Basic information

2017/0294(COD) COD - Ordinary legislative procedure (ex-codecision procedure) Directive	Procedure completed
Internal market in natural gas: pipelines to and from third countries Amending Directive 2009/73/EC 2007/0196(COD) **Subject** 3.60.03 Gas, electricity, natural gas, biogas 3.60.15 Cooperation and agreements for energy	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
ITRE Industry, Research and Energy	BUZEK Jerzy (PPE)	17/11/2017
	Shadow rapporteur NICA Dan (S&D) KRASNODĘBSKI Zdzisław (ECR) PETERSEN Morten (ALDE) SYLIKIOTIS Neoklis (GUE/NGL) TURMES Claude (Verts/ALE) TAMBURRANO Dario (EFDD) KAPPEL Barbara (ENF)	

Committee for opinion	Rapporteur for opinion	Appointed
ECON Economic and Monetary Affairs	The committee decided not to give an opinion.	
ENVI Environment, Public Health and Food Safety	The committee decided not to give an opinion.	
IMCO Internal Market and Consumer Protection	The committee decided not to give an opinion.	

Council configuration	Meetings	Date

Council of the European Union	Agriculture and Fisheries	3686	2019-04-15

	Commission DG	Commissioner
European Commission	Taxation and Customs Union	MOSCOVICI Pierre

European Economic and Social Committee

European Committee of the Regions

Key events

Date	Event	Reference	Summary
08/11/2017	Legislative proposal published	COM(2017)0660	Summary
29/11/2017	Committee referral announced in Parliament, 1st reading		
21/03/2018	Vote in committee, 1st reading		
21/03/2018	Committee decision to open interinstitutional negotiations with report adopted in committee		
11/04/2018	Committee report tabled for plenary, 1st reading	A8-0143/2018	Summary
16/04/2018	Committee decision to enter into interinstitutional negotiations announced in plenary (Rule 72)		
19/04/2018	Committee decision to enter into interinstitutional negotiations confirmed by plenary (Rule 72 - vote)		
18/03/2019	Approval in committee of the text agreed at 1st reading interinstitutional negotiations	GEDA/A/(2019)001615	
03/04/2019	Debate in Parliament		
04/04/2019	Decision by Parliament, 1st reading	T8-0342/2019	Summary
04/04/2019	Results of vote in Parliament		
15/04/2019	Act adopted by Council after Parliament's 1st reading		
17/04/2019	Final act signed		
17/04/2019	End of procedure in Parliament		
03/05/2019	Final act published in Official Journal		

Technical information

Procedure reference	2017/0294(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Directive
Amendments and repeals	Amending Directive 2009/73/EC 2007/0196(COD)

Legal basis	Treaty on the Functioning of the European Union TFEU 194-p2
Mandatory consultation of other institutions	European Economic and Social Committee European Committee of the Regions
Stage reached in procedure	Procedure completed
Committee dossier	ITRE/8/11613

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE615.314	07/12/2017	
Amendments tabled in committee		PE616.573	26/01/2018	
Committee report tabled for plenary, 1st reading/single reading		A8-0143/2018	11/04/2018	Summary
Text adopted by Parliament, 1st reading/single reading		T8-0342/2019	04/04/2019	Summary

Council of the EU

Document type	Reference	Date	Summary
Coreper letter confirming interinstitutional agreement	GEDA/A/(2019)001615	20/02/2019	
Draft final act	00058/2019/LEX	17/04/2019	

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(2017)0660	08/11/2017	Summary
Document attached to the procedure	SWD(2017)0368	09/11/2017	
Commission response to text adopted in plenary	SP(2019)443	12/06/2019	

National parliaments

Document type	Parliament /Chamber	Reference	Date	Summary
Contribution	ES_PARLIAMENT	COM(2017)0660	19/12/2017	
Contribution	PT_PARLIAMENT	COM(2017)0660	10/01/2018	
Reasoned opinion	FR_SENATE	PE616.647	19/01/2018	
Contribution	RO_SENATE	COM(2017)0660	19/02/2018	

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary

CofR	Committee of the Regions: opinion	CDR5833/2017	16/05/2018	

Additional information		
Source	**Document**	**Date**
European Parliament	Briefing	
European Commission	EUR-Lex	

Final act	
Directive 2019/0692 OJ L 117 03.05.2019, p. 0001	Summary

Internal market in natural gas: pipelines to and from third countries

2017/0294(COD) - 04/04/2019 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 465 votes to 95 with 68 abstentions, a legislative resolution on the proposal for a directive of the European Parliament and of the Council amending Directive 2009/73/EC concerning common rules for the internal market in natural gas.

Parliament's position adopted at first reading following the ordinary legislative procedure amends the Commission proposal as follows:

Application of Union legislation to pipelines from third countries

The overall objective of the proposed amendment to Directive 2009/73 / EC on gas is to ensure that the rules governing the EU's internal gas market apply to gas transmission lines between a Member State and a third country, up to the territory or territorial waters of the Member State. In so doing, it establishes consistency of the legal framework within the Union while avoiding distortion of competition in the internal energy market in the Union and negative impacts on the security of supply.

New infrastructure

The proposed amendment to the Directive provides for the possibility of granting exemptions for existing pipelines provided that the exemption is not detrimental to competition in the relevant markets which are likely to be affected by investment, to the effective functioning of the internal market in natural gas, the efficient functioning of the regulated systems concerned, or to security of supply of natural gas in the Union.

Before the adoption of the decision on the exemption, the national regulatory authority, shall consult:

- the national regulatory authorities of the Member States the markets of which are likely to be affected by the new infrastructure; and

- the relevant authorities of the third countries, where the infrastructure in question is connected with the Union network under the jurisdiction of a Member State, and originates from or ends in one or more third countries.

Where the third-country authorities consulted do not respond to the consultation within a reasonable time frame or within a set deadline not exceeding three months, the national regulatory authority concerned may adopt the necessary decision.

Technical agreements concerning the operation of transport pipelines

Transmission system operators will be free to conclude technical agreements with transmission system operators or other entities in third countries on issues concerning the operation and interconnection of transmission systems, provided that the content of such agreements is compatible with Union law.

Technical agreements regarding the operation of transmission lines between transmission system operators or other entities should remain in force provided that they comply with Union law and the relevant decisions of the national regulatory authority.

Derogations for transmission lines to and from third countries

In respect of gas transmission lines between a Member State and a third country completed before the date of entry into force of the amending Directive, the Member State where the first connection point of such a transmission line with a Member State's network is located may decide to derogate from certain provisions of the Directive for the sections of such gas transmission line located in its territory and territorial sea, for objective reasons such as to enable the recovery of the investment made or for reasons of security of supply.

The derogation should not be prejudicial to competition, the efficient functioning of the internal market for natural gas or the security of supply in the Union and should be limited in time up to 20 years based on objective justification, renewable if justified and may be subject to conditions.

Empowerment procedure

Where a Member State intends to enter into negotiations with a third country in order to amend, extend, adapt, renew or conclude an agreement on the operation of a transmission line with a third country concerning matters falling, entirely or partly, within the scope of this Directive, it shall notify the Commission of its intention.

The Commission shall authorise the Member State concerned to enter into formal negotiations with a third country for the part which may affect Union common rules unless it considers that the opening of such negotiations would:

- be in conflict with Union law other than the incompatibilities arising from the allocation of competence between the Union and the Member States;

- be detrimental to the functioning of the internal market in natural gas, competition or security of supply in a Member State or in the Union;

- undermine the objectives of pending negotiations of intergovernmental agreements by the Union with a third country;

- be discriminatory.

Within 90 days of receipt of the, the Commission shall adopt a decision authorising or refusing to authorise a Member State to enter into negotiations in order to amend, extend, adapt, renew or conclude an agreement with a third country. In the event that the Commission refuses authorisation, it shall inform the Member State concerned accordingly and shall give the reasons therefor.

Internal market in natural gas: pipelines to and from third countries

2017/0294(COD) - 03/05/2019 - Final act

PURPOSE: to extend EU rules to pipelines to and from third countries.

LEGISLATIVE ACT: Directive (EU) 2019/692 of the European Parliament and of the Council amending Directive 2009/73/EC concerning common rules for the internal market in natural gas.

CONTENT: this Directive amends Gas Directive 2009/73/EC to ensure that the rules governing the EU’s internal gas market apply to gas transmission lines between a Member State and a third country, up to the territory or territorial waters of the Member State.

Consistency of the legal framework within the Union

In concrete terms, the amendments adopted aim to make it clear that the main principles of EU energy legislation (third party access to the network, pricing rules, ownership unbundling and transparency requirements) shall apply to all pipelines to and from third countries up to the border of the EU territory.

This shall establish consistency of the legal framework within the Union while avoiding distortion of competition in the internal energy market in the Union and negative impacts on the security of supply. It shall also enhance transparency and provide legal certainty to market participants, in particular investors in gas infrastructure and system users, as regards the applicable legal regime.

Derogations

The Directive provides for the possibility of granting derogations for existing pipelines to and from third countries. These derogations shall be granted on a case-by-case basis, for a maximum period of 20 years, on the basis of objective justification, renewable if justified, provided that such derogations do not affect competition, the efficient functioning of the market or security of supply in the Union.

Authorisation procedure

As regards agreements or parts of agreements concluded with third countries which may have an impact on common Union rules, the Directive establishes a coherent and transparent procedure allowing the Commission to authorise a Member State, at its request, to enter negotiations in order to amend, adapt, renew or conclude an agreement with a third country concerning the operation of a transmission line with a third country concerning matters falling, entirely or partly, within the scope of this Directive.

Technical agreements regarding the operation of transmission lines

This Directive does not affect the freedom of transmission system operators or other economic operators to maintain in force or to conclude technical agreements on issues concerning the operation of transmission lines between a Member State and a third country, insofar as those agreements are compatible with Union law.

ENTRY INTO FORCE: 23.5.2019.

TRANSPOSITION: no later than 24.2.2020.

Internal market in natural gas: pipelines to and from third countries

2017/0294(COD) - 08/11/2017 - Legislative proposal

PURPOSE: to extend common rules for the internal market in natural gas to gas pipelines from third countries.

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

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: an integrated gas market is the cornerstone of the Energy Union and a key priority of the European Commission. Directive 2009/73/EC (the Gas Directive) has made a significant contribution towards the creation of the internal market in natural gas. However, it does not explicitly set out a legal framework for gas pipelines to and from third countries.

The current practice is to apply the fundamental principles of the gas regulatory framework in relation to third countries, in particular through international agreements on gas pipelines entering the European Union. The Commission therefore considered that legislative action is required in order to **define and specify the regulatory framework applicable to all gas pipelines to and from third countries**.

The EU is to large extent dependent on gas imports from third countries and it is in the best interest of the EU and gas customers to have as much transparency and competitiveness also on pipelines from those countries.

The measures envisaged are intended to implement key objectives of the Energy Union, in particular as regards the dimension of energy security. They are part of an ongoing effort to ensure the integration and efficient functioning of the European gas markets.

The proposal seeks to implement key objectives of the Energy Union, especially in the dimension of energy security. It is part of an ongoing effort to ensure the integration and effective operation of Europe's gas markets.

CONTENT: the proposal aims at complementing the **Gas Directive** (2009/73/EC) to render the rules currently applicable to EU-internal pipelines **also applicable to pipelines to and from third countries**.

Specifically, the proposed amendments are intended to make clear that the key principles of EU energy law (third party access to the network, tariff regulation, ownership unbundling and transparency) will apply to all pipelines to and from third countries up to the border of EU jurisdiction.

The proposal will also enable new pipelines to and from third countries to apply for an **exemption** from the above rules pursuant to Article 36 Gas Directive. As regards **existing pipelines**, which fall outside the scope of Article 36, Member States will be enabled to grant derogations from the application of the main provisions of the Directive, provided that the derogation would not be detrimental to competition, effective market functioning or the security of supply in the Union.

In the absence of an international agreement, an exemption for new infrastructure or derogation for infrastructure already in operation, the pipeline may only be operated in line with the requirements of Directive 2009/73/EC within the borders of EU jurisdiction.

Internal market in natural gas: pipelines to and from third countries

2017/0294(COD) - 11/04/2018 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Industry, Research and Energy adopted the report by Jerzy BUZEK (EPP, PL) on the proposal for a directive of the European Parliament and of the Council amending Directive 2009/73/EC concerning common rules for the internal market in natural gas.

As a reminder, the proposal aims to complement the Gas Directive (2009/73/EC) to render the rules currently applicable to EU-internal pipelines also applicable to pipelines to and from third countries.

The committee recommended that the European Parliament's position adopted at first reading under the ordinary legislative procedure should amend the Commission proposal as follows:

Scope: the rules established by the Directive for natural gas, including liquefied natural gas (LNG), should also apply, on a non-discriminatory basis, to **biogas and gas from biomass, green hydrogen and synthetic methane** produced from renewable energy sources or other types of gas, insofar as it is technically feasible to inject and safely transport them into the natural gas network.

The applicability of Directive 2009/73/EC for gas pipelines to and from third countries **remains confined to the territorial limit of Union's jurisdiction**. As regards offshore pipelines, the Directive shall be applicable in the territorial waters and exclusive economic zones of the Member States, in accordance with the United Nations Convention on the Law of the Sea (UNCLOS).

New infrastructures: major new gas infrastructure, i.e. gas interconnectors, LNG and storage facilities starting commercial operation after 1 January 2019, may, upon request, be exempted, for a defined period of time of **not longer than 5 years**, from the provisions of the Directive if a number of cumulative conditions are fulfilled.

Members stipulated that the exemption must not be detrimental to competition in the relevant markets which are likely to be affected by the investment, to the effective functioning of the Union's internal market in natural gas, the efficient functioning of the concerned regulated systems, or to the diversification and security of supply of natural gas to and within the Union or any Member State.

Before adopting the decision, the national regulatory authority shall consult:

- **the national regulatory authorities** of the Member States the markets of which are likely to be affected by the new infrastructure; and
- **the relevant authorities of the third countries**, where the infrastructure in question is under the jurisdiction of a Member State and one (or more) third countries. Where the third country authorities subject to such consultation do not respond to the consultation within 3 months, the national regulatory authority concerned may take the necessary decision.

Derogations for existing gas infrastructure: Members considered that the Commission should be involved in decisions on such derogations.

Any draft derogation shall be **notified without delay** to the Commission, the Gas Coordination Group and the Agency for the Cooperation of Energy Regulators.

Within three months of receipt of the notification, the **Commission shall issue a recommendation** on the compliance of the derogation with applicable rules on competition, effective market functioning, security of supply in the Union and with the relevant Union energy policy principles and core objectives, including those of the Energy Union.

The Member States concerned shall take utmost account of the Commission's recommendation and provide a well-substantiated justification when they decide to depart from it. The derogation shall be **limited in time** and shall be subject to conditions which contribute to the achievement of the above conditions.