Trans-European energy networks: guidelines

2003/0297(COD) - 01/12/2005 - Council position

The Council adopted unanimously a common position with a view to the adoption of a decision laying down guidelines for trans-European energy networks and repealing Decisions 96/391/EC and 1229/2003 /EC. In doing this, it accepted 20 of the 30 amendments adopted by Parliament at first reading.

Generally speaking the Council endeavoured to simplify the structure of the Decision (in terms of levels of priorities and number of Annexes) and keep it as close as possible to Decision 1229/2003.

Council supports the main aim of the Commission's proposal: to adapt the trans-European energy network guidelines to the consequences of the recent enlargement of the Union. However, Council did not accept the new elements introduced by the Commission in this proposal (as compared to Decision 1229/2003 /EC) i.e. the creation of a new, additional category of "projects of European interest", combined with provisions concerning the implementation of such projects and the European coordinator.

The Council noted that it had been argued that these new provisions have been accepted by Council in relation with trans-European transport networks. However, two significant differences distinguish the trans-European energy networks from the trans-European transport networks:

-the very limited budget available for trans-European energy networks;

-the fact that energy infrastructure projects are normally undertaken by private investors.

Thus, the effect that the creation of an additional category of "projects of European interest" could have in practice would be to effectively exclude TEN-financing altogether for a "normal priority project" which a private investor would be willing to consider. Regarding the provisions on a possible "European Coordinator", the Council is of the view that far less bureaucratic provisions could be retained for the same purpose as noted by Parliament itself.

Taking into account the aforementioned two differences, and the negative effect which the creation of an extra category could have on the realisation of other viable projects, the Council concluded that the added cost and administrative burdens, imposed on Member States as a result of the provisions mentioned are disproportionate in relation to their potential benefit. The Council specified that private financing or financing by economic operators shall be "the main source for financing".

During an informal trialogue with the Parliament which took place during the preparation of the common position, compromises were reached on the issues of appropriate references to olefin gases and renewable sources of energy; these compromises are included in the common position.

The project specification is now listed in three annexes, where the character of a ‘closed list’ for the projects of European interest – originally listed in Annex IV but now merged into Annex I – is maintained. Further, the ‘olefin networks’ are included under the condition that the corresponding projects are not funded by the TEN-E budget line, but could receive support otherwise and additional references to renewable sources of energy are introduced.

The Council acknowledges in particular the restraint exercised by the European Parliament in its treatment of the Annexes, where Parliament has accepted the changes made and mutually agreed by the Commission and the Council, without making further changes itself. In the further legislative procedure regarding this dossier, any further changes to the Annexes could block a swift adoption of the Decision.