediately accelerate the deployment of renewable energy sources as an instrument to mitigate the risks for the Union's security of energy supply and volatility of energy prices that still exist, constitute the situation described in Article 122(1) TFEU. Moreover, it is necessary to take into account the approaching end of the mandate of the European Parliament, the time required to adopt legislation under the ordinary legislative procedure, as well as the need for Member States and investors to have predictability and legal certainty about the legal framework. A prolongation of the application of certain provisions of Regulation (EU) 2022/2577 by one year and the addition of a new provision is necessary to respond to the ongoing situation and it is therefore justified to have Article 122(1) TFEU as the legal basis for this Regulation.

- (25) The need to act is urgent as Regulation (EU) 2022/2577 will cease to apply on 30 June 2024 and investors and authorities need to have clarity as soon as possible as regards the legal framework applying thereafter to secure their investment decisions and plan their projects accordingly. Therefore, it is appropriate to adopt a legal act prolonging the application of that Regulation some months before the end of its application. In addition, due to the introduction of a new provision, this Regulation should enter into force as a matter of urgency on the day following that of its publication in the *Official Journal of the European Union*.
- (26) The application of the relevant provisions should be extended temporarily and should, together with the new provision, remain in force until 30 June 2025.
- (27) Since the objective of this Regulation cannot be sufficiently achieved by the Member States, but can rather, by reason of the scale and effects of the action, be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality, as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve that objective.
- (28) Regulation (EU) 2022/2577 should therefore be amended accordingly,

HAS ADOPTED THIS REGULATION:

Article 1

Amendments to Regulation (EU) 2022/2577

Regulation (EU) 2022/2577 is amended as follows:

(1) in Article 1, the second paragraph is replaced by the following:

'This Regulation applies to all permit-granting processes that have a starting date within the period of its application and is without prejudice to national provisions establishing shorter deadlines than those laid down in Article 5(1).';

- in Article 3, paragraph 2 is replaced by the following:
- '2. Member States shall ensure, for projects which are recognised as being of overriding public interest, that in the planning and permit-granting process, the construction and operation of plants and installations for the production of energy from renewable sources and the related grid infrastructure development are given priority when balancing legal interests in the individual case.

Concerning species protection, the preceding sentence shall only apply if and to the extent that appropriate species conservation measures contributing to the maintenance or restoration of the populations of the species at a favourable conservation status are undertaken and sufficient financial resources as well as areas are made available for that purpose.'

(3) the following Article is inserted:

'Article 3a

Absence of alternative or satisfactory solutions

- 1. When assessing whether there are no satisfactory alternative solutions to a project for a plant or installation for the production of energy from renewable sources and its connection to the grid for the purposes of Articles 6(4) and 16(1) of Directive 92/43/EEC, Article 4(7) of Directive 2000/60/EC and Article 9(1) of Directive 2009/147/EC, this condition may be considered fulfilled if there are no satisfactory alternative solutions capable of achieving the same objective of the project in question, notably in terms of development of the same renewable energy capacity through the same energy technology within the same or similar timeframe and without resulting in significantly higher costs.
- 2. When assessing whether there are no satisfactory alternative solutions to a grid infrastructure project which is necessary to integrate renewables into the electricity system, for the purposes of Articles 6(4) and 16(1) of Council Directive 92/43/EEC, Article 4(7) of Directive 2000/60/EC and Article 9(1) of Directive 2009/147/EC, this condition may be considered fulfilled if there are no satisfactory alternative solutions capable of achieving the same objective of the project in question within the same or similar timeframe and without resulting in significantly higher costs.

- 3. When implementing compensatory measures for a project for a plant or installation for the production of energy from renewable sources, and the related grid infrastructure which is necessary to integrate renewables into the electricity system, for the purpose of Article 6(4) of Council Directive 92/43/EEC, Member States may allow for these measures to be carried out in parallel with the implementation of the project, unless there is clear evidence that a specific project would irreversibly affect the ecological processes essential for maintaining the structure and functions of the site and would compromise the overall coherence of the Natura 2000 network before compensation is in place. Member States may allow for these compensation measures to be adapted over time, depending on whether the significant negative effects are expected to arise in the short, medium or long term.';
 - in Article 5, paragraph 1 is replaced by the following:
- '1. The permit-granting process for the repowering of renewable energy projects located in a dedicated area referred to in Article 6, including the permits related to the upgrade of the assets necessary for their connection to the grid where the repowering results in an increase in capacity, shall not exceed six months including environmental impact assessments where required by relevant legislation.';
 - (5) Article 8 is replaced by the following:

'Article 8

Timelines for the permit-granting process for the repowering of renewable energy power plants in dedicated areas referred to in Article 6

When applying the deadlines referred to in Article 5(1), the following time shall not be counted as falling within those deadlines except when it coincides with other administrative stages of the permit-granting process:

- (a) the time during which the plants, their grid connections and, with a view to ensuring grid stability, grid reliability and grid safety, the related necessary grid infrastructure are being built or repowered; and
- (b) the time spent on the administrative stages necessary for significant upgrades to the grid required in order to ensure grid stability, grid reliability and grid safety.';
 - in Article 10, the following paragraph is added:

'However, Article 1, Article 2(1), Article 3(2), Article 3a, Article 5(1), Article 6 and Article 8 shall apply until 30 June 2025.'.

Article 2

Entry into force and application

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

This Regulation shall apply from 1 July 2024. However, Article 1, point (3) shall apply from its entry into force.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at ..., ...

For the Council

The President