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Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on phasing out Russian natural gas imports, improving monitoring of potential energy dependencies and amending Regulation (EU) 2017/1938

{SWD(2025) 830 final}

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

• Reasons for and objectives of the proposal

The unlawful full-scale invasion of Ukraine by the Russian Federation in February 2022 has revealed the dramatic consequences of the existing dependencies on Russian gas imports on markets and security, leading to significant negative impacts on the Union's economy. The conflict has severely disrupted global supply chains, triggered substantial increases in energy prices, and introduced considerable volatility into the markets. As a result, the Union's trade relations with Russia have been substantially impaired.

The energy sector has been profoundly affected. Indeed, Russia exploited the Union's dependence on its energy exports to the Union as a means of exerting coercion and manipulation. The reliance on Russian energy imports rendered the Union and Member States vulnerable to disruptions and price fluctuations, which have had a far-reaching impact on the entire economy. The elevated energy prices eroded the competitiveness of EU industries, ultimately undermining the Union's economic stability and growth prospects.

Russia has a history of threatening the Union's security of supply by unilaterally cutting gas flows to Europe, as set out in detail in the Staff Working Document accompanying this legislative proposal. The Staff Working Document outlines how Russia, has systematically abused supply dependencies to the detriment of the Union's economy and economic security. This is evidenced by several competition investigations, and notably by Russian gas supply reductions or interruptions in 2006, 2009 and 2014, as well as by the intentional reduction of gas flows and storage filling levels ahead of the full-scale invasion of Ukraine by the Russian Federation in the autumn of 2021. After the beginning of the Russian Federation's war of aggression against Ukraine, Russia used the Union's dependency to expose the Union to a severe energy and economic security crisis, cutting or reducing supplies strategically to keep energy prices up[1].

Russia's State-controlled monopoly exporter Gazprom has been subject to numerous competition investigations, dealing with issues such as prohibitions to contract partners to sell on gas ('destination clauses'), price abuses or attempts to coerce contract partners. The Russian Federation and its energy companies can therefore not be considered reliable energy trading partners by the Union.

The supply interruptions led to very seriously problems for the security of energy supply in the Union and forced eleven Member States to declare an energy crisis level under Article 11 of Regulation (EU) 2017/1938 in 2022. The impact on prices was unprecedented, with the average gas spot price in 2022 at 125 EUR/MWh, 6 to 8 times higher than pre-crisis. The effects of the crisis were felt across the Union, as even Member States not affected by a direct disruption of gas flows from Russia were impacted by the spike in energy prices. The consequences of the gas crisis spun as well to the electricity sector, as gas generation often represents the price setting technology in electricity wholesale markets. Electricity wholesale

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1 See in detail Commission Staff Working Document *"Assessing the impact of measures to phase out Russian gas imports and improve the monitoring of potential energy dependencies"* of 17 June 2025 (hereinafter '*Assessment of Impacts*') (SWD(2025) 830 final), accompanying the proposal for this Regulation, pages 1 to 15.

prices in Europe skyrocketed in August 2022 to an average of more than 400 EUR/MWh, with short-lived peaks of few days in most Member States well above 500 EUR/MWh. As a result, the Union energy system suffered serious repercussions, which trickled down to the retail markets and final consumers as the Union's economy is reliant on stable and predictable energy supplies.

The impact of Russia's weaponisation of energy goes beyond energy security of supply and seriously harmed the Union's economy as a whole. Energy prices were the most important driver of inflation, which at its peak reached levels above 10% in 2022. The recent crisis provided evidence that trustful trade relations with partners supplying energy products are crucial to preserve market stability, to protect human life and health, as well as the essential security interests of the Union.

In response to Russia's aggression against Ukraine in February 2022 and in line with the Versailles Declaration of Heads of State and Government on 11 March 2022, the Commission launched the REPowerEU Plan[2] on 18 May 2022 to allow the full diversification away from Russian energy imports in a safe, affordable and sustainable manner. The plan built on a long-standing diversification policy also outlined in the European Energy Security Strategy of 2014[3] and in the Energy Union Strategy of 2015[4]. Since 2022 the EU and its Member States have worked implementing the REPowerEU Plan to save energy, accelerate the clean energy transition, boost domestic production of energy, finalising key infrastructure enabling further diversification of gas supplies, and enhancing the EU's energy diplomacy. Consequently, the Union was able to reduce Russian gas imports from 2021 to 2023 by over 70% from 150 bcm to 43 bcm, and energy prices have significantly gone down from the 2022 peaks.

Despite the significant progress and the halt of Russian gas transit through Ukraine at the end of 2024, Russian gas imports remain in the Union. It is estimated that these represent around 13% of the Union's overall gas imports in 2025. As the remaining volumes of Russian natural gas entering the Union are still significant, the Commission announced in the Roadmap towards ending Russian energy imports of 6 May 2025[13] a legislative proposal to fully phase out Russian gas imports and to improve the existing framework for energy dependencies.

Moreover, a significant portion of LNG import capacity is controlled by Russian companies in certain Member States, creating a risk that these capacity rights could be used to obstruct imports from alternative sources through capacity hoarding practices. In the past, instances of gas storage hoarding have led to substantial market distortions, increased prices and threats to critical security measures[5].

For more than a decade, the Russian Federation has systematically proven to be an unreliable partner, weaponising gas and manipulating energy markets, to the detriment of the Union's essential international security interests. Hence, the remaining Russian gas imports pose significant risks to the Union's economic security and notably to security of energy supply, with harmful economic and societal consequences. Against this background and considering that further payments more than EUR 15 billion per year for Russian gas imports endanger the Union's security, it is necessary to take additional measures to eliminate these imports, recognising that a complete phase out of energy supplies from the Russian Federation has to

2 COM(2022) 230 final.
3 COM(2014) 330 final.
4 COM(2015) 80 final.
5 See in detail Assessment of Impacts, page 36.

be a gradual process, bearing in mind security of supply and market considerations. Given the essential role that LNG is expected to play in securing alternative energy supplies in Europe, it is also crucial to supplement any gas imports prohibition with a measure that limits the provision of LNG terminal services to certain entities.

As outlined in the Roadmap of 6 May 2025, the Commission shall put forward systematic actions to remove the remaining imports of gas, oil and nuclear energy from the Russian Federation.

The Commission has carefully assessed the impact of a possible prohibition of Russian imports of natural gas and the provision of LNG terminal services to Russian entities. In fact, preparatory work and several detailed analyses of the consequences of a total phase out of Russian have been conducted and published since 2022[6], and the Commission could also rely on a multitude of studies from external experts and agencies. Building on the assessment of impacts[7] undertaken by the Commission as outlined in the Staff Working Document, the purpose of the proposed Regulation is to effectively contribute to removing the Union's dependencies and exposure to the significant risks for trade and energy security resulting from imports of gas and oil from the Russian Federation. The current remaining dependencies, if not addressed, could render the Union particularly vulnerable to potential unpredictable coercive actions of the Russian Federation.

The proposed Regulation seeks to decisively phase out pipeline gas and liquefied natural gas (LNG) originating in or exported directly or indirectly from the Russian Federation, thereby preventing their access to the Union market.

Considering that since 2022 most Member States and market participants have finalised their supply relations with the Russian Federation, the proposal for this Regulation entails a prohibition of gas imports under *new contracts* concluded after 17 June 2025 as of 1 January 2026. By the end of 2027, this Regulation imposes a complete cessation of imports under *existing contracts*. As set out in the Assessment of Impacts, the remaining gas volumes can then be phased out without significant economic impact or risks for security of supply, due to the availability of sufficient alternative suppliers on the gas world market, a well-interconnected Union gas market and the availability of sufficient import infrastructure. Therefore, this Regulation takes into account the complexity in phasing out imports under different types of contracts and proposes that the prohibition of imports under new contracts applies after entry into force of this Regulation.

Short-term contracts, that is contracts on individual or multiple natural gas supplies of a duration of less than one year, concern smaller volumes than the large multi-year supply contracts importers hold with Russian companies. These existing contracts will in any event be close to expiration when this Regulation will enter into force. Accordingly, the risk for economic security resulting from existing short term-contracts appears to be low. It is therefore appropriate to exempt existing short-term contracts from the immediate application

6 See for example Commission Staff Working Document Implementing the REPower EU Action Plan: Investment Needs, Hydrogen Accelerator and Achieving the Bio-Methane Targets, SWD(2022) 230 final, accompanying the Communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions, REPowerEU Plan, COM(2022) 230 final, 18 May 2022; and ENTSOG simulation (Security of Supply Simulation | ENTSOG). .

7 Which considers potential economic and security risks, and an analysis of legal considerations.

of the import prohibition, allowing for phase out until 17 June 2026. Importers holding long-term contracts may need more time to find alternative supply routes and sources, also as these usually concern significantly larger volumes than short-term contracts. A transition time is therefore introduced before the import prohibition will apply.

To effectively ensure the successful delivery of LNG imports from alternative reliable sources, it is crucial that LNG terminals within the Union make corresponding import capacity available to these suppliers. As a significant portion of LNG capacity in Europe is controlled by Russian entities, there is a risk that Russia may obstruct alternative imports from non-Russian suppliers through not releasing booked capacities even in case they are not used ('hoarding'), or other anti-competitive practices. To reinforce the ban on Russian natural gas imports, the proposed Regulation is making accessible the corresponding import capacity within LNG terminals to alternative suppliers by prohibiting the provision of LNG terminal services to customers from Russia or customers controlled by Russian undertakings from 1 January 2028. This measure will redirect terminal capacity to alternative suppliers, enhance energy market resilience, and address past issues of market distortion, price increases, and threats to security.

Unlike other goods, natural gas is a homogeneous commodity which is traded in large volumes and often resold multiple times between traders at wholesale level. For an effective implementation of the ban on Russian natural gas imports, the proposed Regulation introduces mechanisms to enhance the transparency, monitoring, and traceability of Russian gas within Union markets. Given the particular complexity of tracing the origin of natural gas, and with a view to the incentives Russian suppliers may have to circumvent the provisions of the proposed Regulation, importers of Russian gas would be obliged to provide customs authorities with all the necessary information to enable the application of the restrictions on gas imports from the Russian Federation. This Regulation should provide for an effective framework to establish the actual origin and the point of export of natural gas imported into the Union.

To bolster these efforts, customs authorities should foster an exchange of information with regulatory authorities, competent authorities, the Agency for the Cooperation of Energy Regulators (ACER) and the Commission to implement the provisions of this Regulation. Such cooperation would enable the effective monitoring of the implementation and compliance with the phase-out objectives. ACER should contribute with its expertise to the process of monitoring the implementation of this Regulation and publish a report providing an overview of contracts on the of Russian gas, and assessing the impact of diversification on energy markets.

The proposed Regulation sets a new transparency and monitoring framework through amendments to Article 14 of Regulation (EU) 2017/1938, requiring importers of Russian-origin natural gas to provide detailed contractual information to the Commission and national competent authorities. Experience during the gas crisis of 2022 and 2023 showed that comprehensive information on supply dependencies is crucial to assess security of gas supply in the Union in respect of gas from Russia. This Regulation therefore obliges importers of natural gas from Russia to submit all information to the Commission which is necessary to effectively evaluate possible risks for gas trade and supply security. This information should include key parameters of the relevant gas supply contracts, or even whole text parts, excluding price information, where this is necessary to understand the context of certain clauses or references to other provisions in the contract. Importers must report changes in contract terms immediately after regulatory adoption to facilitate accurate monitoring of

Russian gas entering the Union. When monitoring gas security of supply in the Union, the Commission should also take into account information on imports provided by customs authorities and information included in Member States' national diversification plans. Together with the enhanced cooperation with national customs authorities, this comprehensive dataset will enable the Commission to have all necessary information concerning the details of Russian supply contracts.

Experience with the announced phase out of natural gas supplies via Ukraine has shown that good preparation and coordination, in a spirit of solidarity, can effectively avoid market disruptions or security of supply problems potentially resulting from changing natural gas suppliers. To prepare for the full phase out of Russian gas in 2028 in a coordinated manner and to give the market sufficient time to anticipate the changes involved without risk for security of gas supply or a significant impact on energy prices, the proposed Regulation compels Member States to undertake a proactive role by developing and implementing national diversification plans geared towards phasing out Russian natural gas. These plans must delineate precise measures and establish milestones for the gradual elimination of direct or indirect Russian gas imports. The national diversification plans will allow the Commission to coordinate, and, where necessary, provide advice on diversification measures. The Commission's analysis of national diversification plans should culminate in a report and, if needed, recommendations for EU-wide measures to accelerate the reduction of dependence on Russian gas.

In addition to targeting gas imports, the proposed Regulation mandates that Member States also draft diversification plans to phase out Russian oil imports, aiming for information and coordination concerning the complete cessation of oil supplies by the end of 2027, as envisaged by the Versailles Declaration.

This unified approach signifies a comprehensive and common strategy, based on the principle of solidarity, aimed at severing energy dependencies from the Russian Federation in a coordinated way, thereby affirming the Union's commitment to an independent and resilient energy system.

- **Consistency with existing policy provisions in the policy area**

This proposal builds on the REPowerEU Communication of May 2022[8] and the Versailles Declaration of Heads of State and Government[9], which called for ending Europe’s dependency on Russian energy by enhancing energy efficiency and accelerating the deployment of renewable energy and diversifying supplies, and on the previous measures taken by the Union and its Member States on that basis. This proposal was announced in the Commission Communication on the Roadmap towards ending Russian energy imports of 6 May 2025 (‘REPower Roadmap’)[10].

Given the weaponised reductions in gas supplies and market manipulations by Russia, and the use of natural gas revenues to fund Russia's war efforts, pursuant to Articles 6(7) and 8(7) of Regulation (EU) 2024/1789 on the internal markets for natural gas, renewable gas and hydrogen, Member States may implement temporary, proportionate measures to restrict bidding capacity at gas entry points and LNG terminals by any single network user,

[8] COM(2022) 230 final.
[9] Versailles Declaration, 10 and 11 March 2022.
[10] COM(2025) 440 final.

specifically for deliveries from Russia and Belarus. These measures aim to protect essential security interests and can be renewed as needed but must align with international obligations, including Article XXI of the General Agreement on Tariffs and Trade (GATT).

Such measures should support the Union 's objectives to reduce dependency on Russian fossil fuels, as outlined in the REPowerEU plan. Prior to implementation, Member States must consult the Commission and other Member States liable to be affected, considering in particular possible impacts on security of supply at the EU level as well as for other Member States liable to be affected, in conformity with the principle of energy solidarity. The approach ensures an adequate and well-coordinated response to threats and continuity towards energy independence.

The proposed Regulation builds on these provisions of Regulation (EU) 2024/1789 and removes existing deficits of those provisions. However, such individual measures by Member States appear insufficient to address the overall problem of dependency on Russian gas imports. Therefore, the proposed Regulation should impose a better coordinated import ban at EU level. Indeed, while Articles 6(7) and 8(7) of Regulation (EU) 2024/1789 allow Member States to take certain individual actions to prevent LNG or pipeline imports of Russian gas into their territory, the provisions do not provide for a common and coordinated framework of such measures. National measures to limit Russian are different in scope and content, notably with respect to the applicable measures to prevent circumvention. This lack of coordination involves risks for fragmentation of the internal market. This proposal should remove these risks by providing clear rules on obligations for importers and exchange of information between all involved authorities.

Dependencies on Russia do not only exist in the field of gas imports. As set out in detail in the REPower Roadmap, Russia also supplies various nuclear materials to the Union, which exposes the sector of nuclear energy production and other nuclear sectors to similar economic security risks as the as in the field of natural gas. However, products supplied by Russia in the nuclear sector are technically complex, covering natural, converted and enriched uranium, nuclear fuel assemblies, spare parts and maintenance services and medical radioisotopes. Also the legal basis for measures in the nuclear sector is partly different from the legal basis of this Regulation. It is therefore appropriate to decouple the legislative proposals for gas/oil measures and for measures in the nuclear sector.

This proposal is also aligned with the Commission's proposal presented on 28 January 2025, and recently endorsed by the European Parliament, to impose tariffs on fertilisers and certain agricultural products originating in Russia and Belarus, seeking to reduce the Union's dependency on those imports[11]. The proposed measures pertaining to the Union's common commercial policy, aim at significantly reducing Union imports of the goods concerned, whether they originate in Russia and Belarus, or are exported directly or indirectly by them. It is expected that the imposition of import tariffs will result in further diversification of Union fertiliser production.

More generally, the proposed Regulation pursues the objective of enhancing, in the field of energy supply, the Union's economic security. Thus, it is consistent with and builds on the

[11] Proposal for a Regulation of the European Parliament and of the Council on the modification of customs duties applicable to imports of certain goods originating in or exported directly or indirectly from the Russian Federation and the Republic of Belarus, COM(2025) 34 final 2025/0021 (COD).

European Economic Security Strategy[12] and measures taken in that framework, in particular the Commission's proposals to:

further strengthen the protection of the Union security and public order by proposing improved screening of foreign investment into the Union[13];

stimulate discussions and action for more European coordination in the area of export controls, in full respect of existing multilateral regimes and Member States' prerogatives[14];

consult Member States and stakeholders to identify potential risks stemming from outbound investments in a narrow set of technologies[15];

promote further discussions on how to better support research and development involving technologies with dual-use potential[16];

a Council recommendation for measures aimed at enhancing research security at national and sector level[17].

- **Consistency with other Union policies**

The proposed import ban of natural gas originating in or exported directly or indirectly from the Russian Federation, and accompanying measures in the proposal on the better monitoring of Russian energy imports, are consistent with the restrictive measures taken by the Union following the Russia's military aggression against Ukraine. Therefore, the import ban of natural gas and the accompanying measures in the proposed Regulation for both natural gas and oil comply with Article 21(3) of the Treaty on European Union that requires consistency between different areas of the Union's external action and between these and its other policies. It is also compliant with Article 207(1) of the Treaty on the Functioning of the European Union (TFEU) that provides that the common commercial policy is to be conducted in the context of the principles and objectives of the Union's external action.

2. LEGAL BASIS, SUBSIDIARITY AND PROPORTIONALITY

- **Legal basis**

The legal bases for the proposal are Article 207and 194(2) TFEU. Article 207 TFEU is the legal basis for the proposed trade measures under the Union's common commercial policy prohibiting natural gas imports originating in or exported directly or indirectly from the Russian Federation as well as prohibiting to provide services in EU LNG terminals to customers from the Russian Federation or controlled by persons of the Russian Federation. The measures listed in this proposal concerning (i) the submission of relevant information by natural gas importers and exchange of that information among relevant national authorities in Member States and the Commission, (ii) the establishment by Member States of diversification plans to phase out Russian natural gas and oil, and (iii) the enhancement of transparency on supply contracts for Russian natural gas, by amending Regulation (EU) 2017/1938, have Article 194(2) TFEU as a legal basis.

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12 JOIN(2024) 20 final.
13 COM(2024) 23 final.
14 COM(2024) 25 final.
15 COM(2024) 24 final.
16 COM(2024) 27 final.
17 COM(2024) 26 final.

- **Subsidiarity (for non-exclusive competence)**

The common commercial policy is, in accordance with Article 3(1), point (e), TFEU, defined as an exclusive Union competence, therefore the subsidiarity principle does not apply.

The other measures in this proposed Regulation concerning natural gas, that are to be adopted under Article 194(2) TFEU, such as (i) the submission of relevant information by natural gas importers and exchange of that information among relevant national authorities in Member States and the Commission, (ii) the establishment by Member States of diversification plans to phase out Russian natural gas, and (iii) the enhancement of transparency on supply contracts for Russian natural gas, are necessary to for the effective implementation of the EU import ban on Russian natural gas. The same applies to the establishment and monitoring of national diversification plans for oil also to be adopted under Article 194(2) TFEU, which need to be coordinated at Union level to achieve the objective of phasing out Russian oil in an effective and coordinated manner.

- **Proportionality**

This proposal complies with the principle of proportionality. The proposed measures are suitable and necessary to achieve the objectives pursued and do not impose any burden on businesses and Member States that is out of proportion with these objectives.

The core measure proposed is a prohibition of gas imports based on new contracts concluded after 17 June 2025 by 1 January 2026, and a ban of the remaining imports based on existing contracts by 17 June 2026 for gas under short-term contracts and by the end of 2027 for those under long-term contracts. A complete ban on Russian natural gas imports clearly is suitable to achieve the objective of ending the Union’s dependency on such imports. As outlined in this explanatory memorandum, all other measures taken so far by the Union and its Member States since February 2022, while having successfully mitigated some of the effects of the energy crisis caused by Russia’s full-scale invasion of Ukraine, have proven not to be sufficient to fully achieve that objective, as evidenced by the still significant volumes of Russian natural gas imported into the Union. A full import ban is therefore necessary to achieve the objective of ending the Union’s dependency on Russian gas imports. Given the serious risks for the Union’s security of energy supply and, ultimately, the overall economic security and autonomy of the Union, the measure’s impact on the affected Member States and gas undertakings is also not out of proportion to that objective. In addition, those impacts are mitigated by the phasing-in of the import ban, which initially only affects new contracts, while imports based on existing long-term contracts are allowed to continue until the end of 2027.

The prohibition to provide services in Union LNG terminals to customers from the Russian Federation as of 1 January 2026 is suitable and necessary to achieve the objective of ensuring that LNG terminals within the Union make corresponding import capacity available to alternative suppliers, enhance market resilience and address past issues of market distortion, price increases and threats to security. Given the importance of those objectives, this measure’s impact on LNG terminal providers and customers is also not out of proportion to those objectives.

The accompanying measures:

(i) the submission of relevant information by natural gas importers and exchange of that information among relevant national authorities in Member States and the Commission,

(ii) the establishment by Member States of diversification plans to phase out Russian natural gas, and

(iii) the enhancement of transparency on supply contracts for Russian natural gas,

are suitable and necessary for an effective implementation and monitoring of the gas import ban from Russia and, given the above-described stakes involved, do not impose burdens on Member States and gas undertakings that are out of proportion to the objective pursued.

Finally, the proposed obligation for Member States to develop and present national diversification plans for the phase out of Russian oil imports by the end of 2027 is a suitable, necessary and proportionate means to facilitate the phase out in those Member States benefiting from derogations to existing EU sanctions on Russian oil imports.

- **Choice of the instrument**

Given the need for a binding, directly applicable act, as well as the necessity to act swiftly in response to an imminent threat to the Union's security of energy supply, a regulation is the only adequate instrument to ensure the effectiveness and efficiency of the proposed measures aiming to phase out Russian gas imports to the Union in a coordinated Union-wide manner.

3. RESULTS OF EX-POST EVALUATIONS, STAKEHOLDER CONSULTATIONS AND IMPACT ASSESSMENTS

- **Ex-post evaluations/fitness checks of existing legislation**

Not applicable.

- **Stakeholder consultations**

Not applicable.

- **Collection and use of expertise**

Not applicable.

- **Impact assessment**

The impact of a phase out of Russian gas on EU energy markets and the wider economy has been analysed intensively by the Commission since the first supply interruptions by Russia. The results of the comprehensive analyses concerning the measures listed in the proposed Regulation are summarised in Assessment of Impacts accompanying this proposal.

- **Regulatory fitness and simplification**

Not applicable.

- **Fundamental rights**

This proposal may affect certain fundamental rights enshrined in the Charter of Fundamental Rights of the European Union, in particular the right to conduct a business (Article 16) and the right to property (Article 17). However, as explained above, the proposed limitations of those fundamental rights are necessary and proportionate in view of the objective of general interest pursued and respect the essence of those rights. The measures therefore comply with the requirements for such limitations set out in Article 52(1) of the Charter.

4. BUDGETARY IMPLICATIONS

The legislative financial statement sets out the budgetary implications of the proposed Regulation in greater detail.

5. OTHER ELEMENTS

• **Implementation plans and monitoring, evaluation and reporting arrangements**

By 1 March 2026, Member States should develop national diversification plans with concrete actions and timelines for ceasing imports of Russian natural gas and oil supplies in accordance with the proposed Regulation.

Customs authorities and involved national competent authorities should monitor the implementation of the import prohibition of Russian natural gas and obligations set out under the proposed Regulation. They should exchange all information necessary to assess whether the import ban and related obligations are complied with.

The Commission shall assess the implementation of this Regulation and progress in the phase out of gas from the Russian Federation based on the information received. Such assessment should be published in an annual report.

• **Explanatory documents (for directives)**

Not applicable.

• **Detailed explanation of the specific provisions of the proposal**

Article 1 outlines the subject matter and scope of the proposed Regulation.

Article 2 defines the terms used throughout the text, thus supporting the clarity of the measures outlined in the proposed Regulation.

Article 3 establishes a prohibition on natural pipeline gas imports as well as on LNG imports from the Russian Federation as of 1 January 2026. The prohibition is applicable to such goods originating in or exported, directly or indirectly, from the Russian Federation.

Article 4 allows for exceptions from the immediate prohibition as of 1 January 2026. For short-term supply contracts concluded before 17 June 2025 the prohibition shall apply only as of 17 June 2026. In the case of gas quantities under long-term supply contracts concluded before 17 June 2025, the prohibition is applicable as of 1 January 2028. The volumes subject to the transition phase are limited to the contracted quantities.

Article 5 establishes a prohibition to provide long-term terminal services in EU LNG terminals to entities from the Russian Federation or controlled by persons from the Russian Federation as of 1 January 2026. The prohibition applies to LNG terminal services concluded or amended after 17 June 2025.

Article 6 establishes a transition phase of the prohibition for long-term LNG terminal services contracts concluded before 17 June 2025. In the case of services provided under these long-term contracts, the prohibition is applicable as of 1 January 2028.

Article 7 sets an obligation for importers of gas from the Russian Federation to provide Member States customs authorities all the necessary information for the implementation of

Articles 3 and 4 of the proposed Regulation. The Article includes a list of elements that should be provided, although customs authorities are entitled to request further information. The Article also establishes a rebuttable presumption on the Russian origin of imports by a list of interconnection points.

Article 8 establishes an obligation for providers of LNG terminal services to share information with customs authorities to enable the implementation of Articles 5 and 6 of the proposed Regulation.

Article 9 establishes an obligation for customs authorities involved competent authorities and regulatory authorities to monitor the implementation of Articles 3 to 6 of the proposed Regulation. It requires cooperation among authorities of different Member States, ACER or the Commission where necessary.

Article 10 defines the obligation of customs authorities to exchange information received from the importers of gas from the Russian Federation with the Commission and other Member States' authorities. Such cooperation would allow the assessment of the implementation of Articles 3 to 6 of the proposed Regulation.

Article 11 requires Member States to establish a diversification plan in view of the phase out of all gas imports from the Russian Federation by 31 December 2027. The national diversification plans shall include information on (i) the volumes of gas imports under existing contracts and the LNG terminal services booked by companies from the Russian Federation, (ii) measures in place or planned to replace remaining Russian gas imports, including alternative supplies and supply routes, and (iii) potential technical or regulatory barriers for the phase out and options to overcome those.

The national diversification plans should be communicated to the Commission by 1 March 2026, at the latest, on the basis of the template provided for in Annex I.

Article 12 requires those Member States importing oil from the Russian Federation to establish a diversification plan in view of a phase out of oil imports from the Russian Federation by 31 December 2027. The national diversification plans shall include information on (i) the volumes of direct or indirect oil imports from the Russian Federation under existing contracts, (ii) measures in place or planned to steer the phase out, and (iii) potential technical or regulatory barriers for the phase out and options to overcome those.

The national diversification plans should be communicated to the Commission by 1 March 2026, at the latest, on the basis of the template provided for in Annex II. The Commission may issue a recommendation, after an assessment, to the relevant Member State in the case a risk of not achieving the deadline for the phase out is identified.

Article 13 strengthens the existing monitoring framework of security of gas supply by amending Regulation (EU) 2017/1938. It requires importers of gas from the Russian Federation to provide detailed contractual information to the Commission and national competent authorities. The information should include quantities to be supplied and taken, including flexibilities under take-or-pay or deliver-or-pay provisions, the conclusion date, contract duration, contracted gas quantities with upward or downward flexibility rights, and the identities of the contract partners, gas producer, and country of production. For LNG imports, the port of first loading should be noted, along with delivery points and possible flexibilities regarding these points. Additionally, delivery schedules or nominations, possible contractual flexibilities concerning annual quantities, and conditions for suspension or termination of deliveries, including force majeure provisions, should be outlined. The governing law and chosen arbitration mechanism should also be specified, as well as key elements of other relevant commercial agreements.

The Article sets an obligation for providers of LNG terminals to communicate the Commission with relevant information concerning the services booked by customers from the Russian Federation.

The Commission shall assess the implementation of the proposed Regulation and progress in the phase out of gas from the Russian Federation based on the information received, including the national diversification plans pursuant Article 11 of the proposed Regulation. Such assessment should be published in an annual report.

Article 14 subjects any confidential information received under the proposed Regulation to be treated under a standard of professional secrecy, notably to ensure the confidentiality, integrity and protection of the information received.

Article 15 establishes an obligation for the Commission to effectively monitor the development of the energy market and any security of supply risks in relation to imports from the Russian Federation. In case a risk occur, appropriate action shall be taken, including by amending the Regulation.

Article 16 sets the date of the entry into force of the proposed Regulation.

2025/0180 (COD)

Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on phasing out Russian natural gas imports, improving monitoring of potential energy dependencies and amending Regulation (EU) 2017/1938

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Articles 194(2) and 207 thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee[18],

Having regard to the opinion of the Committee of the Regions[19],

Acting in accordance with the ordinary legislative procedure,

Whereas:

(1) The unlawful full-scale invasion of Ukraine by the Russian Federation in February 2022 revealed the dramatic consequences of the existing dependencies on Russian natural gas on markets and security. In their Versailles Declaration of 11 March 2022, Heads of States therefore agreed to gradually decrease and eventually fully remove the dependency on Russian energy. The REPowerEU Communication of 8 March 2022[20] and the REPowerEU Plan of 18 May 2022[21] proposed concrete measures to allow the full diversification away from Russian energy imports in a safe, affordable and sustainable manner. Significant progress in the process to diversify gas supplies away from Russia was achieved since then. As the remaining volumes of Russian natural gas entering the Union are still significant, the Commission announced in its REPower Roadmap towards ending Russian energy imports of 6 May 2025 a legislative proposal to fully phase out Russian gas imports and to improve the existing framework for energy dependencies.

(2) Multiple examples of unannounced and unjustified supply reductions and interruptions already before the full-scale military invasion of Ukraine, and the weaponisation of energy by the Russian Federation since then, show that the Russian Federation systematically used existing dependencies on Russian gas supplies to harm the

[18] OJ C, …

[19] OJ C, …

[20] Communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions, REPowerEU: Joint European Action for more affordable, secure and sustainable energy, COM(2022) 108 final, 8 March 2022.

[21] Communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions, REPowerEU Plan, COM(2022) 230 final, 18 May 2022.

Union’s economy. This leads to serious negative effects on Member States and the Union’s economic security in general. The Russian Federation and its energy companies can therefore no longer be considered reliable energy trading partners by the Union.

(3) In January 2006, Russia stopped its natural gas supplies to Bulgaria and other countries in South East Europe in the middle of a cold spell, driving up prices increases and causing or threatening harm to citizens. On 6 January 2009, Russia again fully cut off gas transiting through Ukraine, affecting 18 Member States, especially those in Central and Eastern Europe. The supply disruption led to serious disturbances of gas markets in the region and the whole of the Union. Some Member States had zero natural gas flows for nearly 14 days, forcing lasting shutdowns of heating in schools and factories, and requiring them to declare the state of emergency. In 2014, the Russian Federation invaded and illegally annexed Crimea, ceased Ukrainian gas production assets in Crimea and reduced gas supplies to several Member States which had announced to supply Ukraine with gas, leading to market disturbances and price increases and harming economic security. In the past, Russia’s State-controlled monopoly exporter Gazprom has been the subject to several Commission investigations for a possible breach of the EU competition rules and has subsequently modified its conduct on the market to address the Commission’s competition concerns.[22] Gazprom. The competition issues at stake concerned, in several cases, so-called ‘territorial restrictions’ in Gazprom’s gas supply contracts, prohibiting the resale of gas outside the own country[23], as well as evidence that Gazprom was engaged in unfair pricing practices and made energy supplies dependent on political concessions from participation in Russian pipeline projects or acquiring control over Union energy assets.

(4) Russia’s unprovoked and unjustified war against Ukraine since February 2022 and subsequent weaponised reductions of gas supplies in conjunction with the manipulation of the markets through intentional disruptions of gas flows have laid bare vulnerabilities and dependencies in the Union and its Member States, with the clear potential of a direct and serious impact on the functioning of the Union gas market, the Union’s economy and its essential security interests, as well as direct harm to Union citizens because energy supply disruptions can harm citizens’ health or life. Evidence shows that the State-controlled company Gazprom intentionally manipulated the Union’s energy markets in order to drive up energy prices. Large underground storages in the Union controlled by Gazprom were left at an unprecedent low level, and Russian companies reduced sales at Union gas hubs[24] and fully discontinued the use of their own sales platform before the invasion, affecting short-term markets and

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22 see Commission Decision C(2018) 3106 final of 24 May 2018 relating to a proceeding under Article 102 of the Treaty on the Functioning of the European Union (TFEU) and Article 54 of the EEA Agreement, Case AT.39816 – Upstream Gas Supplies in Central and Eastern Europe; https://ec.europa.eu/competition/antitrust/cases/dec_docs/39816/39816_10148_3.pdf.

23 See for the competition investigations concerning territorial restrictions between 2003 and 2005 see:
ec.europa.eu/commission/presscorner/detail/en/ip_05_710;
ec.europa.eu/commission/presscorner/detail/en/ip_03_1345;
ec.europa.eu/commission/presscorner/detail/en/ip_05_195;
for the investigation in the Gazprom II case, see Commission Decision C(2018) 3106 final of 24 May 2018 relating to a proceeding under Article 102 of the Treaty on the Functioning of the European Union (TFEU) and Article 54 of the EEA Agreement, Case AT.39816 – Upstream Gas Supplies in Central and Eastern Europe.

24 ACER “European gas market trends and price drivers 2023 - Market Monitoring Report” (para. 28).

aggravating the already tight supply situation after Russia's unlawful invasion of Ukraine. As of March 2022, Russia systematically halted or reduced deliveries of natural gas to Member States, leading to significant disturbances on the Union gas market. This affected notably the supplies to the Union via the Yamal pipeline, the supplies to Finland as well as the Nord Stream 1 pipeline, where Gazprom first reduced flows and eventually shut supplies via the pipeline entirely.

(5) Russia's weaponisation of gas supply and market manipulation through intentional disruptions of gas flows led to skyrocketing energy prices in the Union, reaching unprecedented levels, up to eight times above the average of previous years, in 2022. The resulting need to find alternative gas supply sources, to change supply routes, to fill storages for the winter, and to find solutions for congestion problems in the Union's gas infrastructure contributed to high price volatility and the unprecedented price hikes in 2022.

(6) The exceptionally high gas prices translated into high electricity prices and price increases for other energy products, leading to sustained high inflation. A deep economic crisis with negative growth rates in many Member States, caused by the high energy prices, endangered the economy of the Union, undermined consumer purchasing power and raised the cost of manufacturing, particularly in energy, leading to risks for social cohesion and stability, and even to human life or health. The supply interruptions also led to very seriously problems for the security of energy supply in the Union and forced eleven Member States to declare an energy crisis level under Regulation (EU) 2017/1938 of the European Parliament and of the Council[25]. Benefitting from the Union's dependency during that crisis, Russia's manipulations of the market allowed it to achieve record-high profits from remaining energy trade with Europe, with revenues from gas imports accounting still for EUR 15bn in 2024. Those revenues could be used to finance further economic attacks against the Union, undermining economic security. They could also be used to finance the war of aggression against the Ukraine which constitutes a major threat to political and economic stability in Europe.

(7) The recent crisis provided evidence that trustful trade relations with partners supplying energy products are crucial to preserve market stability, to protect human life and health as well as the essential security interests of the Union, not the least because the Union depends to a large extent on energy imports from third countries. Maintaining energy supplies from Russia would expose the Union to continued economic and security risks; it would therefore not increase but decrease its supply security. Even dependencies on smaller import volumes of Russian gas can, if abused by Russia, significantly distort the price dynamic, even if just temporarily, and disrupt energy markets, especially in those regions which are still significantly reliant on imports from Russia. Taking into account the long standing and consistent pattern of market manipulations and supply disruptions, and the fact that the Russian government has consistently used gas trade as a weapon to achieve policy instead of trade goals, it is therefore appropriate to take measures to address the continued vulnerability of the Union resulting from natural gas imports both via pipelines and liquified natural gas (LNG) with the Russian Federation.

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[25] Regulation (EU) 2017/1938 of the European Parliament and of the Council of 25 October 2017 concerning measures to safeguard the security of gas supply and repealing Regulation (EU) No 994/2010 (OJ L 280, 28.10.2017, p. 1, ELI: http://data.europa.eu/eli/reg/2017/1938/oj).

(8) The restrictions on international transactions provided for in Articles 3 and 5 of this Regulation are consistent with the Union's external action in other areas, as required by Article 21(3) of the Treaty on European Union (TEU). The state of relations between the Union and the Russian Federation has greatly deteriorated in recent years and particularly since 2022. That deterioration of relations is due to the Russian Federation's blatant disregard for international law and, in particular, its unprovoked and unjustified war of aggression against Ukraine. Since July 2014, the Union has progressively imposed restrictive measures on trade with the Russian Federation in response to the Russian Federation's actions against Ukraine. The Union is allowed, by virtue of the exceptions that apply under the Agreement Establishing the World Trade Organization, and in particular Article XXI of the General Agreement on Tariffs and Trade 1994 (security exceptions) and analogous exceptions under the Agreement on Partnership and Cooperation with the Russian Federation, not to accord to goods imported from the Russian Federation the advantages granted to like products imported from other countries (most-favoured-nation treatment). Therefore, the Union is not prevented from imposing prohibitions or restrictions on the import of goods of the territory of the Russian Federation, if the Union considers such measures, taken in time of the existing emergency in international relations between the Union and the Russian Federation, to be necessary for the protection of the Union's essential security interests.

(9) Diversifying LNG import capacity is essential for strengthening and maintaining energy security within the Union. A significant portion of that capacity is controlled by Russian companies via long-term contracts of more than 10 years, creating a risk that the capacity rights reserved in those contracts could be used to obstruct imports from alternative sources through capacity hoarding practices. Similar practices could make Union energy markets subject to the prolonged influence of Russian companies, which have previously demonstrated a significant capacity to distort markets in the Union, using existing dependencies. Past instances of gas storage hoarding have further led to substantial market distortions, increased prices, and threats to critical security measures[26]. Given the essential role that LNG is expected to play in securing alternative energy supplies in the it is essential to complement the gas import ban with a prohibition on providing LNG terminal services to Russian entities. To assist Member States in ending their dependency on Russian gas supplies, and to ensure the effective delivery of LNG imports from alternative sources, it is important to avoid that the necessary import infrastructure can be blocked by Russian customers of LNG terminal services. The provision of long-term LNG terminal services to entities from Russia or controlled by Russian should be therefore prohibited as of 1 January 2026. Those provided under a contract concluded before 17 June 2025, should be prohibited as of 1 January 2028. This should enable the reallocation of terminal capacity to alternative LNG suppliers and strengthen the resilience of the energy market in the Union.

(10) The Commission has carefully assessed the impact on the Union and on its Member States of a possible prohibition of Russian imports of natural gas and of the provision of LNG terminal services to Russian entities. In fact, preparatory work and several detailed analyses of the consequences of a total phase out of Russian gas have been

[26] See Assessment of Impact, page 4.

conducted and published since 2022[27], and the Commission could also draw upon a multitude of consultations with stakeholders, external experts and agencies, and studies on the effects of the phase out of Russian gas. The Commission's analysis showed that a phase out of Russian natural gas imports, if introduced in a stepwise, coordinated and well-prepared manner in a spirit of solidarity, is likely to have limited impact on energy prices in the Union, and that it will enhance and not endanger the Union's security of supply, due to the exit of an unreliable trading partner from the Union markets. As set out in the REPower Roadmap, the implementation of the REPowerEU Plan has already reduced supply dependencies from Russia, for instance by measures to reduce gas demand or to accelerate the deployment of renewable energy sources, as well as active support to diversification of energy supplies and the increase of the EU bargaining power via Joint gas purchasing. The Assessment of Impact also showed that upfront coordination of diversification policies can avoid harmful effects on prices or supplies[28].

(11) The proposed Regulation is fully compatible with the Union's strategy to reduce its reliance on fossil fuels imports by enhancing decarbonisation and rapidly expanding domestically produced clean energy. As set out in the REPower Roadmap, the implementation of the REPowerEU Plan has already resulted in substantial gas savings of more than 60 billion cubic meters annually in gas imports between 2022 and 2024, allowing the Union to reduce supply dependencies from Russia. This could be achieved by measures to reduce gas demand or to accelerate the green transition by an accelerated deployment of wind and solar generation capacity, which significantly increased the share of renewables in the energy mix, as well as by active support to diversification of energy supplies and the increase of the EU bargaining power via joint gas purchasing. Moreover, the full implementation of the energy transition, the recent Action Plan for Affordable Energy and other measures, notably investments in the production of low-carbon alternatives for energy intensive products, such as fertilisers, are expected to replace up to 100 bcm of natural gas by 2030. This will facilitate the phase out of gas imports from the Russian Federation.

(12) In line with the Versailles Declaration and the REPowerEU Communication, a large number of gas importers have already terminated or significantly reduced their gas supplies from Russia. As set out in the Assessment of Impacts, the remaining gas volumes under *existing* supply contracts can, be phased out without significant economic impact or risks for security of supply, due to the availability of sufficient alternative suppliers on the gas world market, a well-interconnected Union gas market and the availability of sufficient import infrastructure[29].

(13) Short-term contracts, that is contracts on individual or multiple natural gas supplies of a duration of less than one year, concern smaller volumes than the large multi-year supply contracts importers hold with Russian companies. These existing contracts will in any event be close to expiration when this Regulation will enter into force. Accordingly, the risk for economic security resulting from existing short term-

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[27] See, for example, Commission Staff Working Document Implementing the REPower EU Action Plan: Investment Needs, Hydrogen Accelerator and Achieving the Bio-Methane Targets, SWD(2022) 230 final, accompanying the Communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions, REPowerEU Plan, COM(2022) 230 final, 18 May 2022.

[28] See Assessment of Impacts, page 35.

[29] See Assessment of Impact, pages 15 to 36.

contracts appears to be low. It is therefore appropriate to exempt existing short-term contracts from the immediate application of the import allowing for a transition phase until 17 June 2026.

(14) An exemption from the prohibition of gas imports as of 1 January 2026 should also be granted for existing long term supply contracts. Indeed, importers holding long-term contracts will usually need more time to find alternative supply routes and sources than short-term contract holders, also as long-term contracts usually concern significantly larger volumes over time than short-term contracts. A transition time should therefore be introduced to give holders of long-term contracts sufficient time to diversify their supplies in an orderly manner.

(15) Some landlocked countries which are currently still supplied under existing long-term supply contracts for Russian pipeline gas are specifically affected by recent changes of supply routes from the Russian Federation, due to limited or no alternative routes for the transport of the contracted gas to them. To remedy the situation, suppliers from other Member States currently ensure the delivery of pipeline gas under short-term supply contracts with suppliers from the Russian Federation via uncongested interconnection points. Due to this very specific situation, the transition time necessary to find new suppliers should also apply to those short-term supply contracts with suppliers from the Russian Federation which serve to supply landlock countries affected by changes of supply routes for Russian gas.

(16) While it appears justified to exempt existing "legacy" contracts from the immediate application, not all contracts entered into before the entry into force of this Regulation should benefit from such exemption. Indeed, there may be an incentive by Russian suppliers to use the time between the publication of this proposal until the entry into force of the ban to increase current supplies, by concluding new contracts, increasing volumes by changing existing contracts or using flexibilities under existing contracts. In order to ensure that imports from Russia do not increase but decrease as a result of the proposed Regulation, measures should be included in the Regulation to avoid a "rush" for new Russian gas imports in the time between the adoption of this proposal and the entry into force of the ban. Indeed, the commitment from Heads of State to phase out gas supplies was already made in March 2022; it was renewed in the REPowerEU Strategy, the REPowerEU Plan and the REPowerEU Roadmap. At the latest with the publication of the proposal for this Regulation, it is no longer appropriate consider contracts concluded after that date as "legacy" contracts. Contracts concluded after 17 June 2025 should therefore not benefit from the exceptional transition provisions for existing short and long-term contracts.

(17) In order to avoid that import volumes provided for in existing supply contracts are increased and not decreased, amendments to existing supply contracts should be considered as new contracts for the purposes of this Regulation, and increases of import volumes by using contractual flexibilities should not benefit from the transition period.

(18) This Regulation creates a clear legal prohibition to import Russian natural gas, constituting a sovereign act of the Union beyond the control of gas importers and rendering the performance of natural gas imports from Russia unlawful, with direct legal effect and without any discretion for Member States concerning its application.

(19) Unlike other goods, natural gas is a homogeneous commodity which is traded in large volumes and often resold multiple times between traders at wholesale level. Taking into account the particular complexity of tracing the origin of natural gas, and bearing

in mind that Russian suppliers might seek to circumvent this Regulation, for example by sales via intermediaries, via transshipments or transport through other countries, this Regulation should provide for an effective framework to establish the actual origin and the point of export of natural gas imported into the Union.

(20) In particular, importers of natural gas should be obliged to provide customs authorities with all information necessary to establish the origin and the point of export of natural gas imported into the Union and to decide whether the imported gas falls under the general prohibition or one of its exceptions. As the contractual conditions determining the elements relevant for the assessment of the customs authorities are often complex, customs authorities should be given the power to ask importers for detailed contract information, including entire supply contracts, excluding price information, where this is necessary to understand the context of certain clauses or references to other contractual provisions. The Regulation should include rules to ensure an effective protection of business secrets of concerned undertakings.

(21) Customs authorities should cooperate with regulatory authorities, competent authorities, the Agency for the Cooperation of Energy Regulators (ACER) and the Commission to implement the provisions of this Regulation and exchange relevant information, notably when it comes to the assessment of exemptions allowing imports of Russian natural gas after 1.1.2026. Customs authorities, regulatory authorities, competent authorities and ACER should have the necessary tools and databases in place to ensure that relevant information can be exchanged between national authorities and authorities in different Member States where necessary. ACER should contribute with its expertise to the process of monitoring the implementation. To facilitate the creation of the necessary interoperable joint information systems, the Commission and Member States may explore possibilities to make use of budget under the Internal Security Fund (ISF). Customs authorities should notify regulatory authorities, the national competent authority and the Commission on a monthly basis regarding key elements concerning the development of imports of Russian gas (such as quantities imported under long-term or short-term contracts, entry points, or contract partners).

(22) Russia is a major gas exporter and has not played any noticeable role as gas transit country in the past. This is due to several factors, such as the lack of regasification infrastructure, the organisation of gas trade in Russia via a pipeline export monopoly, business models of Russian gas companies which are not based on organising transits, or Russia's geographical location. Therefore, imports of natural gas arriving via interconnection points between the Russian Federation and the Union are usually originating in, or exported directly or indirectly from the Russian Federation. The same consideration applies to gas imported via interconnection points between the Union and Serbia, as Serbia can, for technical reasons, only export gas of Russian origin towards the Union. Therefore, and taking into account incentives of Russian suppliers to circumvent the import ban, customs authorities should, where gas is imported via Russian or Serbian entry points, require clear and unambiguous equivocal evidence to prove the non-Russian origin or the point of export of the gas. The submitted documents should allow the traceability of the imported gas up to the place of production.

(23) Experience with the announced phase out of gas supplies via Ukraine has shown that good preparation and coordination in a spirit of solidarity can effectively avoid market disruptions or security of supply problems potentially resulting from changing gas suppliers. To prepare for the full phase out of Russian gas in 2028 in a coordinated

manner and to give the market sufficient time to anticipate the changes involved without risk for security of gas supply or a significant impact on energy prices, Member States should prepare national diversification plans and present them by 1 March 2026. Those plans should describe intended measures at national or regional level to reduce demand, foster renewable energy production and ensure alternative supplies, as well as possible technical or regulatory barriers which may complicate the diversification process. As the diversification process may require coordination of measures at national, regional or Union level, the Commission should assess the national diversification plans, with the possibility to issue recommendations suggesting adaptations where necessary.

(24) In their Versailles Declaration, the Heads of Member States committed not only to phase out natural gas supplies from Russia, but also other energy supplies, notably oil supplies. While restrictive measures to ensure the phase out of oil imports from Russia are already in place, and oil imports have decreased significantly, a further phase out of Russian oil may require specific preparatory steps and coordination with neighbours. Member States should therefore prepare national diversification plans also for oil, with a possibility for the Commission to provide recommendations on those plans.

(25) Experience during the gas crisis of 2022 and 2023 has shown that showed that comprehensive information on the supply situation and possible supply dependencies is crucial to monitor gas supply in the Union. Therefore importers of Russian gas making use of the exemptions laid down in this Regulation should submit to the Commission all information which is necessary to effectively evaluate possible risks for gas trade. That information should include key parameters, or even whole text parts, of the relevant gas supply contracts, excluding price information, where this is necessary to understand the context of certain clauses or references to other provisions in the contract. When monitoring gas supply in the Union, the Commission should also take into account information on imports provided by customs authorities and information included in national diversification plans. The Commission should regularly inform the Gas Coordination Group established by Regulation (EU) 2017/1938 about the phase-out process at the Union level and submit an annual report on the Russian gas phase-out, which may be accompanied by specific Union recommendations and actions to accelerate the phase-out process.

(26) Member States and Union should cooperate closely in the implementation of this Regulation. With a view to the recent practice of the Russian Federation to unilaterally change agreed court and arbitration procedures in a manner not compatible with international customary law or bilateral investment treaties entered between Member States and Russia, it follows from international law that affected companies and Member States cannot be held liable for any judgments, arbitral awards, including investor-State arbitral awards, or other judicial decisions adopted under procedures which are illegal under international customary law or under a bilateral investment treaty, and against which the person or Member State concerned does not have effective access to the remedies under the relevant jurisdiction. With respect to financial responsibilities concerning possible investor-to-state dispute settlement resolution cases, reference is made, to Regulation (EU) 912/2014[30], where applicable.

[30] Regulation (EU) No 912/2014 of the European Parliament and of the Council of 23 July 2014 establishing a framework for managing financial responsibility linked to investor-to-state dispute

(27) The Union has created a robust legal framework to ensure security of gas supply at all times, and to deal with possible supply crises in a coordinated manner, including obligations on Member States to provide for effective and operational solidarity to neighbours in need of gas. The Commission should constantly monitor the development of market risks for gas supply resulting from gas trade with Russia at Union, regional and Member State level. In case of sudden and significant developments, which seriously threaten the security of supply of one or more Member States, it is appropriate to empower the Commission to take the necessary emergency measures by authorising one or more Member States not to apply the import prohibitions concerning natural gas or LNG imports set out in this Regulation. Such an authorisation should be limited in time and the Commission implementing decision may impose certain additional conditions, to ensure that any suspension is strictly limited to addressing the threat. The Commission should closely monitor the application of any such temporary authorisation.

(28) The proposed measures fully reflect the principle of energy solidarity. Indeed, the level of exposure to Russian gas imports differs between Member States, and many Member States have already taken measures to phase out Russian gas. The proposal for this Regulation will ensure an EU-wide harmonised approach to the phase out of Russian gas, preserving solidarity between Member States.

(29) Since the objectives of this Regulation relating to the monitoring of possible gas dependencies cannot be sufficiently achieved by the Member States in a coordinated manner and without risk of market fragmentation, but can be better and more efficiently 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.

(30) In view of the importance for the Union to phase out further economic dependence of the Union on gas imports from the Russian Federation without any delay, this Regulation should enter into force on the day following that of its publication in the *Official Journal of the European Union*,

HAVE ADOPTED THIS REGULATION:

CHAPTER I

GENERAL PROVISIONS

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settlement tribunals established by international agreements to which the European Union is party, *OJ L 257, 28.8.2014, p. 121*.

Article 1

Subject matter

This Regulation provides a framework for effectively removing the Union's exposure to the significant risks for trade and security, resulting from gas trade with the Russian Federation by laying down:

(a) a stepwise prohibition of imports of natural gas from the Russian Federation and of the provision of LNG terminal services;

(b) rules to effectively implement and monitor that prohibition as well as the phase out of oil imports from Russia;

(c) provisions to better assess the security of energy supplies in the Union.

Article 2

Definitions

For the purpose of this Regulation, the following definitions shall apply:

(1) 'natural gas' means natural gas as defined in Article 2, point (1), of Directive (EU) 2024/1788 of the European Parliament and of the Council[31] and as referred to in Combined Nomenclature (CN) codes 2711 11 00 and 2711 21 00;

(2) 'LNG' means liquefied natural gas as referred to in CN code 2711 11 00;

(3) 'natural gas in gaseous state' means natural gas as referred to in CN code 2711 21 00;

(4) 'long-term supply contract' means a contract for the supply of natural gas, excluding a natural gas derivative, exceeding one year;

(5) 'short-term supply contract' means a contract for the supply of natural gas, excluding a natural gas derivative, not exceeding one year;

(6) 'landlocked country' means a country that is entirely surrounded by land and has not direct access to the sea;

(7) 'importer' means a natural or legal person who has the power to determine and has determined that natural gas from a third country is to be brought into the customs territory of or otherwise placed on the Union market;

(8) 'customs authority' means a customs authority as defined in Article 5, point (1), of Regulation (EU) No 952/2013 of the European Parliament and of the Council[32];

[31] Directive (EU) 2024/1788 of the European Parliament and of the Council of 13 June 2024 on common rules for the internal markets for renewable gas, natural gas and hydrogen, amending Directive (EU) 2023/1791 and repealing Directive 2009/73/EC (OJ L, 2024/1788, 15.7.2024, ELI: http://data.europa.eu/eli/dir/2024/1788/oj).

(9) ‘competent authority’ means a competent authority as defined in Article 2, point (7), of Regulation (EU) 2017/1938 of the European Parliament and of the Council[33];

(10) ‘regulatory authority’ means a regulatory authority designated in accordance with Article 76(1) of Directive (EU) 2024/1788;

(11) ‘control’ means control as defined in Article 2, point (55), of Directive (EU) 2024/1788;

(12) ‘long-term LNG terminal services’ means services provided by LNG system operators to customers, in particular offloading, storage, sending out, berthing (loading and unloading), regassification, backhaul liquefaction, truck loading, bunkering of LNG, and including ancillary services and temporary storage necessary for the re-gasification process and subsequent delivery to the transmission system under contracts with a duration of more than one year;

(13) ‘interconnection point’ means an interconnection point as defined in Article 2, point (63), of Directive (EU) 2024/1788;

(14) ‘entry point’ means an entry point as defined in Article 2, point (61), of Directive (EU) 2024/1788;

(15) ‘virtual trading point’ means virtual trading point as defined in Article 2, point (59), of Directive (EU) 2024/1788;

(16) ’contracted quantities’ means the quantities of natural gas that the buyer or the importer is obligated to purchase and the seller or the exporter is obligated to provide, as specified in the supply contract, excluding volumes arising from adjustments to the contract, such as make-up quantities, shortfall recoveries, or other volumetric modifications under the terms of the contract; for long-term supply contracts, it means the annual contracted quantities;

(17) ‘make-up quantities’ mean the volumes of natural gas which a purchaser or the importer is entitled or obligated to take delivery of and pay for in subsequent periods, in compliance with minimum take-or-pay requirements and in order to compensate for any shortfall in the quantities contracted but not taken in prior periods, as provided for in a long-term supply contract;

(18) ‘delivery schedule’ means the timetable or plan agreed between the parties to a gas supply contract, specifying the quantities of gas to be delivered by the seller or the exporter and received by the buyer or the importer over defined time intervals, including the timing, location, and conditions of delivery, as set forth in a supply contract or any related operational procedures;

(19) ‘nomination’ means a nomination as defined in Article 2, point (8), of Regulation (EU) 2024/1789 of the European Parliament and of the Council[34];

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32 Regulation (EU) No 952/2013 of the European Parliament and of the Council of 9 October 2013 laying down the Union Customs Code (OJ L 269, 10.10.2013, p. 1, ELI: http://data.europa.eu/eli/reg/2013/952/oj).

33 Regulation (EU) 2017/1938 of the European Parliament and of the Council of 25 October 2017 concerning measures to safeguard the security of gas supply and repealing Regulation (EU) No 994/2010 (OJ L 280, 28.10.2017, p. 1, ELI: http://data.europa.eu/eli/reg/2017/1938/oj).

34 Regulation (EU) 2024/1789 of the European Parliament and of the Council of 13 June 2024 on the internal markets for renewable gas, natural gas and hydrogen, amending Regulations (EU) No

(20) ‘oil’ means crude oil, natural gas liquids, refinery feedstocks, additives and oxygenates and other hydrocarbons and oil products falling under CN codes 2709 and 2710.

CHAPTER II

STEPWISE BAN OF NATURAL GAS IMPORTS FROM THE RUSSIAN FEDERATION

Article 3

Prohibition of natural gas imports from the Russian Federation

1. The import of natural gas in gaseous state via pipelines, which originates in or is exported directly or indirectly from the Russian Federation, shall be prohibited as of 1 January 2026 unless one of the exceptions in Article 4 applies.

2. The import of LNG, which originates in or is exported directly or indirectly from the Russian Federation, shall be prohibited as of 1 January 2026, unless one of the exceptions in Article 4 applies.

Article 4

Transition phase for existing supply contracts

1. Where the importer can demonstrate to customs authorities that imports of natural gas referred to in Article 3 are executed under a short-term supply contract concluded before 17 June 2025, and not amended thereafter, Article 3 shall apply as of 17 June 2026.

2. Where the importer can demonstrate to customs authorities that imports of natural gas referred to in Article 3 are:

(a) executed under a short-term supply contract with delivery to an interconnection point with a landlocked country and,

(b) that a long-term supply contract with delivery at the virtual trading point of that landlocked country for the import of natural gas in gaseous state via pipelines exists, which originates in or is exported directly or indirectly from the Russian Federation, and which was concluded before 17 June 2025 and not amended thereafter,

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1227/2011, (EU) 2017/1938, (EU) 2019/942 and (EU) 2022/869 and Decision (EU) 2017/684 and repealing Regulation (EC) No 715/2009 (OJ L, 2024/1789, 15.7.2024, ELI: http://data.europa.eu/eli/reg/2024/1789/oj); ENTSOG, Security of Supply Simulation | ENTSOG.

Article 3 shall apply as of 1 January 2028.

3. Where the importer can demonstrate to customs authorities that imports of natural gas referred to in Article 3 are executed under a long-term supply contract concluded before 17 June 2025, and not amended thereafter, Article 3 shall apply as of 1 January 2028.

4. The quantities of imports made in accordance with paragraphs 1 and 2 shall not exceed the contracted quantities.

Article 5

Prohibition to provide LNG long-term terminal services to Russian customers

The provision of long-term LNG terminal services in the EU to entities established in the Russian Federation or entities controlled by natural persons or legal entities established in the Russian Federation shall be prohibited as of 1 January 2026.

Article 6

Transition phase for LNG terminal services under existing contracts

Where the provider of long-term LNG terminal services can demonstrate to customs authorities that those services are provided under a contract concluded before 17 June 2025 and not amended thereafter, Article 5 shall apply as of 1 January 2028.

CHAPTER III

SUBMISSION AND EXCHANGE OF RELEVANT INFORMATION

Article 7

Submission of relevant information by importers

1. Importers of natural gas shall provide customs authorities with all relevant information necessary to implement Articles 3 and 4, in particular appropriate evidence to verify whether the natural gas originates in or is exported directly or indirectly from the Russian Federation.

For the purposes of application of Article 4, importers of natural gas shall provide customs authorities and other authorities involved in the monitoring pursuant to Article 9 and 10, with appropriate evidence to assess whether the conditions set out in that Article are met.

2. The information referred to in paragraph 1 shall include at least all of the following:

(a) the date of the conclusion of the gas supply contract;

(b) the duration of the gas supply contract;

(c) the contracted gas quantities, including all upward or downward flexibility rights;

(d) the identity of the parties to the gas supply contract, including, for parties registered in the EU, the Economic Operator Registration and Identification (EORI) number;

(e) the producer of the gas and the country of production, and, as appropriate, the country where the gas was further processed;

(f) for LNG imports, the port of first loading;

(g) the delivery points, including possible flexibilities concerning the delivery point.

(h) any modification of the gas supply contract, indicating content and date of the modification, with the exception of modifications which relate solely to the gas price;

3. Customs authorities or other authorities involved in the monitoring pursuant to Article 9 and 10, may request more detailed information, except price information, if the required information is necessary to assess whether the conditions set out in Article 3 and 4 are fulfilled. Customs authorities may, in particular, require importers to submit the text of certain provisions of the gas supply contract in full or the text of entire gas supply contract, except price information, especially where certain contractual provisions are interrelated, or where the full knowledge of the formulation of the contractual provisions is crucial for the

assessment. In case customs authorities consider that the evidence provided is not conclusive, they may refuse the release for free circulation of the goods.

4. Natural gas entering to the Union through the following interconnection points shall be presumed to be exported directly or indirectly from the Russian Federation, unless the importer can provide unambiguous evidence to customs authorities that the imported natural gas originates in a country other than the Russian Federation that has been in transit through the Russian Federation.

(a) Imatra (FI/RU);

(b) Narva (EE/RU);

(c) Värska (EE/RU);

(d) Luhamaa (LV/RU);

(e) Šakiai (LT/RU);

(f) Kotlovka (LT/BY);

(g) Kondratki (PL/BY);

(h) Wysokoje (PL/BY);

(i) Tieterowka (PL/BY);

(j) Kobryń (PL/BY);

(k) Greifswald (DE/RU);

(l) Strandzha 2 (BG)/Malkoclar (TR) – TurkStream

(m) Kiskundorozsma-2 (HU) / Horgos (RS)

(n) Kiskundorozsma (HU/RS)

(o) Kireevo (BG) / Zaychar (RS)

(p) Kalotina (BG)/ Dimitrovgrad (RS)

Article 8

Submission of relevant information by providers of LNG terminal services

Providers of LNG terminal services to customers established in the Russian Federation or controlled by natural persons or legal entities established in the Russian Federation shall provide customs authorities with relevant information for the implementation of Articles 5 and 6.

Article 9

Effective monitoring

Customs authorities, and, where relevant, competent authorities and regulatory authorities and the Agency for the Cooperation of Energy Regulators (ACER), shall ensure effective monitoring of the provisions in Chapter II, if necessary by making full use of their enforcement powers, and cooperate closely with relevant national authorities, authorities from other Member States, ACER or the Commission.

Article 10

Exchange of information

Customs authorities shall exchange the information received from natural gas importers with regulatory authorities, competent authorities, ACER and the Commission to the extent necessary to ensure effective assessment whether the conditions set out in Articles 3 to 6 of this Regulation are fulfilled. Customs authorities from different Member States shall exchange information received from natural gas importers to the extent necessary, and cooperate with each other in order to avoid circumvention. They shall make use of existing tools and databases allowing that relevant information can be effectively exchanged between national authorities in their Member State and authorities in other Member States, or put such tools in place where necessary.

By 31 August 2026 and 31 August 2027, ACER shall, based on the data received under this Regulation and own information, publish a report providing an overview of contracts on the supply of gas originating in or directly or indirectly exported from Russia, and assessing the impact of diversification on energy markets.

The Commission and ACER shall share relevant information on contracts on the import of Russian gas in their possession with customs authorities where appropriate to facilitate the enforcement of this Regulation.

CHAPTER IV

NATIONAL DIVERSIFICATION PLANS

Article 11

National diversification plans for natural gas

1. Member States shall establish a diversification plan describing measures, milestones and potential barriers to diversify their gas supplies, to discontinue all imports of natural gas which originates in or is exported directly or indirectly from the Russian Federation within the deadline for the full prohibition of Russian imports on 1 January 2028.

2. The national diversification plan for natural gas shall include all the following:

(a) available information on the volume of imports of natural gas which originates in or is exported directly or indirectly from the Russian Federation under existing supply contracts, as well as on LNG terminal services contracted by natural or legal persons established in the Russian Federation, where applicable;

(b) a clear description of measures in place and planned at national level to replace natural gas which originates in or is exported directly or indirectly from the Russian Federation, including the quantities expected to be phased out, milestones and timeline of implementation and, insofar as available, envisaged options for alternative supplies and supply routes. Such measures may notably include the use of the Aggregate EU Platform pursuant to Article 43 of Directive (EU) 2024/718, support measures for diversification efforts of energy companies, cooperation in regional groups such as the CESEC High-Level Group, identifying alternatives to natural gas imports via electrification, energy efficiency measures, boosting the production of biogas, biomethane and clean hydrogen, renewable energy deployment or voluntary demand reduction measures;

(c) identification of any potential technical, contractual or regulatory barriers to replace natural gas which originates in or is exported directly or indirectly from the Russian Federation, and options to overcome those barriers.

3. By 1 March 2026, Member States shall notify the Commission of their national diversification plans using the template set out in Annex I.

4. The Commission shall facilitate the preparation and implementation of the national diversification plans for natural gas where appropriate. Member States shall report regularly to the Gas Coordination Group established by Article 4 of Regulation (EU) 2017/1938 on the progress achieved with the preparation, adoption and implementation of those plans. On the basis of the national diversification plans, the Commission shall assess the implementation of the phase out of Russian gas and report it to the Gas Coordination Group, as per Article 13 of this Regulation.

Article 12

National diversification plans for oil

1. Where Member States receive imports of oil originating in or exported directly or indirectly from the Russian federation, they shall establish a diversification plan describing measures, milestones and potential barriers to diversify their oil supplies, to discontinue, by 1 January 2028, imports of oil which originates in or is exported directly or indirectly from the Russian Federation.

2. The national diversification plan for oil shall include all the following:

(a) available information on the volume of direct or indirect imports of oil imports from Russia under existing supply contracts;

(b) measures planned at national level to replace oil which originates in or is exported directly or indirectly from the Russian Federation, including the quantities expected to be phased out, milestones and timeline of implementation, and options for alternative supplies and supply routes;

(c) potential technical or regulatory barriers to replace oil which originates in or is exported directly or indirectly from the Russian Federation, and options to overcome those barriers.

3. By 1 March 2026, Member States shall notify the Commission of their national diversification plans in accordance with / using the template set out in Annex II.

4. The Commission shall facilitate the preparation and implementation of the national diversification plans for oil where appropriate. Member States shall report regularly to the Oil Coordination Group established by Article 17 of Council Directive 2009/119/EC[35] on the progress achieved with the preparation, adoption and implementation of those national diversification plans.

5. Where the national diversification plan for oil identifies a risk that the objective of phasing out Russian oil by 1 January 2028 may not be achieved, the Commission may issue a recommendation, after assessing the plan, to the respective Member State on how to achieve the phase out in a timely manner. Following that recommendation, the Member State shall update its diversification plan within three months, taking into consideration the Commission's recommendation.

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[35] Council Directive 2009/119/EC of 14 September 2009 imposing an obligation on Member States to maintain minimum stocks of crude oil and/or petroleum products (OJ L 265, 9.10.2009, p. 9, ELI: http://data.europa.eu/eli/dir/2009/119/oj).

CHAPTER V

MONITORING OF SECURITY OF GAS SUPPLY

Article 13

Amendments to Regulation (EU) 2017/1938

Regulation (EU) 2017/1938 is amended as follows:

(1) in Article 2, the following points (32) and (33) are added:

‘(33) ‘take-or-pay provision’ means a contractual provision which obliges the buyer to either take delivery of, or alternatively pay for a specified minimum quantity of gas within a given period, regardless of whether the gas is actually received;

(34) deliver-or-pay provisions’ means a contractual provision which obliges the seller to pay a contractual fine in case of non-delivery of gas.’;

(2) Article 14(6) is amended as follows:

(a) in the first subparagraph, the following point (c) is added:

‘(c) to the Commission and to the concerned competent authority the following information relating to supply contracts for natural gas which originates in or is exported directly or indirectly from the Russian Federation:

(i) the information referred to in Article 7(2) of Regulation (EU) XX/2025 - this Regulation;

(ii) information on quantities to be supplied and taken, including possible flexibilities under *take-or-pay* provisions or deliver-or-pay provisions;

(iii) delivery schedules (LNG) or nominations (pipeline gas);

(iv) possible contractual flexibilities concerning the annual contracted quantities, including make-up quantities;

(v) conditions for the suspension or termination of gas deliveries, including force majeure provisions;

(vi) information on which law is governing the contract and which arbitration mechanism is chosen;

(vii) key elements of other commercial agreements that are relevant for the execution of the gas supply contract, excluding price information.';

(b) the following third and fourth subparagraphs are added:

'The information referred to in point (c) shall be provided for each contract in a disaggregated format, including the full relevant text parts, excluding price information, notably where the full knowledge of the formulation of the contractual provisions is crucial for the security of supply assessment or where certain contractual provisions are interrelated.

Providers of LNG terminal services shall provide the Commission with information concerning services booked by customers from the Russian Federation,' customers controlled by undertakings from the Russian Federation, including contracted services, affected quantities and contract duration.';

(3) in Article 17, the second paragraph is replaced by the following:

'The Commission shall carry a continuous monitoring of an exposure of the Union's energy system to Russian gas supplies, notably on the basis of information notified to competent authorities pursuant to Article 14(6), point (c).

The Commission shall assess the implementation of the phase out of Russian gas pursuant to Regulation (EU) XX/2025 at national, regional and Union level on the basis of the national diversification plans pursuant to Article 11 of that Regulation. This assessment shall be reported to the Gas Coordination Group.

On the basis of the conclusions of the assessment referred to in the third paragraph, the Commission shall publish an annual report, which shall provide a comprehensive overview of the progress achieved by Member States in implementing their national diversification plans.

Where relevant, the report referred to in the fourth paragraph may be accompanied by a Commission recommendation which identifies possible actions and measures to ensure secure supply diversification and a timely phase out of Russian gas.

The Member States concerned shall update their national diversification plan within three months, taking into consideration the Commission's recommendation.'.

CHAPTER VI

FINAL PROVISIONS

Article 14

Professional secrecy

1. Any confidential information received, exchanged, or transmitted pursuant to this Regulation shall be subject to the conditions of professional secrecy laid down in this Article.

2. The obligation of professional secrecy shall apply to all persons who work or who have worked for authorities involved in the implementation of this Regulation or any natural or legal person to whom the relevant authorities have delegated its powers, including auditors and experts contracted by the competent authorities.

3. Information covered by professional secrecy shall not be disclosed to any other person or authority except by virtue of provisions laid down by Union or national law.

4. All information exchanged between the relevant authorities under this Regulation that concerns business or operational conditions, and other economic or personal affairs shall be considered confidential and shall be subject to the requirements of professional secrecy, except where the competent authority states at the time of communication that such information may be disclosed or where such disclosure is necessary for legal proceedings.

Article 15

Monitoring and review

The Commission shall continuously monitor the development of the Union's energy market, notably with respect to potential gas supply dependencies or other security of supply risks in relation to energy imports from the Russian Federation. In the case of sudden and significant developments, seriously threatening the security of supply of one or more Member States, the Commission may authorise one or more Member States to temporarily suspend the application of Chapter Two of this Regulation, in whole or in part. The Commission decision may contain certain conditions, in particular, to ensure that any suspension is strictly limited to addressing the threat.

Article 16

Entry into force

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

Done at Strasbourg,

The President

EUROPEAN
COMMISSION

Strasbourg, 17.6.2025
COM(2025) 828 final/2

ANNEXES 1 to 3

Annule et remplace la version envoyée précédemment

ANNEXES

to the

PROPOSAL FOR A REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on phasing out Russian natural gas imports, improving monitoring of potential energy dependencies and amending Regulation (EU) 2017/1938

{SWD(2025) 830 final}

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ANNEX I

1. TEMPLATE FOR NATIONAL DIVERSIFICATION PLANS FOR NATURAL GAS

This template is designed for national authorities drafting a national diversification plan as provided for in Article 11. It shall include the following:

General information

Name of the authority responsible for the preparation of the plan	
Description of the gas system. It should include a description of: (i) the gas demand; (ii) the supply mix considering the dependence on Russian supply.	

Main information about the import of gas which originates in or is exported directly or indirectly from the Russian Federation to the Member State

Reference of the individual contracts as communicated by the importers to the competent authorities and the Commission.	
LNG terminal services booked by companies from the Russian Federation	
Overall contracted quantities of Russian gas for delivery in the Member State. Include contractual flexibilities and point of delivery (interconnection point, import point, LNG terminal, etc).	

Description of the measures to replace natural gas which originates in or is exported directly or indirectly from the Russian Federation.

3.1. The description shall include the following elements:

Diversification options: (i) alternative supplies; (ii) alternative supply routes; (iii) demand aggregation.	
Description of the measure and its objectives, including quantities expected to be phase out and intermediate steps in case of a multi-stage measure.	
Implementation timeline	
Impact of the measures to the energy system, including on flow patterns, infrastructure capacities, tariffs, etc.	
Impact on neighbouring Member States.	

Technical or regulatory barriers to replace gas which originates in or is exported directly or indirectly from the Russian Federation.

Technical and regulatory barriers	
Options to overcome barriers and timeline	

Category	Replacement of volumes for the phase out[1]
Information required	Description of measures in place and planned at national level to replace the remaining volumes of natural gas originated in or exported directly or indirectly from the Russian Federation (i) quantities expected to be phased out by each measure, (ii) implementation timeline (start-end), (iii) options for alternative supplies and supply routes
Pipeline gas	
LNG	

1 Such measures may include the use of the Aggregate EU Platform pursuant to Article 42 of Regulation (EU) 2024/1789, [*The reference seems to be incorrect, please check and correct*] support measures for diversification efforts of energy companies, cooperation in regional groups such as the Central and South-Eastern Europe Energy Connectivity (CESEC) High-Level Group, identifying alternatives to natural gas imports via electrification, energy efficiency measures, boosting the production of biogas, biomethane and clean hydrogen, renewable energy deployment or voluntary demand reduction measures.

ANNEX II

2. TEMPLATE FOR NATIONAL DIVERSIFICATION PLANS FOR OIL

This template is designed for national authorities drafting a detailed national diversification plan as provided for in Article 12. It shall include:

General information

Name of the authority responsible for the preparation of the plan	
Description of the oil system. It should include a description of: (i) the oil demand; (ii) the supply mix considering the dependence on Russian supply.	

Main information about the import of oil which originates in or is exported directly or indirectly from the Russian Federation to the Member State

Overall contracted quantities of Russian oil for delivery in the Member State. Include expiry date of contractual obligations.	
Information about the identity of the different stakeholders (seller, importer, and buyer).	

Description of the measures to replace oil which originates in or is exported directly or indirectly from the Russian Federation.

The description shall include the following elements:

Diversification options: (i) alternative supplies;	

(ii) alternative supply routes.	
Description of the measure and its objectives, including quantities expected to be phased out and intermediate steps in case of a multi-stage measure.	
Implementation timeline	
Impact of measures to the energy system, including on flow patterns, infrastructure capacities, tariffs, etc.	
Impact on neighbouring Member States.	

Technical or regulatory barriers to replace oil which originates in or is exported directly or indirectly from the Russian Federation.

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1. FRAMEWORK OF THE PROPOSAL/INITIATIVE

1.1. Title of the proposal/initiative

Proposal for a Regulation of the European Parliament and of the Council on phasing out Russian gas imports and improving monitoring of potential energy dependencies and amending Regulation (EU) 2017/1938

1.2. Policy area(s) concerned

Energy policy, customs policy, trade policy

1.3. Objective(s)

1.3.1. General objective(s)

The main objective of this legislative proposal is to phase out of Russian energy imports, specifically on gas and oil, with the objective to reduce Europe's dependency on fossil fuels and to accelerate the transition to clean energy sources. The phase out of Russian gas imports must be completed by 2027.

The Russian Federation has systematically proven to be an unreliable partner, weaponising gas and manipulating energy markets, for instance by hoarding capacities in natural gas infrastructure, to the detriment of the Union's essential international security interests. Hence, the remaining Russian gas imports pose significant risks to the Union's security of energy supply with harmful economic and societal consequences. Against this background and considering that further payments of EUR 23 billion/year for Russian energy imports endanger the Union's security, it is necessary to take additional measures to eliminate these imports, recognising that a complete phase out of energy supplies from the Russian Federation has to be a gradual process, bearing in mind security of supply and market considerations.

1.3.2. Specific objective(s)

The purpose of the proposed Regulation is to effectively contribute to removing the Union's dependencies and exposure to the significant risks for trade and energy security resulting from imports of gas and oil from the Russian Federation. The current remaining dependencies, if not addressed, could render the Union particularly vulnerable to potential unpredictable coercive actions of the Russian Federation.

The proposed Regulation seeks to decisively phase out pipeline gas and liquefied natural gas (LNG) originating in or exported directly or indirectly from the Russian Federation, thereby preventing their access to the Union market. The proposed Regulation establishes a prohibition on natural pipeline gas imports as well as on LNG imports from the Russian Federation as of 1 January 2026

To reinforce the ban on Russian natural gas imports, the proposed Regulation establishes that starting 1 January 2026, entities from the Russian Federation or controlled by Russian persons are prohibited from obtaining long-term LNG terminal services in the EU for contracts made or amended after 17 June 2025, with contracts established prior to this date facing the prohibition from 1 January 2028. This would make accessible the corresponding import capacity to alternative suppliers within EU LNG terminals.

For an effective implementation of the ban on Russian gas imports, the proposed Regulation introduces mechanisms to enhance the transparency, monitoring, and traceability of Russian gas within the Union markets. With this objective, importers of Russian gas would be obliged to provide customs authorities with the necessary information to enable the application of the restrictions on gas imports from the Russian Federation. To bolster these efforts, customs authorities should foster an exchange of information with regulatory authorities, competent authorities, the Agency for the Cooperation of Energy Regulators (ACER) and the Commission.

To prepare for the full phase out of Russian gas in 2028 in a coordinated manner and to give the market sufficient time to anticipate the changes involved without risk for security of gas supply or a significant impact on energy prices, the proposed Regulation compels Member States to undertake a proactive role by developing and implementing national diversification plans geared towards phasing out Russian natural gas. These plans must delineate precise measures and establish milestones for the gradual elimination of direct or indirect Russian gas imports. Together with the enhanced cooperation with national customs authorities, this comprehensive dataset will enable the Commission to fill existing gaps concerning details of Russian supply contracts. The national diversification plans will allow the Commission to coordinate, and, where necessary, provide advice on diversification measures. The Commission's analysis of national diversification plans should culminate in a report and, if needed, recommendations for EU-wide measures to accelerate the reduction of dependence on Russian gas.

To fill existing gaps concerning details of Russian supply contracts, the proposed Regulation foresees a new transparency and monitoring framework requiring importers of Russian-origin natural gas to provide detailed contractual information to the Commission and to national competent authorities. When monitoring gas security of supply in the Union, the Commission should also take into account information on imports provided by customs authorities and information included in Member States' national diversification plans.

The proposed Regulation mandates that Member States also draft diversification plans to phase out Russian oil imports, aiming for information and coordination concerning the complete cessation of oil supplies by the end of 2027, as envisaged by the Versailles Declaration.

1.3.3. Expected result(s) and impact

This unified approach signifies a comprehensive strategy aimed at severing energy dependencies from the Russian Federation, thereby affirming the Union's commitment to an independent and resilient energy system. More generally, the proposed regulation pursues the objective of enhancing, in the field of energy supply, the Union’s economic security.

1.3.4. Indicators of performance

Moreover, by 1 March 2026, Member States should develop national diversification plans with concrete actions and timelines for ceasing imports of Russian natural gas and oil supplies in accordance with the proposed Regulation.

When it comes to the national diversification plans for natural gas, Member States should include (i) available information on the volume of imports of natural gas which originates in or is exported directly or indirectly from the Russian Federation under existing supply contracts, as well as on LNG terminal services contracted by natural or legal persons established in the Russian Federation, where applicable; (ii) a clear description of measures in place and planned at national level to phase out natural gas which originates in or is exported directly or indirectly from the Russian Federation, including the quantities expected to be phased out, milestones and a timeline for their implementation and envisaged options for alternative supplies and supply routes. Such measures may include the use of the Aggregate EU Platform, support measures for diversification efforts of energy companies, cooperation in regional groups such as the CESEC High-Level Group, identifying alternatives to natural gas imports via electrification, energy efficiency measures, boosting the production of biogas, biomethane and clean hydrogen, renewable energy deployment or voluntary demand reduction measures; (iii) identification of any potential technical or regulatory barriers to replace natural gas which originates in or is exported directly or indirectly from the Russian Federation and options to overcome these.

Moreover, customs authorities and national competent authorities should monitor the implementation of the import prohibition of Russian natural gas and obligations set out under this Regulation. They should exchange all information necessary to assess whether the import ban and related obligations are complied with, so to be able to evaluate possible risks for gas trade and supply security.

The Commission shall assess the implementation of the proposed Regulation and progress in the phase out of gas from the Russian Federation based on the information received. Such assessment should be published in an annual report.

1.4. The proposal/initiative relates to:

✠ a new action

☐ a new action following a pilot project / preparatory action[2]

☐ the extension of an existing action

☐ a merger or redirection of one or more actions towards another/a new action

1.5. Grounds for the proposal/initiative

1.5.1. Requirement(s) to be met in the short or long term including a detailed timeline for roll-out of the implementation of the initiative

Considering that since 2022 most Member States and market participants have finalised their supply relations with the Russian Federation, this proposed Regulation entails a prohibition on gas imports under new contracts concluded after [17 June 2025] as of 1 January 2026.

By 1 March 2026, Member States should develop national diversification plans delineating precise measures and establishing milestones for the gradual elimination of direct or indirect gas imports from the Russian Federation..

Such plans are supposed to help preparing the Member States for the full phase out of Russian gas in 2028 in a coordinated manner, to give the market sufficient time to anticipate the changes involved without risk for security of gas supply or a significant impact on energy prices.

[2] As referred to in Article 58(2), point (a) or (b) of the Financial Regulation.

1.5.2. Added value of EU involvement (it may result from different factors, e.g. coordination gains, legal certainty, greater effectiveness or complementarities). For the purposes of this section 'added value of EU involvement' is the value resulting from EU action, that is additional to the value that would have been otherwise created by Member States alone.

Reasons for action at EU level (ex-ante): The Russian war of aggression against Ukraine has had a significant negative impact on the Union's economy. The conflict has severely disrupted global supply chains, triggered substantial increases in energy prices, and introduced considerable volatility into the markets. As a result, the Union's trade relations with Russia have been substantially impaired.

Expected generated EU added value (ex-post): In response to Russia's aggression against Ukraine in February 2022 and in line with the Versailles Declaration of Heads of State and Government, the Commission launched the REPowerEU Plan in May 2022. The Union was able to reduce Russian gas imports from 2021 to 2023 by over 70% from 150 bcm to 43 bcm, and energy prices have significantly gone down from the 2022 peaks. Against this background and considering that further payments of EUR 15 billion/year for Russian gas imports endanger the Union's security, it is necessary to take additional measures to eliminate these imports, recognising that a complete phase out of energy supplies from the Russian Federation has to be a gradual process, bearing in mind security of supply and market considerations.

1.5.3. Lessons learned from similar experiences in the past

The energy sector has been profoundly affected as Russia exploited Union's reliance on its energy exports to the Union as a means of exerting coercion and manipulation. The reliance on Russian energy imports rendered the Union and Member States vulnerable to disruptions and price fluctuations, which have had a far-reaching impact on the entire economy. The elevated energy prices eroded the competitiveness of EU industries, ultimately undermining the Union's economic stability and growth prospects.

Russia has a history of threatening the EU's security of supply by unilaterally cutting gas flows to Europe as it happenend in 2006, 2009 and 2014, the intentional reduction of gas flows and storage filling levels ahead of Russia's full-scale invasion of Ukraine in the autumn of 2021 followed by the cut of gas supplies in 2022.

The Russian Federation and its energy companies can therefore no longer be considered reliable energy trading partners by the Union.

The impact of Russia's weaponisation of energy goes beyond energy security of supply and seriously harmed the Union's economy as a whole. Energy prices were the most important driver of inflation, which at its peak reached levels above 10% in 2022. The Union energy system suffered serious repercussions, which trickled down to the retail markets and final consumers as the Union's economy is reliant on stable and predictable energy supplies.

For these reasons, the purpose of the proposed Regulation is to effectively contribute to removing the Union's dependencies and exposure to the significant risks for trade and energy security resulting from imports of gas and oil from the Russian Federation. The current remaining dependencies, if not addressed, could render the Union particularly vulnerable to potential unpredictable coercive actions of the Russian Federation.

1.5.4. Compatibility with the multiannual financial framework and possible synergies with other appropriate instruments

The proposed legislation is completely aligned with the Multiannual Financial Framework (MFF) in recongising the negative impact of the illegal war of Russian aggression against Ukraine which has brought war back to European soil with a devastating effect on different dimensions, including energy. This proposal is offering a set of measures necessary aiming to tackle the increased geopolitical instability and the crisis circumstances in which we have been living over the past years.

It is also in line with the evident need to significantly increase investments to foster long-term competitiveness. Accelerating Europe's twin transition provides the opportunity for the Union to regain leadership in key sectors through smart public and private investment in strategic sectors, while preserving a level playing field in the single market and thereby cohesion. This is also important against the background of current strategic dependencies, the ongoing demographic change and to ensure affordable access to energy.

The EU budget is the ultimate EU tool to underpin common action at EU level, preserving the integrity of the Single Market, securing economies of scale, effectiveness, convergence, solidarity and passing a clear political message that the EU stands together in the face of challenges. For all the reasons above, this legislative packgage perflectly fits within this solid and well-established framework.

1.5.5. Assessment of the different available financing options, including scope for redeployment

The proposed Regulation will require budgetary support when it comes to additional job posts in DG ENER to monitor its correct implementation (including potential missions abroad). It is estimated that three additional job posts (Contractual Agents FGIV level) should be planned to adequately deal with the mornitoring and assessment tasks that this Regulation is proposing. It would be important to keep into consideration the possibility for Commission's officials to travel abroad to explain and promote the messages of the proposed Regulation, while ensuring its correct implementation. The financing is planned to stay within the current EU budgetary framework.

Furthermore, the proposed Regulation foresees the support from ACER in the assessment and monitoring of the phase out of gas from the Russian Federation. ACER shall therefore be granted additional tasks, namely on monitoring of Russian contracts and in assisting the Commission and national authorities, for which it will need additional human resources. These resources can be covered by redeploying staffs originally granted to ACER in fullfilling the tasks assigned to the Agency by the Market Correction mechanisms regulation (c.f LFS for Proposal for a COUNCIL REGULATION Establishing a market correction mechanism to protect citizens and the economy against excessively high prices COM/2022/668 final).

Considering that monitoring of correct importing practices of natural gas will likely continue beyond 2027 and the possibility that DG ENER will have to deal with litigation cases deriving from the proposed Regulation, DG ENER may consider requesting additional human resources once the new Multiannual Financial Framework is adopted.

1.6. Duration of the proposal/initiative and of its financial impact

☐ **limited duration**

✠ in effect from 2025 to 2027

☐ financial impact from YYYY to YYYY for commitment appropriations and from YYYY to YYYY for payment appropriations.

☐ **unlimited duration**

Implementation with a start-up period from YYYY to YYYY,

followed by full-scale operation.

1.7. Method(s) of budget implementation planned

✠ **Direct management** by the Commission

✠ by its departments, including by its staff in the Union delegations;

☐ by the executive agencies

☐ **Shared management** with the Member States

☐ **Indirect management** by entrusting budget implementation tasks to:

☐ third countries or the bodies they have designated

☐ international organisations and their agencies (to be specified)

☐ the European Investment Bank and the European Investment Fund

☐ bodies referred to in Articles 70 and 71 of the Financial Regulation

☐ public law bodies

☐ bodies governed by private law with a public service mission to the extent that they are provided with adequate financial guarantees

☐ bodies governed by the private law of a Member State that are entrusted with the implementation of a public-private partnership and that are provided with adequate financial guarantees

☐ bodies or persons entrusted with the implementation of specific actions in the common foreign and security policy pursuant to Title V of the Treaty on European Union, and identified in the relevant basic act

☐·bodies established in a Member State, governed by the private law of a Member State or Union law and eligible to be entrusted, in accordance with sector-specific rules, with the implementation of Union funds or budgetary guarantees, to the extent that such bodies are controlled by public law bodies or by bodies governed by private law with a public service mission, and are provided with adequate financial guarantees in the form of joint and several liability by the controlling bodies or equivalent financial guarantees and which may be, for each action, limited to the maximum amount of the Union support.

Comments

None.

2. MANAGEMENT MEASURES

2.1. Monitoring and reporting rules

The proposed measure is focussed on policy actions, monitoring, reporting and does not foresee any revenue or expenditure management, only the recruitment of additional human resources (Contract Agent FGIV level).

2.2. Management and control system(s)

2.2.1. Justification of the budget implementation method(s), the funding implementation mechanism(s), the payment modalities and the control strategy proposed

The expenditure corresponding to these contracts will be managed in line with corporate processes.

2.2.2. Information concerning the risks identified and the internal control system(s) set up to mitigate them

The Commission applies thorough controls on the management of employment contracts and DG ENER abides by strict ethical standards. The legislative proposal does not entail any revenue collection and does not require any additional control mechanism.

2.2.3. Estimation and justification of the cost-effectiveness of the controls (ratio between the control costs and the value of the related funds managed), and assessment of the expected levels of risk of error (at payment & at closure)

The overall risk of errors is expected to be very low and is already covered by the existing control environment. No automated controls are expected to be required.

2.3. Measures to prevent fraud and irregularities

The legislative proposal does not entail any revenue collection by DG ENER. Regarding the expenditures, they are foreseen for the hiring of additional human resources between 1st January 2026 and 31st December 2027, besides missions abroad for the relevant Commission's officials. Potential requests for additional human resources beyond 2027 will depend on the budgetary availabilities of the new Multiannual Fianancial Framework.

The risk of fraud and irregularities is considered very low and will be covered by existing controls. DG ENER revised its antifraud strategy in line with OLAF guidelines in 2020 and plans for a subsequent update in 2026. The local strategy includes relevant actions to ensure awareness raising on fraud prevention, dedicated risk assessment actions and ensures an effective and efficient cooperation with investigative bodies.

The corporate framework ensures the right of access to information, premises and staff to the external (European Court of Auditors) and internal (IAS) auditors.

3. ESTIMATED FINANCIAL IMPACT OF THE PROPOSAL/INITIATIVE

3.1. Heading(s) of the multiannual financial framework and expenditure budget line(s) affected

Existing budget lines

<u>In order</u> of multiannual financial framework headings and budget lines.

Heading of multiannual financial framework	Budget line	Type of expenditure	Contribution			
	Number 2 – Cohesion, resilience and values	Diff./Non-diff.[3]	from EFTA countries[4]	from candidate countries and potential candidates[5]	From other third countries	other assigned revenue
	06010102.01[6]	Diff.	NO	NO	NO	NO

3 Diff. = Differentiated appropriations / Non-diff. = Non-differentiated appropriations.
4 EFTA: European Free Trade Association.
5 Candidate countries and, where applicable, potential candidates from the Western Balkans.
6 Still pending validation by DG ECFIN

3.2. Estimated financial impact of the proposal on appropriations

3.2.1. Summary of estimated impact on operational appropriations

☒ The proposal/initiative does not require the use of operational appropriations

☐ The proposal/initiative requires the use of operational appropriations, as explained below

3.2.1.1. Appropriations from voted budget

EUR million (to three decimal places)

Heading of multiannual financial framework	Number	2

DG: ENER			Year 2024	Year 2025[7]	Year 2026	Year 2027	TOTAL MFF 2021-2027
Operational appropriations							
Budget line	Commitments	(1a)					**0.000**
	Payments	(2a)					**0.000**
Budget line	Commitments	(1b)					**0.000**
	Payments	(2b)					**0.000**
Appropriations of an administrative nature financed from the envelope of specific programmes[8]							
Budget line 06010102.01		(3)		0.318	0.318	0.318	**0.954**
TOTAL appropriations for DG ENER	Commitments	=1a+1b+3	**0.000**	0.318	0.318	0.318	**0.954**
	Payments	=2a+2b+3	**0.000**	0.318	0.318	0.318	**0.954**

	Year 2024	Year 2025	Year 2026	Year 2027	TOTAL MFF 2021-2027

7 Human resources for 2025 will be depending on whether or not the current proposal is adopted in time

8 Technical and/or administrative assistance and expenditure in support of the implementation of EU programmes and/or actions (former 'BA' lines), indirect research, direct research.

TOTAL operational appropriations	Commitments	(4)	0.000	0.000	0.000	0.000	**0.000**
	Payments	(5)	0.000	0.000	0.000	0.000	**0.000**
TOTAL appropriations of an administrative nature financed from the envelope for specific programmes		(6)	0.000	0.318	0.318	0.318	**0.954**
TOTAL appropriations under HEADING 2 of the multiannual financial framework	Commitments	=4+6	**0.000**	0.318	0.318	0.318	**0.954**
	Payments	=5+6	**0.000**	0.318	0.318	0.318	**0.954**

			Year **2024**	Year **2025**	Year **2026**	Year **2027**	**TOTAL MFF 2021-2027**
• TOTAL operational appropriations (all operational headings)	Commitments	(4)	0.000	0.000	0.000	0.000	**0.000**
	Payments	(5)	0.000	0.000	0.000	0.000	**0.000**
• TOTAL appropriations of an administrative nature financed from the envelope for specific programmes (all operational headings)		(6)	0.000	0.318	0.318	0.318	**0.954**
TOTAL appropriations Under Heading 1 to 6 of the multiannual financial framework (Reference amount)	Commitments	=4+6	**0.000**	0.318	0.318	0.318	**0.954**
	Payments	=5+6	**0.000**	0.318	0.318	0.318	**0.954**

Heading of multiannual financial framework	**7**	'Administrative expenditure'[9]

9 The necessary appropriations should be determined using the annual average cost figures available on the appropriate BUDGpedia webpage.

DG: <…….>		Year 2024	Year 2025	Year 2026	Year 2027	TOTAL MFF 2021-2027
• Human resources		0.000	0.000	0.000	0.000	**0.000**
• Other administrative expenditure		0.000	0.000	0.000	0.000	**0.000**
TOTAL DG <…….>	Appropriations	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

DG: <…….>		Year 2024	Year 2025	Year 2026	Year 2027	TOTAL MFF 2021-2027
• Human resources		0.000	0.000	0.000	0.000	**0.000**
• Other administrative expenditure		0.000	0.000	0.000	0.000	**0.000**
TOTAL DG <…….>	Appropriations	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

TOTAL appropriations under HEADING 7 of the multiannual financial framework	(Total commitments = Total payments)	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

EUR million (to three decimal places)

		Year 2024	Year 2025	Year 2026	Year 2027	TOTAL MFF 2021-2027
TOTAL appropriations under HEADINGS 1 to 7	Commitments	**0.000**	**0.318**	**0.318**	**0.318**	**0.954**
of the multiannual financial framework	Payments	**0.000**	**0.318**	**0.318**	**0.318**	**0.954**

			Year 2024	Year 2025	Year 2026	Year 2027	TOTAL MFF 2021-2027
TOTAL operational appropriations	Commitments	(4)	0.000	0.000	0.000	0.000	**0.000**

	Payments	(5)	0.000	0.000	0.000	0.000	**0.000**
TOTAL appropriations of an administrative nature financed from the envelope for specific programmes		(6)	0.000	0.318	0.318	0.318	**0.954**
TOTAL appropriations under HEADING 2	Commitments	=4+6	**0.000**	0.318	0.318	0.318	**0.954**
of the multiannual financial framework	Payments	=5+6	**0.000**	0.318	0.318	0.318	**0.954**

			Year **2024**	Year **2025**	Year **2026**	Year **2027**	**TOTAL MFF 2021-2027**
TOTAL operational appropriations	Commitments	(4)	0.000	0.000	0.000	0.000	**0.000**
	Payments	(5)	0.000	0.000	0.000	0.000	**0.000**
TOTAL appropriations of an administrative nature financed from the envelope for specific programmes		(6)	0.000	0.318	0.318	0.318	**0.954**
TOTAL appropriations under HEADING 2	Commitments	=4+6	**0.000**	0.318	0.318	0.318	**0.954**
of the multiannual financial framework	Payments	=5+6	**0.000**	0.318	0.318	0.318	**0.954**

			Year **2024**	Year **2025**	Year **2026**	Year **2027**	**TOTAL MFF 2021-2027**
• TOTAL operational appropriations (all operational headings)	Commitments	(4)	0.000	0.000	0.000	0.000	**0.000**
	Payments	(5)	0.000	0.000	0.000	0.000	**0.000**

• TOTAL appropriations of an administrative nature financed from the envelope for specific programmes (all operational headings)		(6)	0.000	0.318	0.318	0.318	**0.954**
TOTAL appropriations under Headings 1 to 6 of the multiannual financial framework (Reference amount)	Commitments	=4+6	**0.000**	0.318	0.318	0.318	**0.954**
	Payments	=5+6	**0.000**	0.318	0.318	0.318	**0.954**

Heading of multiannual financial framework	**7**	‘Administrative expenditure’[10]

EUR million (to three decimal places)

DG: <…….>		Year **2024**	Year **2025**	Year **2026**	Year **2027**	**TOTAL MFF 2021-2027**
• Human resources		0.000	0.000	0.000	0.000	**0.000**
• Other administrative expenditure		0.000	0.000	0.000	0.000	**0.000**
TOTAL DG <…….>	Appropriations	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

DG: <…….>		Year **2024**	Year **2025**	Year **2026**	Year **2027**	**TOTAL MFF 2021-2027**
• Human resources		0.000	0.000	0.000	0.000	**0.000**
• Other administrative expenditure		0.000	0.000	0.000	0.000	**0.000**
TOTAL DG <…….>	Appropriations	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

10 The necessary appropriations should be determined using the annual average cost figures available on the appropriate BUDGpedia webpage.

TOTAL appropriations under HEADING 7 of the multiannual financial framework	(Total commitments = Total payments)	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

EUR million (to three decimal places)

		Year **2024**	Year **2025**	Year **2026**	Year **2027**	**TOTAL MFF 2021-2027**
TOTAL appropriations under HEADINGS 1 to 7	Commitments	**0.000**	**0.318**	**0.318**	**0.318**	**0.954**
of the multiannual financial framework	Payments	**0.000**	**0.318**	**0.318**	**0.318**	**0.954**

3.2.3. *Summary of estimated impact on administrative appropriations*

☐ The proposal/initiative does not require the use of appropriations of an administrative nature

✠ The proposal/initiative requires the use of appropriations of an administrative nature, as explained below

3.2.3.1. Appropriations from voted budget

VOTED APPROPRIATIONS	Year 2024	Year 2025	Year 2026	Year 2027	TOTAL 2021 - 2027
HEADING 7					
Human resources	0.000	0.000	0.000	0.000	**0.000**
Other administrative expenditure	0.000	0.000	0.000	0.000	**0.000**
Subtotal HEADING 7	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
Outside HEADING 7					
Human resources	0.000	0.303	0.303	0.303	**0.909**
Other expenditure of an administrative nature	0.000	0.015	0.015	0.015	0.015
Subtotal outside HEADING 7	**0.000**	0.318	0.318	0.318	**0.954**
TOTAL	**0.000**	**0.318**	**0.318**	**0.318**	**0.954**

3.2.3.3. Total appropriations

TOTAL VOTED APPROPRIATIONS + EXTERNAL ASSIGNED REVENUES	Year 2024	Year 2025	Year 2026	Year 2027	TOTAL 2021 - 2027
HEADING 7					
Human resources	0.000	0.000	0.000	0.000	**0.000**
Other administrative expenditure	0.000	0.000	0.000	0.000	**0.000**
Subtotal HEADING 7	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
Outside HEADING 7					
Human resources	0.000	0.303	0.303	0.303	**0.909**
Other expenditure of an administrative nature	0.000	0.015	0.015	0.015	0.045
Subtotal outside HEADING 7	**0.000**	0.318	0.318	0.318	**0.954**
TOTAL	**0.000**	**0.318**	**0.318**	**0.318**	**0.954**

The appropriations required for human resources and other expenditure of an administrative nature will be met by appropriations from the DG that are already assigned to management of the action and/or have been redeployed within the DG, together, if necessary, with any additional allocation which may be granted to the managing DG under the annual allocation procedure and in the light of budgetary constraints.

3.2.4. *Estimated requirements of human resources*

☐ The proposal/initiative does not require the use of human resources

✠ The proposal/initiative requires the use of human resources, as explained below

3.2.4.1. *Financed from voted budget*

Estimate to be expressed in full-time equivalent units (FTEs)[11]

VOTED APPROPRIATIONS		Year 2024	Year 2025	Year 2026	Year 2027
• Establishment plan posts (officials and temporary staff)					
20 01 02 01 (Headquarters and Commission's Representation Offices)		0	0	0	0
20 01 02 03 (EU Delegations)		0	0	0	0
01 01 01 01 (Indirect research)		0	0	0	0
01 01 01 11 (Direct research)		0	0	0	0
Other budget lines (specify)		0	0	0	0
• External staff (in FTEs)					
20 02 01 (AC, END from the 'global envelope')		0	0	0	0
20 02 03 (AC, AL, END and JPD in the EU Delegations)		0	0	0	0
Admin. Support line [XX.01.YY.YY]	- at Headquarters	0	0	0	0
	- in EU Delegations	0	0	0	0
01 01 01 02 (AC, END - Indirect research)		0	0	0	0
01 01 01 12 (AC, END - Direct research)		0	0	0	0
Other budget lines (specify) - Heading 7		0	0	0	0
Other budget lines (06 01 01 02 01) - Outside Heading 7		0	3	3	3
TOTAL		**0**	**3**	**3**	**3**

3.2.4.3. *Total requirements of human resources*

TOTAL VOTED APPROPRIATIONS + EXTERNAL ASSIGNED REVENUES		Year 2024	Year 2025	Year 2026	Year 2027
• Establishment plan posts (officials and temporary staff)					
20 01 02 01 (Headquarters and Commission's Representation Offices)		0	0	0	0
20 01 02 03 (EU Delegations)		0	0	0	0
01 01 01 01 (Indirect research)		0	0	0	0
01 01 01 11 (Direct research)		0	0	0	0
Other budget lines (specify)		0	0	0	0
• External staff (in full time equivalent units)					
20 02 01 (AC, END from the 'global envelope')		0	0	0	0
20 02 03 (AC, AL, END and JPD in the EU Delegations)		0	0	0	0
Admin. Support line [XX.01.YY.YY]	- at Headquarters	0	0	0	0
	- in EU Delegations	0	0	0	0

[11] Please specify below the table how many FTEs within the number indicated are already assigned to the management of the action and/or can be redeployed within your DG and what are your net needs.

01 01 01 02 (AC, END - Indirect research)	0	0	0	0
01 01 01 12 (AC, END - Direct research)	0	0	0	0
Other budget lines (specify) - Heading 7	0	0	0	0
Other budget lines (06010102) - Outside Heading 7	0	3	3	3
TOTAL	**0**	**3**	**3**	**3**

The staff required to implement the proposal (in FTEs):

	To be covered by current staff available in the Commission services	**Exceptional additional staff***		
		To be financed under Heading 7 or Research	**To be financed from BA line**	**To be financed from fees**
Establishment plan posts			N/A	
External staff (CA, SNEs, INT)			3 CA	

Description of tasks to be carried out by:

Officials and temporary staff	/
External staff	This legislative proposal is articulated in a number of options which require solid policy knowledge and substantial time allocation. DG ENER is suffering at the moment of workforce constraints, which, if not reinforced, may impact on the monitoring and tracking tasks derivign from this legislation. The candidate is requested to have a solid knowledge of the functioning of the gas and/or oil markets, besides feeling confident in dealing with Security of Supply provisions and gas/oil market rules. As transparency, monitoring and reporting are the pillars of the legislative proposal, the candidate will be required to (i) ensure a smooth exchange of information between the national customs authorities, the national energy authorities and the Commission; (ii) take part to the assessment of the national diversification plans submitted by the Member States by the indicated timeline; should this not be the case, the candidate should be able to support the Member State in elaborating a more ambitious target. The additional posts should be occupied as soon as possible (as of 1st January 2026 at the latest), until at least the final deadline for complete gas phase out, 31 December 2027. Considering that monitoring of correct importing practices of natural gas will likely continue beyond 2027 and the possibility that the Commission will have to deal with litigation cases deriving from the proposed Regulation, the Commission may consider requesting additional human resources once the new Multiannual Financial Framework is adopted.

3.2.5. *Overview of estimated impact on digital technology-related investments*

No digital technology-related investments are entailed by this proposal.

TOTAL Digital and IT appropriations	Year 2024	Year 2025	Year 2026	Year 2027	TOTAL MFF 2021 - 2027
HEADING 7					
IT expenditure (corporate)	0.000	0.000	0.000	0.000	**0.000**
Subtotal HEADING 7	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
Outside HEADING 7					
Policy IT expenditure on operational programmes	0.000	0.000	0.000	0.000	**0.000**
Subtotal outside HEADING 7	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
TOTAL	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

3.2.6. *Compatibility with the current multiannual financial framework*

The proposal/initiative:

☐ can be fully financed through redeployment within the relevant heading of the multiannual financial framework (MFF)

☒ requires use of the unallocated margin under the relevant heading of the MFF and/or use of the special instruments as defined in the MFF Regulation

To ensure full and adequate implementation of the proposed Regulation, DG ENER is requesting three additional Full Time Equivalent (FTEs) candidates under the contractual form of 'Contractual Agents FGIV' to become operational as soon as possible (as of 1st January 2026 at the latest) until 31st December 2027.

The budget line considered for this purpose is POWER-CAENER (E.06010102.01), being this Regulation fully in line with the REPowerEU objectives.

These FTEs will have to be knowledgeable in policy related content when it comes to gas and oil markets and will be tasked with the assessment, monitoring and reporting activities deriving from the implementation of the Regulation in question. Moreover, this budget request should cover the possibility to organise missions for the Commission's officers, at different levels, to the Member States to discuss with national authorities and/or companies impacted by this legislation.

Considering that monitoring of correct importing practices of natural gas will likely continue beyond 2027 and the possibility that the Commission will have to deal with litigation cases deriving from the proposed Regulation, the Commission may consider requesting additional human resources once the new Multiannual Financial Framework is adopted.

☐ requires a revision of the MFF

3.2.7. *Third-party contributions*

The proposal/initiative:

✠ does not provide for co-financing by third parties

☐ provides for the co-financing by third parties estimated below:

Appropriations in EUR million (to three decimal places)

	Year **2024**	Year **2025**	Year **2026**	Year **2027**	Total
Specify the co-financing body					
TOTAL appropriations co-financed					

3.3. Estimated impact on revenue

✠ The proposal/initiative has no financial impact on revenue.

☐ The proposal/initiative has the following financial impact:

☐ on own resources

☐ on other revenue

☐ please indicate, if the revenue is assigned to expenditure lines

EUR million (to three decimal places)

Budget revenue line:	Appropriations available for the current financial year	Impact of the proposal/initiative[12]			
		Year **2024**	Year **2025**	Year **2026**	Year **2027**
Article ………….					

For assigned revenue, specify the budget expenditure line(s) affected.

[…]

Other remarks (e.g. method/formula used for calculating the impact on revenue or any other information).

[…]

12 As regards traditional own resources (customs duties, sugar levies), the amounts indicated must be net amounts, i.e. gross amounts after deduction of 20% for collection costs.

4. DIGITAL DIMENSIONS

4.1. Requirements of digital relevance

The proposed Regulation is assessed as having limited requirement of digital relevance. In fact, it refers to two main aspects of the proposed legislative text.

First, the Commission is requiring the Member States to submit their national diversification plans to phase out Russian natural gas and oil by using the provided template and notify it via formal email exchange, taking inspiration from the mechanism used in the Emergency Plans and the Preventive Action Plans foreseen within the framework of the Security of Supply Regulation. Once received, the Commission will notify orally the notification of such plans to the Gas Coordination Group and will publish them on the Commission's website.

Second, the proposed Regulation should provide for an effective framework to establish the actual origin and the point of export of natural gas imported into the Union. Importers of natural gas should therefore be obliged to provide customs authorities with all information necessary to establish the origin and the point of export of natural gas imported into the Union and to decide whether the imported gas falls under an exception which allows imports of Russian natural gas after. Customs authorities should cooperate with regulatory authorities and competent authorities to implement the provisions of this Regulation and exchange relevant information.

Given that the national diversification plans will be notified via formal email exchange and that customs authorities, regulatory authorities and competent authorities should have the necessary tools and databases in place to ensure that relevant information can be exchanged, DG ENER foresees no impact on the IT landscape of the Commission, nor a new loan of investment for the Commission’s IT services to go through.

4.2. Data

The existing gaps concerning details of Russian supply contract undermine the Union’s ability to evaluate gas supply security. Therefore, the proposed Regulation proposes a new transparency and monitoring framework requiring importers of Russian-origin gas to provide detailed contractual information to the Commission and other competent authorities. The information should include at least all of the following: the date of the conclusion of the gas supply contract; the duration of the gas supply contract; the contracted gas quantities, including all upward or downward flexibility rights; the identity of the parties to the gas supply contract, including the EORI (Economic Operator Registration and Identification) number of the economic operator in the EU who purchases the gas; the producer of the gas and the country of production, if appropriate, where the gas was further processed; for LNG imports, the port of first loading; the delivery points, including possible flexibilities concerning the delivery point; any modification of the gas supply contract, indicating content and date of the modification, with the exception of modifications which relate solely to the gas price.

The data will be complemented by Member States' national diversification plans.

Together with the enhanced cooperation with customs authorities and other authorities involved in the monitoring, which may request more detailed information, this comprehensive dataset will enable the Commission to assess the Union's exposure to Russian gas and the effectiveness of phase-out strategies.

4.3. Digital solutions

No specific digital solution is set up for this piece of legislation.

The information exchanged refers to the information included in the national diversification plans (quantities, contract details, partners, delivery logistics, and conditions excluding price information) which will be notified to the Commission via formal email exchange and consequently to the Gas Coordination Group, before being published on the Commission's website.

Regarding the exchange of information between customs authorities, regulatory authorities and competent authorities, they should have the necessary tools and databases in place to ensure that relevant information can be exchanged between national authorities and authorities in different Member States where necessary.

Customs authorities should notify regulators, the national competent authority, ACER and the Commission on a monthly basis regarding key elements concerning the development of imports of Russian gas (such as quantities imported under long-term or short-term contracts, entry points, or contract partners).

4.4. Interoperability assessment

Importers of natural gas should therefore be obliged to provide customs authorities with all information necessary to establish the origin and the point of export of natural gas imported into the Union. Given the complexity of the information requested, customs authorities should have the right to ask importers for detailed contractual information, including entire supply contracts, excluding price information, where this is necessary to understand the context of certain clauses or references to other provisions.

Customs authorities should cooperate with regulatory authorities and competent authorities to implement the provisions of the proposed Regulation and exchange relevant information, notably when it comes to the assessment of exemptions allowing imports of Russian natural gas after [1.1.2026].

Customs authorities, regulatory authorities and competent authorities should have the necessary tools and databases in place to ensure that relevant information can be exchanged between national authorities and authorities in different Member States where necessary. Customs authorities should notify regulators, the national competent authority, ACER and the Commission on a monthly basis regarding key elements concerning the development of imports of Russian gas (such as quantities imported under long-term or short-term contracts, entry points, or contract partners).

4.5. Measures to support digital implementation

The current legislative proposal is relying on existing mechanisms of notification, monitoring and reporting: in the case of the diversification plans, the Member States will notify via email to the Commission and the Commission will report to the Gas Coordination Group before making the plan publicly available on its website; in the case of exchanging with the customs authorities, the legislative process will rely on existing mechanisms and databases already available for the customs authorities.

NB: In case the initial Commission proposal evolves considerably during the legislative negotiations, it should be considered to update information laid down in the LFDS for any financial and/or digital aspects, as necessary, with the aim to support the negotiation process and create clarity for all parties concerned.

ANNEX
to the LEGISLATIVE FINANCIAL AND DIGITAL STATEMENT

Name of the proposal/initiative:

Proposal for a Regulation of the European Parliament and of the Council on phasing out Russian gas imports, improving monitoring of potential energy dependencies and amending Regulation (EU) 2017/1938

1. NUMBER and COST of HUMAN RESOURCES CONSIDERED NECESSARY

2. COST of OTHER ADMINISTRATIVE EXPENDITURE

3. TOTAL ADMINISTRATIVE COSTS

4. METHODS of CALCULATION USED for ESTIMATING COSTS

4.1. Human resources

4.2. Other administrative expenditure

1. Cost of human resources considered necessary

☐ The proposal/initiative does not require the use of human resources

✠ The proposal/initiative requires the use of human resources, as explained below:

1.1. Financed from voted budget

1.1.1 DG ENER

EUR million (to three decimal places)

HEADING 7[13] of the multiannual financial framework		2024		2025		2026		2027		TOTAL 2021-2027	
		FTE	Appropriations	FTE	Appropriations	FTE	Appropriations	FTE	Appropriations	FTE	Appropriations
Establishment plan posts (officials and temporary staff)											
20 01 02 01 - Headquarters and Representation offices	AD		0.000		0.000		0.000		0.000	0	0.000
	AST		0.000		0.000		0.000		0.000	0	0.000
20 01 02 03 - Union Delegations	AD		0.000		0.000		0.000		0.000	0	0.000
	AST		0.000		0.000		0.000		0.000	0	0.000
External staff											
20 02 01 and 20 02 02 – External personnel – Headquarters and Representation offices	AC		0.000	0	0.000		0.000		0.000	0	0.000
	END		0.000		0.000		0.000		0.000	0	0.000
20 02 03 – External personnel - Union	AC		0.000		0.000		0.000		0.000	0	0.000

13 Commission calculates the need the additional staff beyond 2027.

Delegations	AL									0	0.000
	END		0.000		0.000		0.000		0.000	0	0.000
	JPD									0	0.000
Other HR related budget lines (*specify*)	AC		0.000		0.000		0.000		0.000	0	0.000
	END		0.000		0.000		0.000		0.000	0	0.000
Subtotal HR – HEADING 7		0	0.000	0	0.000	0	0.000		0.000		0.000

Outside HEADING 7			2024		2025		2026		2027		TOTAL 2021-2027	
of the multiannual financial framework			FTE	Appropriations	FTE	Appropriations	FTE	Appropriations	FTE	Appropriations	FTE	Appropriations
Establishment plan posts (officials and temporary staff)												
01 01 01 01 Indirect Research		AD		0.000		0.000		0.000		0.000	0	0.000
		AST		0.000		0.000		0.000		0.000	0	0.000
01 01 01 11 Direct Research		AD		0.000		0.000		0.000		0.000	0	0.000
		AST		0.000		0.000		0.000		0.000	0	0.000
Other (please specify)		AD		0.000		0.000		0.000		0.000	0	0.000
		AST		0.000		0.000		0.000		0.000	0	0.000
External staff												
External staff from	- at Headquarters	AC		0.000	3	0.303	3	0.303	3	0.303	3	0.909

operational appropriations		END		0.000		0.000		0.000		0.000	0	0.000
	- in Union delegations	AC		0.000		0.000		0.000		0.000	0	0.000
		AL									0	0.000
		END		0.000		0.000		0.000		0.000	0	0.000
		JPD									0	0.000
01 01 01 02 Indirect Research		AC		0.000		0.000		0.000		0.000	0	0.000
		END		0.000		0.000		0.000		0.000	0	0.000
01 01 01 12 Direct research		AC		0.000		0.000		0.000		0.000	0	0.000
		END		0.000		0.000		0.000		0.000	0	0.000
Other budget lines HR related (*specify*)		AC		0.000		0.000		0.000		0.000	0	0.000
		END		0.000		0.000		0.000		0.000	0	0.000
Subtotal HR – Outside HEADING 7			0	0.000	3	0.303	3	0.303	3	0.303	3	0.909
Total HR (all MFF Headings)			0	0.000	3	0.303	3	0.303	3	0.303	3	0.909

2. Cost of other administrative expenditure

☐ The proposal/initiative does not require the use of administrative appropriations
☒ The proposal/initiative requires the use of administrative appropriations, as explained below:

2.1. Financed from voted budget

2.1.1 DG ENER

EUR million (to three decimal places)

HEADING 7 of the multiannual financial framework	2024	2025	2026	2027	TOTAL 2021-2027
At headquarters or within EU territory:					
20 02 06 01 - Mission and representation expenses					0.000
20 02 06 02 - Conference and meeting costs					0.000
20 02 06 03 - Committees					0.000
20 02 06 04 - Studies and consultations					0.000
20 04 – IT expenditure (corporate)[14]					0.000
Other budget lines non-HR related (*specify where necessary*)					0.000
In Union delegations					
20 02 07 01 - Missions, conferences and representation expenses					0.000
20 02 07 02 - Further training of staff					0.000
20 03 05 – Infrastructure and logistics					0.000
Other budget lines non-HR related (*specify where necessary*)					0.000
Subtotal Other - HEADING 7 of the multiannual financial framework	0.000	0.000	0.000	0.000	0.000

14 The opinion of DG DIGIT – IT Investments Team is required (see the Guidelines on Financing of IT, C(2020) 6126 final of 10.9.2020, page 7).

EUR million (to three decimal places)

Outside HEADING 7 of the multiannual financial framework	2024	2025	2026	2027	TOTAL 2021-2027
Expenditure on technical and administrative assistance (not including external staff) from operational appropriations (former 'BA' lines):					
- at Headquarters					0.000
- in Union delegations					0.000
Other management expenditure for research					0.000
Policy IT expenditure on operational programmes[15]					0.000
Corporate IT expenditure on operational programmes[16]					0.000
Other budget lines non-HR related (*06010102*)		0.015	0.015	0.015	0.045
Sub-total Other – Outside HEADING 7 of the multiannual financial framework	0.000	0.015	0.015	0.015	0.045
Total Other admin expenditure (all MFF Headings)	0.000	0.015	0.015	0.015	0.045

15 The opinion of DG DIGIT – IT Investments Team is required (see the Guidelines on Financing of IT, C(2020) 6126 final of 10.9.2020, page 7).

16 This item includes local administrative systems and contributions to the co-financing of corporate IT systems (see the Guidelines on Financing of IT, C(2020) 6126 final of 10.9.2020).

2.2.3. Total

HEADING 7 of the multiannual financial framework	2024	2025	2026	2027	TOTAL 2021-2027
At headquarters or within EU territory:					
20 02 06 01 - Mission and representation expenses	0.000	0.000	0.000	0.000	0.000
20 02 06 02 - Conference and meeting costs	0.000	0.000	0.000	0.000	0.000
20 02 06 03 - Committees	0.000	0.000	0.000	0.000	0.000
20 02 06 04 - Studies and consultations	0.000	0.000	0.000	0.000	0.000
20 04 – IT expenditure (corporate)[17]	0.000	0.000	0.000	0.000	0.000
Other budget lines non-HR related (*specify where necessary*)	0.000	0.000	0.000	0.000	0.000
In Union delegations					
20 02 07 01 - Missions, conferences and representation expenses	0.000	0.000	0.000	0.000	0.000
20 02 07 02 - Further training of staff	0.000	0.000	0.000	0.000	0.000
20 03 05 – Infrastructure and logistics	0.000	0.000	0.000	0.000	0.000
Other budget lines non-HR related (*specify where necessary*)	0.000	0.000	0.000	0.000	0.000
Subtotal Other - HEADING 7 of the multiannual financial framework	0.000	0.000	0.000	0.000	0.000

Outside HEADING 7 of the multiannual financial framework	2024	2025	2026	2027	TOTAL 2021-2027
Expenditure on technical and administrative assistance (not including external staff) from operational appropriations (former 'BA' lines):	0.000	0.000	0.000	0.000	0.000

17 The opinion of DG DIGIT – IT Investments Team is required (see the Guidelines on Financing of IT, C(2020) 6126 final of 10.9.2020, page 7).

- at Headquarters	0.000	0.000	0.000	0.000	0.000
- in Union delegations	0.000	0.000	0.000	0.000	0.000
Other management expenditure for research	0.000	0.000	0.000	0.000	0.000
Policy IT expenditure on operational programmes[18]	0.000	0.000	0.000	0.000	0.000
Corporate IT expenditure on operational programmes[19]	0.000	0.000	0.000	0.000	0.000
Other budget lines non-HR related (*06010102*)	0.000	0.015	0.015	0.015	0.045
Sub-total Other – Outside HEADING 7 of the multiannual financial framework	0.000	0.015	0.015	0.015	0.045
Total Other admin expenditure (all MFF Headings)	0.000	0.015	0.015	0.015	0.045

18 The opinion of DG DIGIT – IT Investments Team is required (see the Guidelines on Financing of IT, C(2020) 6126 final of 10.9.2020, page 7).

19 This item includes local administrative systems and contributions to the co-financing of corporate IT systems (see the Guidelines on Financing of IT, C(2020) 6126 final of 10.9.2020).

3. Total administrative costs (all Headings MFF)

3.1. Appropriations from voted budget

3.1.1. DG ENER

EUR million (to three decimal places)

Summary	2024	2025	2026	2027	TOTAL 2021-2027
Heading 7 - Human Resources	0.000	0.000	0.000	0.000	0.000
Heading 7 – Other administrative expenditure	0.000	0.000	0.000	0.000	0.000
Sub-total Heading 7	0.000	0.000	0.000	0.000	0.000
Outside Heading 7 – Human Resources	0.000	0.303	0.303	0.303	0.909
Outside Heading 7 – Other administrative expenditure	0.000	0.015	0.015	0.015	0.045
Sub-total Other Headings	0.000	0.318	0.318	0.318	0.954
TOTAL HEADING 7 and Outside HEADING 7	0.000	0.318	0.318	0.318	0.954

.1.3. TOTAL

Summary	2024	2025	2026	2027	TOTAL 2021-2027
Heading 7 - Human Resources	0.000	0.000	0.000	0.000	0.000
Heading 7 – Other administrative expenditure	0.000	0.000	0.000	0.000	0.000
Sub-total Heading 7	0.000	0.000	0.000	0.000	0.000
Outside Heading 7 – Human Resources	0.000	0.303	0.303	0.303	0.909
Outside Heading 7 – Other administrative expenditure	0.000	0.015	0.015	0.015	0.045
Sub-total Other Headings	0.000	0.318	0.318	0.318	0.954
TOTAL HEADING 7 and Outside HEADING 7	0.000	0.318	0.318	0.318	0.954

4. Methods of calculation used to estimate costs

4.1. Human resources

This part sets out the method of calculation used to estimate the human resources considered necessary (workload assumptions, including specific jobs (Sysper 2 work profiles), staff categories and the corresponding average costs)

The staff required to implement the proposal (in FTEs):

	Internally redeployed		**Exceptional additional staff**		
	Within the implementing DGs*	**Exceptionally, from the Commission redeployment pool after orientation from the CMB****	**To be financed from Heading 7*** / Research**	**To be financed from BA line**	**To be financed from fees**
Establishment plan posts				N/A	
External staff (CA, SNEs, INT)				3 CA FGIV To be financed via budget line 06010102	

HEADING 7 of the multiannual financial framework
<u>NB:</u> The average costs for each category of staff at Headquarters are available on BUDGpedia: https://myintracomm.ec.europa.eu/corp/budget/financial-rules/budget-implementation/Pages/financial-statement.aspx
○ Officials and temporary staff
○ External staff

Outside HEADING 7 of the multiannual financial framework
○ Only posts financed from the research budget
☒ External staff

The proposed Reglation is articulated in a number of options which require solid policy knowledge and substantial time allocation. DG ENER is suffering at the moment of workforce constraints, which, if not reinforced, may impact on the monitoring and tracking tasks derivign from this legislation. The candidate is requested to have a solid knowledge of the functioning of the gas and/or oil markets, besides feeling confident in dealing with Security of Supply provisions and gas/oil market rules. As transparency, monitoring and reporting are the pillars of the legislative proposal, the candidate will be required to (i) ensure a smooth exchange of information between the national customs authorities, the national energy authorities and the Commission; (ii) take part to the assessment of the national diversification plans submitted by the Member States by the indicated timeline; should this not be the case, the candidate should be able to support the Member State in elaborating a more ambitious target.

The additional posts should be occupied as soon as possible (as of 1st January 2026 at the latest), until at least the final deadline for complete gas phase out, 31 December 2027.

Considering that monitoring of correct importing practices of natural gas will likely continue beyond 2027 and the possibility that the Commission will have to deal with litigation cases deriving from the proposed Regulation, the Commission may consider requesting additional human resources once the new Multiannual Financial Framework is adopted.

4.2. Other administrative expenditure

HEADING 7 of the multiannual financial framework

Outside HEADING 7 of the multiannual financial framework
Part of the budget requested should cover possible missions to be carried out as implementation actions of this legislative proposal. Commission's officers may be requested to go on mission abroad to promote and explain the measures proposed in the Regulation, to discuss with EU Member States' regulatory authorities to ensure smooth and swift implementation of the Regulation in question. DG ENER is asking for a budget request amounting to EUR 15.000/ year, meaning EUR 5.000/ per FTE, representing five missions to the EU Member States.