

Programme to aid economic recovery: financial assistance to projects in the field of energy, European Energy Programme for Recovery (EEPR)

2009/0010(COD) - 28/01/2009 - Legislative proposal

PURPOSE: to propose a financial stimulus to key parts of the energy sector.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

BACKGROUND: this proposal responds to the sharp downturn faced by the European economy in the wake of the financial crisis and to shortcomings in the Community's security of energy supply illustrated by the gas crisis, which involved lack of delivery to the Community of gas produced in Russia in December 2008. The proposal implements the European Economic Recovery Plan ([COM\(2008\)800](#)) endorsed by the European Council of 11-12 December 2008. Together with proposals in the area of broadband and rural development, it specifically responds to the request of the European Council to provide a detailed list of actions. The gas crisis demonstrates that energy interconnections in Europe are not sufficient, and both crises pose structural problems for the European economy and the welfare of Europe's citizens.

IMPACT ASSESSMENT: the urgency of the economic crisis calls for the fastest possible action. This means there has not been time for an impact assessment.

CONTENT: it is proposed to establish a financing instrument, the European Energy Programme for Recovery, ("the EEPR"), for the development of projects in the field of energy in the Community that contribute to economic recovery, the security of energy supply and the reduction of greenhouse gas emissions.

It establishes sub-programmes to advance those objectives in the fields of:

- gas and electricity interconnections (financial envelope: EUR 1750 million);
- offshore wind energy (EUR 500 million); and
- carbon capture and storage (EUR 1250 million).

It identifies projects to be financed under each sub-programme and lays down criteria for identifying and implementing actions to realise these projects. There are 20 projects for gas and electricity interconnectors and 5 off shore wind projects that are listed in the Annex to the proposal.

FINANCIAL IMPLICATIONS: a financial envelope of EUR 3,500 million is envisaged in total for the three sub-programmes, consisting of EUR 1,500 million for 2009 and EUR 2,000 million for 2010. The main volume of payments will be made between 2009 and 2012 with the last payments, notably for carbon capture and storage projects, programmed for 2014/2015.