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Transport, Telecommunications and Energy

(Energy items)

Brussels, 24 November 2011

President **Mr Waldemar Pawlak**
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Main results of the Council

*The Council adopted conclusions on **strengthening the external dimension of EU energy policy**.*

*Ministers also held a first exchange of views on a draft regulation on guidelines for **trans-European energy infrastructure** aimed at overhauling the trans-European energy networks (TEN-E) policy and financing framework in order to improve it and adapt it to the current challenges facing the energy sector and to the general EU energy policy goals.*

*The Council took note of a progress report outlining the main steps and initiatives taken in response to the **conclusions on energy adopted by the European Council last February** and further developed by the TTE Council on 28 February.*

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Member

ITEMS DEBATED

Energy efficiency

In a public session, the Council took note of a progress report ([16165/11](#)) on a proposal for a directive on energy efficiency.

The objective of this proposal, presented by the Commission in June ([12046/11](#)), is to contribute to achieve the Union's 2020 20% energy efficiency target and pave the way towards further energy efficiency improvements beyond 2020. The proposal addresses in particular efficiency targets, efficiency in energy use (public bodies, obligation schemes, audits, metering and billing) efficiency in energy supply (heating and cooling, transformation, transmission and distribution) and energy services.

The proposal follows on from the Commission communication presented in March 2011 on an energy efficiency plan 2011 ([7363/1/11](#)). On the basis of that document, the Council adopted conclusions ([10709/11](#)) in June, outlining actions in the following sectors: the public sector, buildings, industry and the energy sector, and ways to support favourable consumer choices.

From the intensive work done so far it appears that delegations support the aim of the proposal and additional measures for energy efficiency. However they also underline the importance of flexibility for member states to apply the most cost-efficient measures, consistency with existing legislation and respect for the subsidiarity principle.

The presidency report covers the main issues that will need more in-depth consideration: energy efficiency targets, public bodies, purchasing by public bodies, energy efficiency obligation schemes, energy audits and energy management systems, metering and informative billing, promotion of efficiency in heating and cooling, energy transmission and distribution and review and monitoring.

Safety of offshore oil and gas activities

In a public session, information on a proposal for a regulation on safety of offshore oil and gas prospection, exploration and production activities ([16175/11](#)) was presented to the Council.

In Europe, most oil and gas is produced offshore. A major accident at any one of Europe's offshore installations is likely to entail material losses, damage to the environment, the economy, local communities and society, while the lives and health of workers may be put at risk. The possibility of a major accident in EU waters needs to be reduced.

This new proposal, adopted by the Commission in October, is aimed at reducing the risk of a major accident in the EU offshore oil and gas sector and limiting the consequences should such an accident nonetheless occur.

This aim will be achieved through the following four specific objectives:

- to ensure a consistent use of best practices for major hazards control by offshore oil and gas industry operations potentially affecting Union waters or shores;
- to implement best regulatory practices in all European jurisdictions with offshore oil and gas activities;
- to strengthen the Union's preparedness and capacity to respond to emergencies potentially affecting the Union's citizens, its economy or the environment;
- to improve and clarify existing Union liability and compensation provisions.

In response to the Deepwater Horizon drilling rig disaster in the Gulf of Mexico in April 2010, the Commission presented its communication "Facing the challenge of the safety of offshore oil and gas activities" ([14768/10](#), [14768/10 ADD1](#)) in October 2010. The communication indicated first areas for action at EU level including revision of existing legislation as well as new proposals.

Building on this communication, in December the Council adopted conclusions on the safety of offshore oil and gas activities ([16943/10](#)) setting out a way forward for possible further action in relation to offshore exploration and production of hydrocarbons, notably to ensure the highest possible level of safety and protection of the environment as well as provisions for liability.

Energy infrastructure

The Council held a public exchange of views on a draft regulation on guidelines for trans-European energy infrastructure following the presentation of the proposal by the Commission.

Ministers were invited to focus their discussions in particular on the methodology proposed to identify projects of common interest and on the measures on the granting of permits, public participation and regulatory issues (*see [16148/11](#)*).

The Commission presented its proposal in October ([15813/11](#)), following the call from the European Council last February ([2/1/11](#)).

The proposal is intended to help the EU deliver the huge investments required in energy infrastructure to replace aging infrastructure, to ensure security of supply, to make the transition to a low-carbon economy and to complete the internal energy market.

Its objective is to overhaul the existing trans-European energy networks (TEN-E) policy and financing framework in order to improve it and adapt it to the current challenges facing the energy sector and to general EU energy policy goals. This proposal would give priority to twelve strategic trans-European energy corridors and areas and addresses in particular the selection of projects of common interest, the streamlining of authorisation procedures and cost-allocation rules.

In June the Commission adopted a communication "A budget for Europe 2020" relating to the next multiannual financial framework (2014-2020), proposing the creation of a "Connecting Europe Facility" to promote the completion of priority energy, transport and digital infrastructures with a single fund of EUR 40 billion, of which EUR 9,1 billion is allocated to energy infrastructure.

Follow-up to the European Council

The Council took note of a progress report on the follow-up to the European Council's orientations on energy ([16632/11](#)).

The report outlines main steps and initiatives taken in response to the conclusions on energy adopted by the European Council last February ([2/1/11](#)) and further developed by the TTE Council on 28 February ([6207/1/11](#)). The report will also provide a basis for the tracking of progress in the energy policy area at the December European Council, as requested in the conclusions of the October European Council ([52/11](#)).

The report addresses five policy areas for which deadlines or priorities have been set, in particular energy efficiency, the internal energy market, infrastructure, external energy relations and nuclear.

External dimension of the EU energy policy

The Council adopted [conclusions](#) on strengthening the external dimension of the EU energy policy (17615/11).

These conclusions address the strengthening of the coordination of the external dimension of EU energy policy and EU cooperation with third countries (in particular multilateral instruments, infrastructures, market integration and global safety and security), the deepening of energy partnerships and support for developing economies.

The Council invited the Commission to present a report on the implementation of these conclusions no later than 2013.

The conclusions are based on the Commission communication on security of energy supply and international cooperation ([13941/11](#)), picking up on several of the actions/initiatives which it suggests. This communication was presented last September in response to the February European Council conclusions ([2/1/11](#)), which called for better coordination of EU and member states' activities with a view to ensuring consistency and coherence in the EU external energy relations.

International relations in the field of energy

The Council was briefed by the Presidency and the Commission on events and developments in international relations that have taken place during the Polish Presidency, or are due to take place soon.

The briefing included, amongst other issues, the EU-OPEC ministerial meeting (Vienna, 27 June), the Energy Community ministerial meeting (Chisinau, 6 October), developments in the Southern Corridor, the EU-US Energy Council (Washington, 28 November), the EU-Russia Permanent Partnership Council, the Energy Charter Conference (Sofia, 29 November) and the IEA ministerial meeting (Paris, 18-19 October).

Other business

(a) **Exploration drilling in the exclusive economic zone of Cyprus**

The Council took note of the information provided by the Cyprus delegation on recent developments concerning the exploration drilling in the exclusive economic zone of Cyprus ([16676/11](#)).

(b) **The response of Cyprus to the state of emergency in the electricity sector**

The Cyprus delegation briefed the Council on the response of Cyprus to the state of emergency in the electricity sector, arising from the July 2011 accident near the Vassilikos Power Station ([16678/11](#)).

(c) **Energy Policies of IEA Countries - Greece 2011 (Athens, 27 October 2011)**

The Greek delegation briefed the Council on the IEA's in-depth review of Greece's energy sector and policies ([16681/11](#)).

(d) **Helios Project**

The Council took note of the information provided by the Greek delegation on the Helios Project ([16681/11](#)). This project was presented last September at the 26th European Conference on Solar energy. Its aim would be to produce solar-generated electricity with an installed capacity of 3 to 10 GW on the basis of a cooperation mechanism with other member states under the framework established by the renewable energy directive.

(e) **Invitation to participate in the non-exclusive seismic survey offshore Western and Southern Greece**

The Council took note of the invitation made by the Greek delegation for the participation in non-exclusive seismic survey offshore Western and Southern Greece ([16681/11](#)).

(f) **Competitiveness of the EU refining industry**

The Italian delegation informed the Council about concerted actions to sustain the competitiveness of the EU refining industry [16682/11](#).

(g) **Work programme of the incoming Presidency**

The Danish delegation informed the Council of its work programme ([16685/11](#)). Its work will focus in particular on energy efficiency and the Energy Roadmap 2050 while addressing energy infrastructure as a third main issue.

OTHER ITEMS APPROVED

ENERGY

EU-Russia Permanent Partnership Council

The Council adopted the annotated agenda for the meeting of the sixth EU-Russia Permanent Partnership Council on Energy. It will address in particular supply and transit issues, infrastructure and market issues.

FOREIGN AFFAIRS

Sudan and South Sudan - restrictive measures

The Council adapted certain EU restrictive measures against Sudan due to the creation of the state of South Sudan. The regulation in question concerns the prohibition of granting technical and financial assistance related to military activities and arms, which now applies to both Sudan and South Sudan.

Relations with Armenia

The Council established the position of the European Union for the twelfth meeting of the EU-Armenia Cooperation Council, to be held in Brussels on 25 November 2011.

Relations with Azerbaijan

The Council approved the position of the European Union for the twelfth meeting of the EU-Azerbaijan Cooperation Council, to take place in Brussels on 25 November 2011.

ECONOMIC AND FINANCIAL AFFAIRS

Motor fuels - United Kingdom

The Council adopted a decision authorising the United Kingdom to apply reduced levels of taxation, in accordance with article 19 of directive 2003/96/EC, to motor fuels supplied on the islands of the Inner and Outer Hebrides, the Northern Isles, the islands in the Clyde and the Isles of Scilly ([16038/11](#)).

Motor fuel prices in these regions are higher than in the rest of the country, placing local consumers at a disadvantage. The tax reduction will apply to unleaded petrol and gas oil and will be no greater than what is necessary to compensate for additional per unit costs. It will apply from 1 November 2011 to 31 October 2017, unless the EU's energy taxation system is modified in the meantime.

BUDGETS

Additional humanitarian aid for the Horn of Africa and Pakistan

The Council approved the reinforcement of the humanitarian aid budget line by EUR 33.86 million in commitments and EUR 20 million in payments, mainly from the emergency aid reserve, in order to provide humanitarian assistance in response to the drought in the Horn of Africa and to the flooding in Pakistan.

An amount of EUR 23.86 million in commitments will be made available to the Horn of Africa, in addition to the EUR 157.4 million of humanitarian assistance which the EU has already provided to Ethiopia, Kenya, Somalia and Djibouti. The new resources will be used notably for food assistance, interventions in under-funded sectors like health and water and assistance to refugees. The eastern Horn of Africa has experienced two consecutive seasons of significantly below-average rainfall which has led to failed crop production, livestock mortality and driven food prices to record levels.

For Pakistan, an amount of EUR 16.5 million in commitments will be made available to enable humanitarian organisations to provide relief to the flood affected population. EUR 10 million are secured from the emergency aid reserve and EUR 6.5 million from remaining funds under the humanitarian aid budget line.

TRADE POLICY

Western Balkans - Stabilisation and association process*

The Council adopted a regulation extending the validity, until 31 December 2015, of regulation 1215/2009 introducing exceptional trade measures for countries and territories participating in or linked to the EU's stabilisation and association process ([47/11](#) and [15672/11 ADD 1](#)).

The regulation, which applies retroactively as of 1 January 2011, also makes adjustments in order to take into account the entry into force of bilateral trade agreements with Bosnia and Herzegovina and Serbia.

Trade preferences were granted for a period ending on 31 December 2010 to Bosnia and Herzegovina, Serbia and Kosovo¹ for all the products under the scope of regulation 1215/2009.

Products originating in Albania, Bosnia and Herzegovina, Croatia, the former Yugoslav Republic of Macedonia, Montenegro or Serbia will continue to benefit from the provisions of the regulation as well as from any concession provided for in the regulation which is more favourable than that provided for under bilateral agreements between the Union and those countries.

For a decade, the EU has granted duty-free access to the EU market for nearly all products originating in the countries and territories benefiting from the stabilisation and association process. The key aim of these measures is to revitalise the Western Balkan economies through a privileged access to the EU market. In turn, economic development is to foster political stability in the entire region.

¹ As defined by UNSCR 1244/99.

JUSTICE AND HOME AFFAIRS

Single permit for third-country nationals

The Council adopted its first-reading position on new rules for creating a single permit for third-country nationals to reside and work in the EU ([13036/2/11](#)).

The text aims to simplify the procedures for the admission of third-country nationals to reside and work in the EU and to facilitate the control of their status. It also lays down common rights for third-country nationals legally residing in a member state, based on equal treatment with nationals of that member state.

For more information see press release [12266/11](#).

European Protection Order

The Council adopted its first-reading position on the directive concerning a European Protection Order (EPO) ([15571/11](#)) as well as an accompanying Council statement of reasons ([16613/11 ADD 1](#)).

The aim of the European Protection Order is to improve the protection granted to victims of crime, or possible victims of crime, who move between EU member states. The directive is limited to protection measures in the area of criminal justice. Those cases where protection measures are a matter of civil law in the issuing state will be dealt with in a separate legislative act, a regulation proposed by the European Commission in May 2011 ([10613/11](#)).

The European Parliament is expected to give its green light to the text in the coming weeks. Member states then need to transpose the directive into national law within three years.

For more information, see [14517/11](#).

CEPOL agreements with Georgia and Montenegro

The Council approved two cooperation agreements between the European Police College (CEPOL) and the Academy of the Ministry of Internal Affairs of Georgia ([15448/11](#)) and the Police Academy in Danilovgrad, Republic of Montenegro ([15449/11](#)).

Qualification directive

The Council adopted today amendments to the directive on minimum standards for the qualification and status of third-country nationals or stateless persons as beneficiaries of international protection and the content of the protection granted ([PE-CONS 50/11](#)). The new provisions need to be transposed into national law within two years.

The new rules aim to guarantee that, wherever a person applies for international protection in the EU (refugee status, status of beneficiary of subsidiary protection), the protection needs are assessed according to the same criteria. The text also ensures a minimum level of rights during the assessment phase as well as once the protection status has been granted. Furthermore, it eliminates most differences between the rights of refugees¹ and the rights of beneficiaries of subsidiary protection².

For more information, see this [17435/11](#).

¹ A refugee is a third-country national or stateless person who fears or has experienced persecution in his country of origin or former habitual residence for reasons of race, religion, nationality, political opinion or membership of a particular social group and applies for international protection in another country.

² A person eligible for subsidiary protection is a third-country national or a stateless person who does not qualify as a refugee but who, if returned to his country of origin or former habitual residence, would face a real risk of suffering serious harm (e.g. death penalty, torture or indiscriminate violence in an armed conflict).

GENERAL AFFAIRS

EU programme for integrated maritime policy *

The Council adopted a regulation establishing an EU programme to further promote the development and the implementation of the EU's integrated maritime policy ([55/11](#) and [16614/11 ADD1](#)).

The Union's integrated maritime policy will foster coordinated decision-making related to coastal, insular and outermost regions and maritime sectors in the EU.

The programme, which will support the sustainable use of the seas and oceans, and the expansion of scientific knowledge, has the following general objectives:

- (a) to foster the development and implementation of integrated governance of maritime and coastal affairs;
- (b) to contribute to develop synergies and to support sea or coast-related policies, particularly in the fields of economic development, employment, environmental protection, research, maritime safety, energy and the development of green maritime technologies;
- (c) to promote the protection of the marine environment, in particular its biodiversity, and the sustainable use of marine and coastal resources, in line with the "marine strategy framework directive" (2008/56/EC);
- (d) to support the development and implementation of sea-basin strategies;
- (e) to improve and enhance international cooperation;
- (f) to support economic growth, employment, innovation and new technologies in maritime sectors in the Union.

The budget for the implementation of the programme in accordance with the relevant European objectives is EUR 40 million for the period 2011 to 2013.

COMMON SECURITY AND DEFENCE POLICY

EULEX Kosovo

The Council approved the budget for the CSDP mission EULEX Kosovo for the period from 15 December 2011 to 14 June 2012. The central aim of the mission is to assist and support the Kosovo authorities in the rule-of-law area, specifically in the police, judiciary and customs areas.

TRANSPORT

Trans-Siberian flights

The Council endorsed an agreement with Russia on the use of trans-Siberian routes by EU air carriers, which will improve the competitiveness of EU carriers on routes to destinations in Asia. The agreement abolishes the obligation for EU carriers to enter into commercial agreements with, and pay fees to, Russian air carriers for the use of those routes as from 1 January 2014 at the latest, thereby settling a long-standing point of contention between the Union and Russia in the field of aviation. Any charges to be paid to the Russian authorities will have to be cost-related and transparent and must not lead to discrimination between foreign airlines.

The agreement, called "agreed principles", will enter into force on the first day of the month following the date on which the decision on the accession of Russia to the World Trade Organisation is taken, which is expected to be in December this year. As from that day - that is, most likely from 1 January 2012 - newly operated overflight frequencies will not require prior conclusion of commercial agreements and corresponding payments, while payments resulting from existing overflight arrangements may not exceed the amount paid in 2006. In addition, six months after the entry into force, bilateral arrangements between EU member states and Russia are to be modified so as to ensure that no special commercial agreement or payment is needed for code sharing by EU carriers and for their right not to stop in Russian territory on trans-Siberian routes.

Whilst the agreed principles were already initialled by the EU and Russia in 2006 and endorsed by the Council in 2007, Russia has only now agreed to commit itself to implementing them.

EMPLOYMENT

Mobilisation of the European Globalisation Adjustment Fund for France

The Council adopted a decision mobilising an amount of EUR 24.5 million under the European Globalisation Adjustment Fund (EGF), providing support for workers made redundant in France. The amount will be allocated to employees of the Renault company and seven of its suppliers who have been dismissed because of a decline in demand for vehicles as a consequence of the global financial and economic crisis.
