

Transport, Telecommunications and Energy Council (Energy issues)

6 June 2016

The Council meeting will begin at 10.00, chaired by the minister of Economic Affairs of the Netherlands, Henk Kamp. The Commission will be represented by Commissioner Arias Cañete.

The Council is expected to reach a general approach on the proposal for a decision on establishing an information exchange mechanism with regard **to intergovernmental agreements and non-binding instruments** between member states and third countries in the field of energy.

The Council will hold a public debate on the proposal for a regulation concerning measures to safeguard the **security of gas supply**.

Ministers will take note of messages from the Presidency on **electricity market design and regional cooperation**.

Finally, the Council will be updated by the Commission on the state of play regarding **international energy relations**.

During a working lunch, Commissioner Cañete will provide a **post-COP21 update**, with an emphasis on the energy sector.

In the margins of the Council, the signature ceremony of a **political declaration on energy cooperation between the North Seas Countries** will take place. The declaration will be signed by Belgium, Denmark, France, Germany, Ireland, the Netherlands, Luxembourg, Sweden and Norway, as well as by the Commission on behalf of the European Union.

Press conference: at the end of the meeting (+/-16.30)

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¹ This note has been drawn up under the responsibility of the Press Office.

Intergovernmental agreements in the field of energy

The Council is expected to reach a general approach on the proposal for a decision on establishing an information exchange mechanism with regard to **intergovernmental agreements and non-binding instruments** between member states and third countries in the field of energy ([8945/16](#)).

The aim of the proposed decision is to correct shortcomings of the current information exchange mechanism identified by the Commission ([6227/16](#)), thus enhancing the transparency and consistency of EU's external energy relations and strengthening EU's negotiation stance vis-à-vis third countries.

The proposal also responds to the European Council conclusions of March 2015 ([EUCO 11/15](#)), which called for full compliance with Union law of all agreements related to the buying of gas from external suppliers.

The Commission proposed to examine the international agreements in the field of energy before they were signed by member states. It argued that if certain provisions of an intergovernmental agreement ('IGA') are found to be incompatible with Union law (such as the Third Energy Package, competition law, public procurement rules), it is very difficult or even impossible for a member state to renegotiate the IGA with a third country.

A number of member states could not follow this approach but a compromise was found on the following basis:

- member states shall keep the Commission informed before the start of negotiations of all IGAs, and regularly during the negotiations
- the ex ante assessment of the IGA text by the Commission will apply only for gas related IGAs and will last a maximum of 6 + 6 weeks
- member states may request the ex ante assessment for other non-gas related IGAs
- all non-gas related IGAs shall be notified to the Commission ex post ("upon ratification") The Commission will assess these within 9 months
- non-binding instruments will not have to be notified.

The proposed decision, together with the proposed regulation concerning the **security of gas supply**, will contribute to the proper functioning of the internal energy market, as well as to the security of energy supply in the Union, which are two of the main goals of the Energy Union Strategy ([Energy Union with a forward looking climate policy](#)).

The agreement on the general approach will allow the Council to start negotiations with the European Parliament with a view to the final adoption of the proposal.

Security of gas supply

The Council will hold a policy debate on the proposal for a revised regulation concerning measures to safeguard the **security of gas supply** ([6225/16](#)).

The main purpose of the proposal is to minimise the impact of a potential gas disruption by improving the cooperation between Member States and by building on the achievements of the internal energy market. It aims to build greater trust and solidarity at the regional and EU levels.

The main elements of the revised regulation are:

- Enhanced regional cooperation and coordination
- Mandatory regional preventive action plans and emergency plans, as well as regional risk assessments, to be prepared jointly
- New solidarity principle which will have a mandatory application in extreme crisis scenarios
- Stricter obligations to ensure that the necessary infrastructure is available

Ministers are invited to focus on key issues still open on the basis of three questions prepared by the Presidency to steer the debate ([9163/16](#)):

- What modalities would be best suited to organise and strengthen the regional cooperation?
- Which terms and conditions would need to be fulfilled in order to implement solidarity?
- To what extent should information on commercial gas supply contracts be provided to national competent authorities and to the Commission?

The proposed regulation, as well as the proposed decision regarding intergovernmental agreements, are part of the so-called 'Winter Package', presented by the Commission in February 2016.

Electricity market design and regional cooperation

Ministers will be invited to take note of messages from the Presidency on electricity market design and regional cooperation ([9103/16](#)), while recalling the exchange of views on these issues at the informal meeting of Energy ministers in Amsterdam on 10-11 April .

European electricity markets are currently facing significant challenges in the transition towards a low carbon energy system. Issues such as integration of renewable energy, the move away from conventional central power plants to de-centralised renewable energy production, the changing role and increased participation of energy consumers and the continuing need to safeguard security of supply ask for a redesign of the European electricity markets.

The Presidency messages focus on measures to improve market functioning and increase flexibility. They will be forwarded to the Commission as a contribution for its preparation of the legislative proposals in this field to be presented later this year.

Any other business

- Commission communications:
 - EU Strategy for liquefied natural gas and gas storage ([6223/16](#))
 - EU Strategy on heating and cooling ([6224/16](#))
Information from the Commission

 - Security of supply of medical radioisotopes
 - -Information from the Presidency

 - External relations in the field of energy
 - Information from the Commission ([8237/16](#))

 - Work programme of the incoming Presidency
 - Information from the Slovak delegation ([8405/16](#))
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