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Subject: Advancing Sustainable Electricity Grid Infrastructure
- Council conclusions (30 May 2024)

Delegations will find in the annex the Council conclusions on “Advancing Sustainable Electricity Grid Infrastructure”, as approved by the Transport, Telecommunications and Energy Council at its meeting held on 30 May 2024.

**Council conclusions on
“Advancing Sustainable Electricity Grid Infrastructure”**

THE COUNCIL OF THE EUROPEAN UNION,

RECALLING:

- The European Green Deal and its objective for the EU to be climate neutral by 2050 in line with the objectives of the Paris Agreement as endorsed by the European Council conclusions of December 2019¹ and enshrined in the European Climate Law;
- The Versailles Declaration of 10 and 11 March 2022² highlighting energy security and phasing out of the EU’s dependency on Russian fossil fuels as soon as possible, in particular by completing and improving the interconnection of European gas and electricity networks and fully integrating power grids throughout the EU;
- The European Council conclusions of April 2024³ which underline the importance of achieving a genuine energy Union which requires inter alia substantial deployment of and investment in grids, storage and interconnections;
- The Commission’s Communication on REPowerEU on reducing dependency from Russian fossil fuels, speeding up the energy transition and the further integration of the energy market⁴;

¹ <https://www.consilium.europa.eu/en/press/press-releases/2019/12/12/european-council-conclusions-12-december-2019/>

² <https://www.consilium.europa.eu/en/press/press-releases/2022/03/11/the-versailles-declaration-10-11032022/>

³ <https://www.consilium.europa.eu/en/press/press-releases/2024/04/18/european-council-conclusions-17-and-18-april-2024/>

⁴ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM:2022:230:FIN>

- The “energy efficiency first” principle as anchored in the Energy Efficiency Directive;
- The possibility for Member States under the revised Renewable Energy Directive to simplify permit-granting procedures for renewable energy projects and for the necessary infrastructure projects, including through the creation of ‘Renewable acceleration areas’;
- The electricity interconnection targets as reflected in the Regulation on the Governance of the Energy Union and Climate Action⁵;
- The Trans-European Networks for Energy (TEN-E), which contribute to the deployment of cross-border infrastructure, through the selection of projects of common interest (PCIs) and projects of mutual interest (PMIs) by proposing ways to simplify and accelerate permitting and authorisation procedures and a suitable regulatory approach, and by providing access to EU funding through the Connecting Europe Facility for Energy;
- The need to take into account the unique situation of less or not interconnected, peripheral, outermost or isolated regions and Member States; as well as those located at the external borders of the EU, neighbouring with countries that pose a direct threat to Members States or European security, especially since Russia’s war of aggression against Ukraine;
- The Commission’s Communication of November 2023 on an EU Action Plan for Grids, which identifies challenges and proposes tailor-made actions and recommendations that could be implemented within the following 18 months in order to deliver on the Union’s 2030 objectives⁶;

⁵ <https://eur-lex.europa.eu/eli/reg/2018/1999/oj>

⁶ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM:2023:757:FIN>

- The “European Climate Risk Assessment” report by the European Environment Agency of 11 March 2024 and the Commission Communication of 12 March 2024 on “Managing climate risks - protecting people and prosperity” emphasising the need to strengthen Member States’ climate risk planning in the energy sector, given that climate change will continue to exert significant stress on European energy infrastructure;
- The Directive on the resilience of critical entities⁷ and the Directive on measures for a high common level of cybersecurity across the Union (NIS II)⁸;
- The European Council conclusions of March 2024⁹ which invited the Council to take work forward, and the Commission together with the High Representative to propose actions to strengthen preparedness and crisis response at EU level in an all-hazards and whole-of-society approach, taking into account Member States’ responsibilities and competences, with a view to a future preparedness strategy;

⁷ <https://eur-lex.europa.eu/eli/dir/2022/2557/oj>

⁸ <https://eur-lex.europa.eu/eli/dir/2022/2555/oj>

⁹ <https://www.consilium.europa.eu/en/press/press-releases/2024/03/22/european-council-conclusions-21-and-22-march-2024/>

- The joint report by ACER and the European Environment Agency of October 2023 on “Flexibility solutions to support a decarbonised and secure EU electricity system”¹⁰;
- The Ten-Year Network Development plan (TYNDP) 2024 and the recently published Offshore Network Development Plans (ONDPs);
- The Commission’s Communication “Powering a climate-neutral economy: An EU Strategy for Energy System Integration”¹¹ and the Hydrogen and Gas Directive¹² and Regulation¹³ that includes a more coordinated and integrated planning between different energy carriers and the Directive as regards the promotion of energy from renewable sources¹⁴;
- The Commission Communication of April 2024 on “The clean transition dialogues – stocktaking / A strong European industry for a sustainable Europe”¹⁵;
- The Energy Infrastructure Forum that takes place every year in Copenhagen, and the dedicated platform which will regularly monitor the progress and report at the annual meeting of the Forum on delivery of the EU Grid Action Plan;

¹⁰ <https://www.eea.europa.eu/publications/flexibility-solutions-to-support>

¹¹ <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=COM:2020:299:FIN>

¹² <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52021PC0803>

¹³ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM:2021:804:FIN>

¹⁴ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32023L2413>

¹⁵ https://commission.europa.eu/publications/clean-transition-dialogues-stocktaking-strong-european-industry-sustainable-europe_en

- The 2024 updated national energy and climate plans to be prepared by Member States and focused on the need for clear objectives, measures and investments to reinforce electricity grids both at distribution and transmission level as well as interconnections;
- The Commission's Communication of February 2024 on the 2040 climate target and path to climate neutrality by 2050¹⁶ and the accompanying impact assessment, which refers *inter alia* to the investment needed in grids owing to the increasing electrification of our economies;
- The April 2024 report 'Much more than a Market' by Enrico Letta, which calls amongst other things for more market integration and common action and the building of a robust infrastructure network that covers the entire continent, facilitated through integrated planning and EU funding;
- The following Council conclusions do not pre-empt any future MFF discussions.

¹⁶ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM:2024:63:FIN>

- I. Towards a coordinated, interconnected and integrated European electricity network
1. ACKNOWLEDGES the crucial role of the interconnected, integrated and synchronised¹⁷ European electricity network in ensuring a secure system, the smooth functioning of the internal market, the EU competitiveness and socio-economic development and the achievement of the EU energy and climate goals; UNDERLINES in this regard the need to maintain clear pricing signals within and across Member States; and to ensure an efficient dispatch of assets;
 2. HIGHLIGHTS that a fully integrated, interconnected, and synchronised European power system can only be achieved if the EU's electricity grid infrastructure is deployed and used as effectively and efficiently as possible for exchanges of energy, including through flexibility and other non-wire solutions, so that the overall system costs borne by households and companies are mitigated as much as possible;
 3. UNDERLINES that decisive steps still need to be taken to achieve a fully integrated, interconnected, and synchronised European power system, with a view to further enhancing security of supply, the resilience of the electricity system, as well as competitiveness and decarbonisation; HIGHLIGHTS the need to take into account the specificities of not interconnected Member States or not sufficiently connected, peripheral, outermost or isolated regions; CALLS on the Commission to implement without delay the relevant actions of the EU Grid Action Plan in close cooperation with all relevant actors;

¹⁷ The references to an interconnected, integrated and synchronised European power system refer to the Continental Synchronous Area (formerly UTCE) and the final agreement on synchronisation with the Baltic System by February 2025. It complements and does not exclude the need for more interconnection and integration of separate synchronous systems in the EU, namely Cyprus, Ireland, the Nordic System, and other islands in the European Union.

4. UNDERLINES the need for a holistic, long-term, coordinated, improved and integrated electricity grid infrastructure planning at European level, covering both a 10 year and a 20-year horizon, taking into account national and European decarbonisation targets, and considers both offshore and onshore projects, including hybrid ones, whose progress needs to be monitored so as to ensure a swift implementation of the EU's climate and energy objectives;
5. HIGHLIGHTS the value of combining a bottom-up coordination of national plans at regional level with a European approach;
6. UNDERLINES the need to consider anticipatory grid investments to be able to avoid bottlenecks in future connection requests for production and flexibility facilities as well as demand, while balancing them against the risk of potential stranded assets;
7. HIGHLIGHTS the importance of ensuring holistic and integrated planning across all energy carriers in view of future energy needs, applying the energy efficiency first principle, ensuring coordination between transmission and distribution levels, and taking into account the importance for the energy sector to be predominantly free of fossil fuels well ahead of 2050 and the importance of aiming to achieve a fully or predominantly decarbonised global power system in the 2030s, and the ramp up of electricity infrastructure;
8. HIGHLIGHTS the importance of a stronger cooperation between Member States and an integrated approach between all actors in the value chain in order to optimise spatial planning and utilisation both on- and offshore; as well as the importance of coordinated maritime spatial planning; ENCOURAGES making use of various related initiatives such as the Greater North Sea Basin Initiative (GNSBI), the Helsinki Commission (HELCOM) and the Oslo-Paris (OSPAR) Commission; HIGHLIGHTS the relevance of regional cooperation regarding grid infrastructure planning and in the final updated national energy and climate plans;

9. UNDERLINES that commitment and financing for grids, including from the EU level as well as private financing, should be adequate and based on long-term planning, in line with the objective to achieve net zero emissions by 2050;
10. REITERATES the need for a swift and rigorous implementation and enforcement of EU rules so as to boost confidence in a fully integrated, interconnected and synchronised European power system in order to achieve a genuine Energy Union, which is a key benefit underlying investment in grids;
11. ENCOURAGES the Commission and Member States to build on initiatives to strengthen and expand distribution grids so as to integrate decentralised renewable energy, flexible resources, and to accommodate new demand linked to electrification as well as to ensure secure electricity supply to consumers in a more coordinated way¹⁸ and support the dissemination of best practices in distribution network planning e.g. by the EU DSO Entity;
12. HIGHLIGHTS the growing challenge of network congestion both at distribution and transmission level which, in addition to grid expansion, may require an approach that ensures sufficient adequacy as well as flexibility solutions;

¹⁸ GAP action: EU DSO Entity to support DSO grid planning by mapping the existence and characteristics of distribution development plans (mid-2024)

13. CALLS ON the Commission, in that regard:

- (a) To strengthen a framework that provides a regulatory environment which meets the requirements of the agreed decarbonisation ambitions, whilst facilitating anticipatory investments;
- (b) To develop an implementation agenda to support Member States, in close cooperation with transmission and distribution system operators, in addressing the main barriers to the efficient use and roll-out of electricity infrastructure, and in addressing network congestion on the transmission and distribution levels, inter alia by network development, streamlining of administrative planning and permitting procedures;
- (c) To further strengthen the regional approach to electricity infrastructure planning and combine it with an EU-wide approach including where appropriate with partner countries, with a long-term perspective and coordination through the priority corridors, four high-level groups¹⁹ and where relevant other regional cooperation formats;
- (d) To consider the regional level also for the exchange of best practices among Member States, regulatory authorities, and project promoters with the purpose of fostering regional cooperation²⁰ and grid integration;
- (e) To come forward with a strengthened framework to increase transparency, traceability and appropriate independent oversight for the whole transmission grid planning and development process through strengthening the current governance structure by providing for a European grid needs assessment and planning that complies with the EU climate and energy targets and meets the decarbonisation objectives;

¹⁹ BEMIP, CESEC, NSEC, Southwest Europe

²⁰ For example: the Pentalateral Energy Forum

- (f) To ensure that the aforementioned independent oversight leads to the development of a forecasting tool for grid needs and the linked investment needs on the path to climate neutrality at EU level by 2050 in view of facilitating network development;
 - (g) To foster a flexible use of energy, to reinforce demand response and energy storage and to launch a reflection on the grid tariffs framework;
14. CALLS ON the Commission and Member States to improve consistency between the TYNDP, ONDP and the national and regional grid development plans (NDPs), as well as consistency and complementarity with the national energy and climate plans;
 15. CALLS ON the Commission to assess and identify gaps and develop measures if needed to improve the governance framework at EU level concerning the planning, selection and implementation of cross-border infrastructure, especially within the TYNDP process and taking into account ACER's opinions;
 16. CALLS ON ENTSO-E to make use of the lessons learned and the stakeholder feedback in their reporting on and future iterations of the TYNDP and CALLS on the European Commission to consider proposing a longer time horizon for future network development plans;

17. CALLS ON the Member States:

- (a) To ensure nature-inclusive design, so as to reconcile grid development acceleration and generation, storage, flexibility and demand expansion with environmental and biodiversity protection;
- (b) To ensure a people-centred approach to the energy transition, closely involving citizens, citizen energy communities and renewable energy communities when developing energy infrastructure and revisiting grid connection and grid access capacity procedures to ensure a level playing field with other market actors;
- (c) To encourage and support TSOs and DSOs in strengthening their cooperation and in developing new grid projects including smart grids wherever they are needed and in reinforcing, maintaining, digitalising and modernising existing grids as well as using flexibility, while taking into account the need to address the challenges related to shifting from centralised to distributed and intermittent energy generation;
- (d) To remain committed to open and integrated cross-border energy trade and interdependence, thus enabling transit flows across Member States and partners and a well-functioning internal electricity market which can be achieved by inter alia ensuring the free flow of energy within and between Member States;

18. CALLS ON transmission system operators and distribution system operators, to address network congestion both within the Member States on the transmission and distribution levels as well as across the EU;

II. Energy security and the resilience of energy infrastructure

19. ACKNOWLEDGES the importance of a robust, interconnected, independent, reliable and secure European energy system, which contributes to Europe's open strategic autonomy and competitiveness;
20. WELCOMES the successful completion of the stress test of critical infrastructure in the energy sector, based on common principles as per the Council Recommendation of December 2022 on a Union-wide coordinated approach to strengthen the resilience of critical infrastructure²¹;
21. EMPHASISES that the energy system in Europe needs to be protected against the new threats that it has been facing since 2022. This has led to a new understanding of the security and resilience of the European energy system and of the need for a coordinated set of energy security measures;
22. EMPHASISES the need for coherent and effective implementation of EU legislation addressing security issues including cyber security risks;
23. EMPHASIZES that system stability is of key importance to ensure a safe and secure system operation and CALLS ON Network Operators, NRAs or Member States to take the necessary measures in line with internal market rules;

²¹ [https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32023H0120\(01\)](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32023H0120(01))

24. CALLS ON the Commission to assist Member States and where relevant Energy Community contracting parties, in improving security of electricity supply, also considering physical and cyber security of energy infrastructure, and conduct a targeted review of the EU's security of electricity supply architecture over the longer term focusing on risk preparedness, whilst taking into account Russia's war of aggression against Ukraine, climate risks and various low-probability high-impact scenarios as well as recent developments and lessons learned from the energy crisis; RECOGNISES the specific security risks in the Member States located on the external borders of the EU, neighbouring with countries that pose a direct threat to European security.
25. CALLS ON Member States to strengthen cooperation between public authorities and infrastructure entities, at the national, regional, European and international levels, in order to protect and strengthen the resilience of infrastructure, inter alia, against hybrid threats, including at offshore and subsea level;
26. CALLS ON the Commission to support Member States in applying the security-by-design principle when developing energy infrastructure, including with regards to smart metering systems and data communication infrastructure;
27. CALLS ON the Commission, the Member States and relevant partners to further improve the exchange of relevant information concerning threats to and disruptive impacts on critical energy infrastructure and value chains, including in terms of ownership;
28. INVITES the Commission and the European Environmental Agency to conduct regular European Climate Risk Assessments;

III. Bridging the gap in electricity grid infrastructure investment

29. ACKNOWLEDGES the unprecedented investment needs in electricity networks at both transmission and distribution level in order to ensure a highly interconnected, integrated and synchronised European power system to achieve the EU's decarbonisation, competitiveness and security of supply objectives;
30. NOTES the conclusions of Enrico Letta's report on the internal market, and UNDERLINES the role of the interconnected energy market for fostering efficient energy and climate policies, and INVITES the Commission to reflect on the report's recommendations related to energy infrastructure;
31. CALLS ON the Commission to develop further guidance for Member States, TSOs and DSOs in making the best use of existing EU funds for transmission and distribution electricity grids as well as hybrid projects, while making the granting process for CEF funds more accessible and streamlined;
32. INVITES the Commission to provide information about the actual investment needs in relation to electricity grids compared to the funds earmarked for them and to look for ways to increase overall investments for electricity grid infrastructure;

33. STRESSES the need for a robust CEF in order to adequately respond to and support the increased investment needs in onshore and offshore grid development projects;
34. CALLS ON the European Investment Bank to further strengthen financing and de-risking initiatives and tools to support additional electricity grid expansion and modernisation;
35. NOTES that in order to develop offshore energy production in a cost-effective manner that maximises overall benefits at European level, it becomes increasingly relevant in some sea-basins to work beyond radial connections towards a hybrid meshed grid connected to different Member States; NOTES that developing offshore infrastructure beyond radial connections brings also different new challenges on coordination and cost or risk sharing between those concerned; CALLS on the Commission to assess these challenges, the remaining gaps and whether, beyond the implementation of the relevant provisions, it would be necessary to come forward with further fair and proportionate proposals in this respect;

36. LOOKS FORWARD TO the results of the Commission's guidance on collaborative investment frameworks for offshore and onshore grid projects, including hybrid projects;
37. CALLS ON the Commission and ENTSO-E to ensure that also non-economic elements, such as national and regional security of supply transmission and system adequacy, redispatch, flexibility, and the reduction of greenhouse gas and environmental impacts are included in the guideline for Cost Benefit Analysis of Grid Development Projects;
38. CALLS ON the Commission to support Member States in developing a comprehensive European approach to offshore bidding zones by providing guidance to Member States within the existing regulatory framework, without prejudice to Member States' competences and while consulting the stakeholders;
39. STRESSES the importance of cost-efficiency and a just transition so that additional investments in electricity grid infrastructure avoid having a disproportionate impact on final consumers or taxpayers;

IV. Scale and speed of the development of electricity infrastructure

40. HIGHLIGHTS that the acceleration of permitting procedures of grids is of utmost importance to scale-up and accelerate the development of electricity infrastructure, always taking into account the impact on the environment and citizens early on and throughout the process in a way that ensures a balance between the different elements;
41. IS CONCERNED about the prolonged lead time associated with current infrastructure projects and STRONGLY ENCOURAGES concerted efforts of Member States to speed up this process;
42. HIGHLIGHTS the problem of limited manufacturing capacities and service-providers which leads to higher costs and prolonged lead times for grid projects and HIGHLIGHTS the need for ambitious measures aiming at developing a strong European value chain for grids, contributing to EU's competitiveness and strategic autonomy while preserving an open economy;
43. INVITES the Commission to explore possibilities to facilitate regional or EU-wide visibility on procurement of grid components to send the right signals for local industry to ramp-up manufacturing capacities; and provide, in cooperation with relevant actors, recommendations on the role of harmonised functional tender specifications and standards can play in accelerating and facilitating procurement procedures; and in this context assess the opportunity to adapt the EU rules on public procurement;

44. HIGHLIGHTS the role of standardisation in accelerating grid infrastructure development, cutting costs and facilitating investments as well as the importance of the work of the European Standardisation Organisations and in particular the established High-Level Forum on European Standardisation and CALLS FOR an acceleration of the on-going work regarding standards for electricity infrastructure while taking into account the role of innovation in this respect;
45. HIGHLIGHTS, for the medium to long term, the need for smart standardisation to speed up production processes, minimise supply chain disturbances and increase their efficiency while ensuring the availability of grid components in Europe; and ENCOURAGES the High-Level Forum on European Standardisation to come forward with recommendations and standardisation priorities;
46. EMPHASISES, in the short term, the need for common practices among and within Member States, in order to make procedures more compatible and interoperable across industries, including for permits and procurement;
47. HIGHLIGHTS the participation of prosumers in the EU electricity market and CALLS ON the Commission to assess the interoperability needs and the opportunity for standardisation of smart appliances at household level;
48. CALLS ON ENTSO-E and the EU DSO Entity to enhance collaboration with technology providers to develop common technology specifications by the end of 2024 in the framework of a workshop agreement by the European Standardisation Organisations to improve visibility of required and planned new grid projects, as well as to disseminate best practices at EU level on permit granting procedures;

49. CALLS ON ENTSO-E and the EU DSO Entity to assess the added value of functional tender designs and to issue, non-binding guidelines to its members based on this assessment;
50. EMPHASISES the importance of generating local benefits in order to increase public acceptance of electricity grids e.g. by including an environmental design; CALLS ON Member States, in that regard, to duly implement the provisions on renewable energy communities and the citizen energy communities and to join and implement the Pact for Engagement so as to ensure early and regular information and public participation in grid development projects as well as the engagement of local entities and territories;
51. CALLS FOR the speeding up of procedures in the permit-granting process, the streamlining of tendering, procurement processes, the enhancement of administrative capacity and the digitalisation of the relevant processes;
52. CALLS ON the Commission to assess and identify measures to accelerate relevant permitting procedures for electricity grid infrastructure paying attention to the coherence of the framework for energy, nature and environment;
53. EMPHASISES the importance of the availability of an adequately skilled labour force;
54. ENCOURAGES public administrations to make data for environmental assessment available in order to accelerate and facilitate permitting procedures.
